

A Customer Value Typology: Beyond the Functional - Emotional Dichotomy

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Abstract: The conceptual validity of the traditional functional - emotional distinction employed in the development of branding and communication strategies is questioned. It is argued that the distinction is schematically confusing to the extent that it is variously placed by many writers in the cognitive and affective phases of the consumer's psychological process. The paper argues that, while the "functional" is cognitive in so far as it is a "perceived value", the "emotional" relates to the extent to which the consumer is 'affected' by the 'value' perceived. The paper introduces the distinction of use value (value "for me") versus sign value (value "of me"), and states that marketers should attempt to produce the desired 'affect' by relating the focal use or sign value to personal end goals of the customer. The paper extends these twin value paradigms into five value domains: Functional, Experiential, Relational, Social and Psychological. It posits five corresponding consumer roles of the User, Experiencer, Member, Communicator and Actualizer, and importantly, lays bare five levels of branding predicated on the value domains and customer roles. They are Think, Sense, Relate, Project and Reflect consumer responses or branding modes. A greater understanding of customer value is key to the effective management of brands. The paper's central intent is to help achieve this end.

Introduction

The concept of customer value is central to the design and development of brands and brands have been considered to be vital assets of a company for at least five decades now. The concepts of "brand equity" and "brand valuation" have gained currency over the past two decades, in particular. Certainly, economic evidence of the central importance of brands to corporates is growing. For example, the central domain of

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the brand - the intangible element of combined market capitalization of the FTSE 100 companies has increased to around 70 percent compared with some 40 percent twenty years ago, and it is likely to grow even further as tangible distinctions between businesses become less sustainable. (Clifton, 2003). Globally, Interbrand estimates that brands will account for approximately one third of all wealth.

Clearly, it is widely accepted that great brands have, at their core, a compelling idea rooted in customer value, which captures customers' attention and loyalty by filling an unmet or unsatisfied need (Brymer, 2003). Doyle (2000) states that a brand is different from a label. The latter is merely a name, symbol or design that is used to distinguish the firm's product or service from its competitors. A brand has another element, besides being recognizable: that is, the promise of added value to the customer - advantages not possessed by competitors. A brand provides differentiated value to its customers through the brand's attributes of association (Doyle, 2000). In sum, a brand is a promise; it is a value offering to the customer.

The Functional - Emotional Dichotomy

Marketing literature, among other classifications, recognizes brand value in terms of that which is functional and emotional. Sheth et al. (1991) refer to functional and emotional values as two of the five values that influence consumer choice behaviour. Aaker (2002) refers to three value propositions based on functional, emotional and self-expressive benefits. This distinction of functional and emotional values, indeed, shorthand is commonplace among marketing practitioners as well. Interbrand, for instance, defines a brand in terms of "a set of functional or emotional associations that influences transactions between parties."

The functional dimension relates to what the product or service does. The consumer would typically receive and process information in regard to the brand's functions in a logical and reasoned way. It is prescribed that marketers, in this context, should present rational and logically reasoned arguments and information in order that receivers are able to engage in their decision-making processes. The emotional dimension relates to the feelings held about a brand - good, bad, pleasant or unpleasant - based on which an evaluation is made of the brand. This is the dimension that is concerned with feelings, sentiments, moods and emotions about the brand. Marketers in such situations should create images in the minds of consumers in order to elicit the consumers' emotional response (Fill, 1999).

Claeys et al. (1995), having perused the literature on the functional - emotional distinction, posit that functional value includes the performance dimensions of a brand as opposed to the "enhancement of self" and "emotional value". Similarly, cost /

benefit value considerations are contrasted with subjective meanings, and importantly, tangible features of the product or brand are contrasted with its intangible features in regard to functional (think) versus emotional (feel) values. The functional versus emotional distinction is often portrayed as a dimension orthogonal to high / low involvement. Claeys et al. (1995) report the Foote, Cone, and Belding grid. Within this matrix, products and services are classified according to whether the purchase decision occurs under high or low involvement, and entails cognitive (thinking / learning) versus affective (feeling) information processing. Since its introduction, product classification rules dictated by the FCB - grid have been revised. Ratchford (1987) translated the "think" side of the grid into products purchased for "utilitarian needs" or motives where the main focus is on tangible attributes and functional performance, and which are cognitively processed and evaluated. The "feel" side was interpreted to represent products where the drive or motive for purchase is ego gratification, social acceptance and sensory stimulation. The focus is on possibilities of self-enhancement, and product evaluation is based on intangible attributes and is essentially holistic.

Rossiter and Percy (1991) argue against the overly simplistic and sometimes deceiving "think / feel" dichotomy. Instead, they argue that the underlying buying motives of the consumer of "informational" versus "transformational" are a more robust basis of classification of consumer choice behaviour. "Informational motives" refer to negatively reinforcing purchase motivations that can be satisfied by the acquisition of information about the product or brand. "Transformational motives" are positively reinforcing purchase motives that promise to enhance the brand user by effecting a transformation in the consumers' sensory, social or mental states.

Claeys et al. (1995) argue that using the "informational / transformational motivation" distinction as a classification basis may be preferable in that, a) it is acknowledged that the "think" side may incorporate "feelings" and b) the classification is not a characteristic of the product *per se*, but rather is determined at the level of the individual consumer.

Ratchford, (1987); Rossiter and Percy, (1991); Park and Young, (1985) refer to "think" products which are bought mainly for utilitarian and cognitive reasons, such as problem avoidance, problem removal, incomplete satisfaction, mixed approach - avoidance and normal depletion. Purchase of "feel" products, on the other hand, is driven by the need to satisfy emotional wants, and by value-expressive affective motives, (Park and Young, 1985; Hirschman and Holbrook, 1982) such as ego and sensory gratification, social acceptance and intellectual stimulation (Ratchford, 1987; Rossiter and Percy, 1991). While acknowledging the presence of functional benefits, Aaker (2002) makes a distinction between emotional benefits which are markedly (inwardly) subjective (e.g: Saturn's "pride in a U.S. made car") and self-expressive

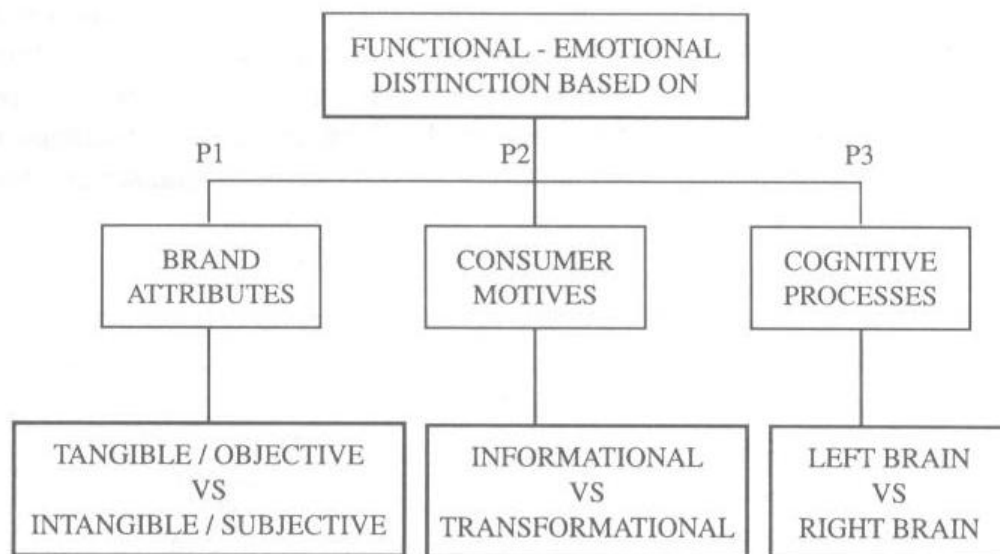
benefits which are markedly (outwardly) projective (e.g: Saturn's "down-to-earth, young at heart personality").

Vaughn (1980), as reported by Claeys (1995), used the concept of brain specialization to differentiate between thinking and feeling. "Think" products are more apt to be processed logically and analytically, implying rational or sequential thinking, hence "left brain" processing. For "feel" products a more synthetic, holistic and intuitive approach, characteristic of "right brain" processing is envisaged. Ratchford (1987) refers to cognitive processing (stressing evaluation on performance related dimensions) for "think" products, and affective processing (emphasizing emotion, image and holistic judgment) for "feel" products.

Conundrums of the Functional - Emotional Dichotomy

The various classifications of the functional - emotional distinction, presented in the preceding section, point to three different perspectives.

FIGURE 1: Functional - Emotional Classifications



The first perspective suggests that the brand, the object, is characterized by functional versus emotional attributes. Hence, "think" versus "feel" products. The second perspective is based on the factors that motivate the consumer to purchase or consume a brand, either utilitarian or self-expressive. The third perspective is about the mode of processing information of a particular brand, either analytic or holistic.

A key question that needs to be raised in regard to the three classifications of the functional - emotional distinction illustrated in Figure 1 is: Is the functional - emotional distinction based on the *stimulus* (i.e. object / brand) or the *response* (i.e., subject / consumer), and are the two factors discreet and dichotomous?

Clearly, two individual consumers may well view a single product or brand differently in terms of its value, based on the consumer's needs or expectations, and the consumption contexts in which, for instance, a regular as opposed to an irregular user of mobile phones may attach disparate values to the product. The user of a mobile phone in a market context, where the use of the product is not commonplace, may attach greater "enhancement of self" value, and subjective meanings to the product than a regular user of mobile phones in a mature market. Hence, a definition of functional versus emotional value predicated on product attributes *per se* may prove problematic.

A new user of mobile phones may acknowledge the convenience of the product form in relation to that of a fixed telephone. The self-same "convenience" may be expressed by the consumer at a higher level of abstraction in terms of a sense of "ease and freedom", or "belonging to a particular in-group of people" (i.e. subjective meaning). This illustrates that the distinctions between "functional" (performance) and "subjective meaning" (likened to "feel / emotional" states) is neither discreet nor dichotomous. It is therefore argued that the functional - emotional dimensions are not located in the brand *per se*. They are not intrinsic to the brand. Importantly, locating the functional - emotional division in the areas of consumer motives and cognitive processes is also problematic, as it is conceptually confusing, and schematically dubious.

The functional dimension in terms of product attributes relates to brand performance. It is brand - specific. "Emotional", on the other hand, denotes a state of mind, a response of the consumer. It is customer - specific. The term "rational" to supplant "functional", would in part address this confusion. However, other than in making specific reference to the consumer's cognitive processing of the intrinsic or performance attributes of the brand, the inter-changeability of the "functional" and the "rational" is commonplace in the literature and is reflected in the constructs employed by the practitioner.

The conceptual and semantic confusion that arises out of the attempt to place the functional - emotional distinction within the ambit of consumer motives and cognitive processes becomes evident when the distinction is viewed in terms of the hierarchy-of-effects schemata.

Hierarchy of Effects and the Functional - Emotional Dichotomy

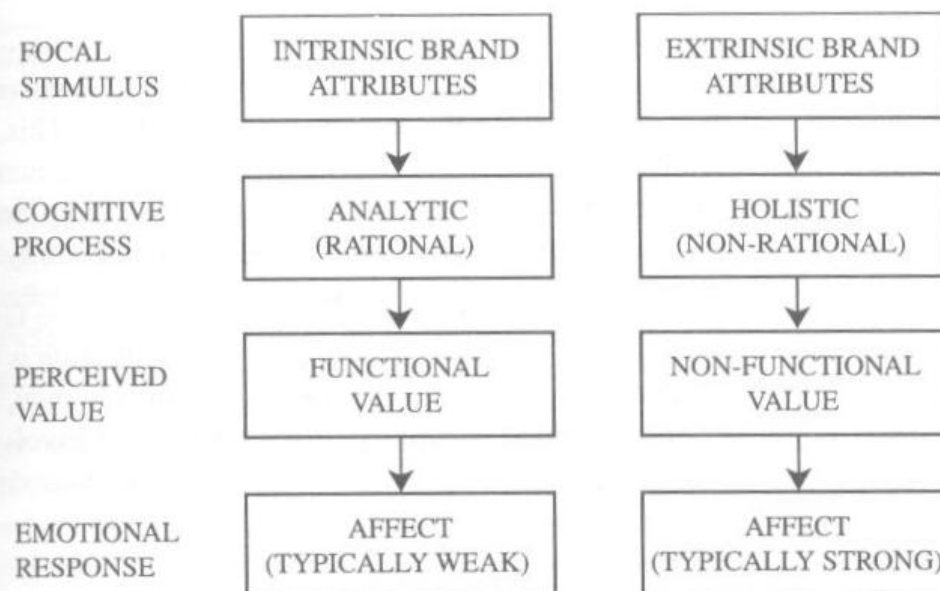
Strong (1925), Lavidge and Steiner (1961) and McGuire (1978) developed hierarchy of effects models based on the Freudian classification of the cognitive (think / learn), affective (feel) and conative (do / act). Given the scope of the paper, the hierarchy of effects will be examined in terms of the cognitive and affective dimensions.

The psychological processes that underpin the hierarchy of effects should be recognized first. When our senses come into contact with objects / stimuli in the environment, there is sensation. Arising from sense data thus gathered, we then become consciously aware of that which we sensed. We do so through analysis, interpretation and an attempt to make meaning of the sense data. This is the process of cognition (Groos, 1995). Hence, sensory contact with stimuli produces sense data (i.e. sensation) which is cognised, creating constructs in our minds of that which we sensed in the first place. The individual is next "affected" by that which is cognised. This is particularly the case when the stimulus (i.e. object / event) has implications for the individual's well being (Zojanc, 1972). Affect is described in terms of feelings, sentiments, moods, and in general, the individual's "emotional" state relating to the stimulus / object.

The psychological process of sensation, cognition and affect is underpinned by neurological activity that takes place in particular parts of the human brain. The sensory system, which produces "sensation" when the senses come into contact with an object/event, is located in the thalamus. This system processes the sensory input in the form of light waves, sound waves, haptic and tactile information that reaches the senses. The neocortex is the seat of cognition, where sense data is made meaningful. Affect or emotion is produced in the limbic system and in the amygdala, as well as the neocortex. The "lower systems" of the larger limbic system and the amygdala produce a fast "gut" affective response without much cognitive activity - thought, and analysis, whereas the neocortex produces more complex emotions (Schmitt, 1999). In other words, the three systems - sensation, cognition and affect - have their own structures, processes and principles, although they interact to produce one coherent sensory perception, thought and feeling.

The following illustration relates the psychological processes that characterize the cognitive - affective states to the consumer - brand interaction discussed earlier.

FIGURE 2: Re-locating the Functional - Emotional Dimensions



It is evident that the functional and emotional dimensions are not located in the attributes of the brand nor in the cognitive processes of a consumer. The "functional" dimension is in fact a perceived (cognised) *value*, which may "motivate" a consumer to act. However, "value" cannot be equated to motives. The "emotional" dimension is equated to affect (i.e. the extent to which the consumer is affected by that which is perceived).

Importantly, both intrinsic brand attributes (i.e. attributes that are tangible and intrinsic to the brand, and those that produce its performance) and extrinsic attributes (i.e. attributes that connote meaning or are derived from associations of the brand), produce "perceived value", which, in turn gives rise to an affect, depending on the measure of the perceived value having implications for the consumer's (self) well-being.

There are also occasions where intrinsic attributes of a product or brand can lead to perceived "functional value", and in turn, a strong affect (emotion), depending on the consumer's need-set and the brand's in-use context. The first - time user of post-it slips may well have been "affected" by the brand's convenience (i.e. functional value). The breakthrough discovery of a pharmaceutical product that cures a supposedly incurable disease may well produce an affect on the patient of a significant magnitude. These products of performance - based "functional value" produce a strong affect on the consumer because of their dominant implications for individual well being. It is

argued, therefore, that the traditional functional - emotional shorthand distinction not only lacks conceptual clarity but also lacks the explanatory prowess to deal with such situations.

Importantly, we have now located the functional and non-functional *value* in the cognitive phase and the "emotional" in the ensuing affective phase. This, as we have argued, is consistent with our understanding of modern psychology and neurology and points the way to the development of nomenclature that supplants the commonplace, but conceptually confusing, functional - emotional dichotomy.

The central question that needs to be raised in this context is about the factor(s) that produce an affect or an emotional response. The answer to this question is found, *inter alia* in the means - end theory (Gutmen, 1982, and Reynolds and Gutmen, 1988). The production of "affect" is important, specially in regard to high-involvement products, as the affective phase typically leads to behaviour or the purchase decision of the consumer.

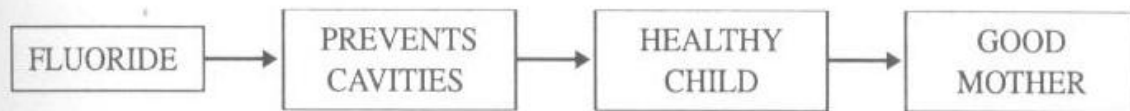
From Attributes to Value

In the preceding section of the paper, the confusing nature of the functional - emotional distinction was laid bare. The means - end theory interestingly suggests the nexus between the functional and emotional and their individual loci in the consumer's psychological process. This, it is believed, is a novel contribution to the literature on the means - end theory.

From the perspective of the means - end theory, personal values are the ends that people seek. Means are the things that people use to reach those ends. Within marketing, the word "means" refers to *product attributes* and benefits or *consequences* (both positive and negative) that flow from those attributes. Product attributes are characteristics of products. Consequences are the personally relevant outcomes that consumers experience when they own, use or consume a product (Parry, 2002).

Parry illustrates the movement from means (attributes) to consequences (benefits), leading to ends (personal values).

FIGURE 3: Means - End Chain for a Toothpaste



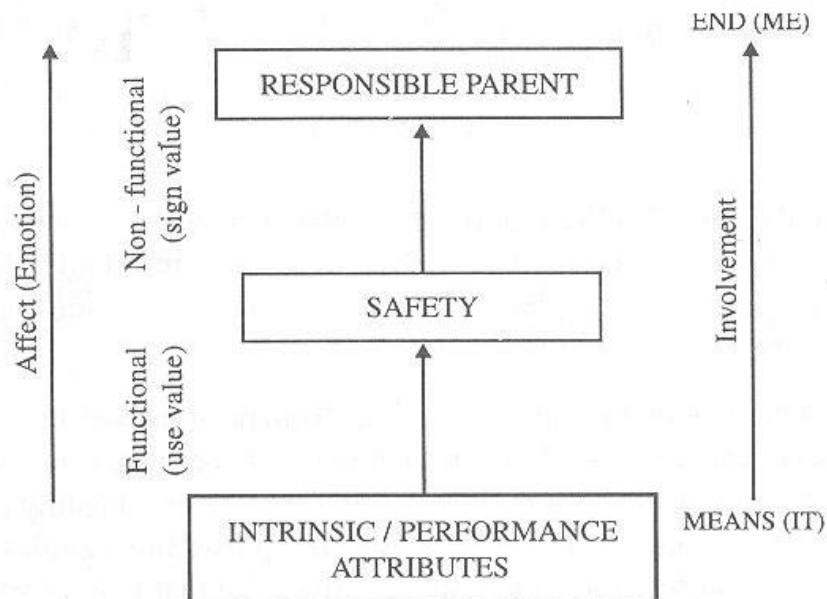
Gengler and Reynolds (1995) define personal values as "motivating end - states of existence which individuals strive for in their lives". A comfortable life, an exciting life, a sense of accomplishment, pleasure, self and social recognition are examples of such terminal values.

It is important to note that meaning springs from personal values (ends), and not from attributes (means). Parry (2002) points out that, because one values being a good mother, having a healthy child matters. Because having a healthy child matters, it is important that the child has no cavities. Because preventing cavities matters, one wants to buy a toothpaste with something (i.e. fluoride) that helps prevent cavities. However, fluoride assumes meaning for individual customers when the personal values of those customers invest fluoride with meaning.

When attributes are "in" a product, they are intrinsic. As we recognized, attributes that are symbolic and are not "in" the product or brand, but are associated with it, are "extrinsic". "Abstract" attributes such as quality, durability or luxuriousness are subjective judgments that summarize in the consumer's mind two or more lower level attributes. "Performance" attributes describe the ways in which a product performs its functions (i.e. does the diaper leak or will the fastener stay fastened?)

As one moves up the means - end chain, from attributes to end values, the level of abstraction increases. "Prevents cavities" is less abstract than "healthy child", which in turn is less abstract than "good mother". Moreover, as one moves up the means - end chain, implications for one's well-being increases progressively. Along with greater involvement of "self", as we observed earlier, one is increasingly "affected", giving rise to enhanced emotional states of mind. These interactions are illustrated below.

FIGURE 4: From Functional to Non-Functional Value



The above diagram illustrates the means - end value chain for a simple product (e.g. a toy) or a more complex one (e.g. a car). As the customer moves up the ladder of abstraction, the "ego involvement" of the consumer increases which produces greater "affect" or emotion. Importantly, at the level of "functional value" the customer thinks in terms of utilitarian value of the brand (Ratchford, 1987). As the consumer moves up the means - end chain, this "use value" of the brand is replaced by what it represents. In the above illustration, the choice of a "safe product" *represents* a "responsible parent". This goes beyond the "use value" of the product. It entails "sign value".

For greater conceptual and definitional clarity, we can replace "non-functional value" with "sign value" and "functional value" with "use value". Importantly, Figure 4 illustrates how "use value" is translated into "sign value" at a higher level of abstraction, which gives rise to greater affect or emotion, and consumer "involvement"- i.e., perceived relevance of an object or event to a consumer (Zaichkowski, 1985). However, exceptional situations in which "use value" significantly "affects" consumers exist, and reference was made to them.

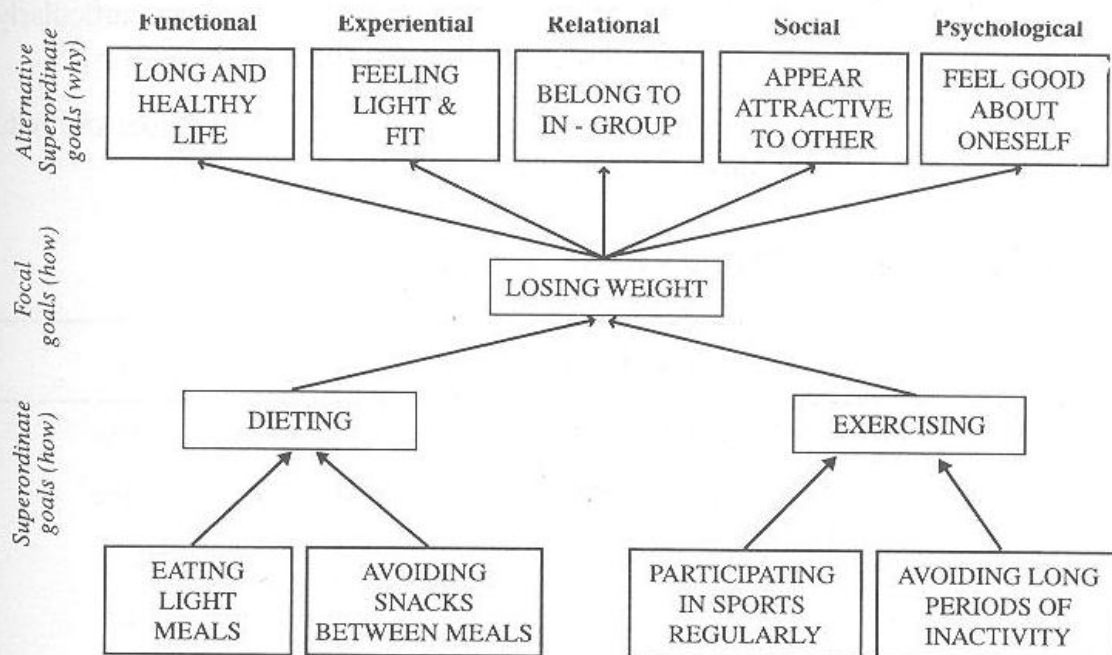
Expansion of Use and Sign Values

Use value is "for me", while sign value is "of me". This fundamental distinction of perceived value, which is located in the cognitive phase, could be enlarged and extended.

Pieters et al. (1995) relate the means - end chain to consumer goal structures. A goal is defined as the aim or end of an action; a mental image or an end point representation associated with affect towards which action may be directed (Perrin, 1989). Hence, goals serve two functions. First, they 'influence the direction of behaviour' by expressing *what* people are trying to accomplish, and in a broader sense *how* they are planning to attain it, and *why* they are pursuing the chosen course of action in the first place. Second, they influence the intensity of behaviour, 'by determining how vigorously a person will pursue a course of action depending upon the desirability and urgency of the focal goal. (Pieters et al., 1995)

Pieters et al. (1995) develop a hypothetical goal structure for one's intention to lose weight. Their conceptualisation is enlarged and illustrated below.

FIGURE 5: Customer Value Domains



Source: Adapted from Pieters et al., 1995.

The above conceptualisation refers to four levels of abstraction, establishing means - end connections from bottom to top. Pieters et al. (1995) refer only to "long and healthy life", "being attractive to others" and "feeling good about oneself" as super-ordinate goals. Similar classifications of customer value and need states have been developed by Park et al. (1986) who identified functional, symbolic and experiential brand foci and the functional - representational value matrix of Chernatony- McWilliam (1990).

It is argued that the functional - emotional classification has, perhaps, hindered the development and adoption of robust value typologies, because of the proclivity to include multiple value types under the single rubric of the "emotional". Importantly, this paper enlarges the scope of the end (personal) values or goals, and it delineates five value domains, which constitute the essential substance of the paper.

The person attempting to lose weight will be driven or "motivated" by one or more of the five value domains. These underpinning end or terminal values explain dieting and exercising behaviour of the individual, and at a less abstract level, the behaviour of eating lighter meals and participating in sports regularly, etc. These perceived / cognised value domains will have a varying affect (emotion) on the individual, based on their level of (self) involvement. The greater the perceived relevance of the value (i.e. end - goal), the greater will be the affect. Here again, we witness the movement from perceived value (cognitive) to emotion (affect), particularly in the case of high-involvement situations (Zaichkowski, 1985).

Figure 1 pointed to five terminal / personal value domains (i.e. super-ordinate goals). They are delineated below.

TABLE 1: Value Domains and their Central Meanings

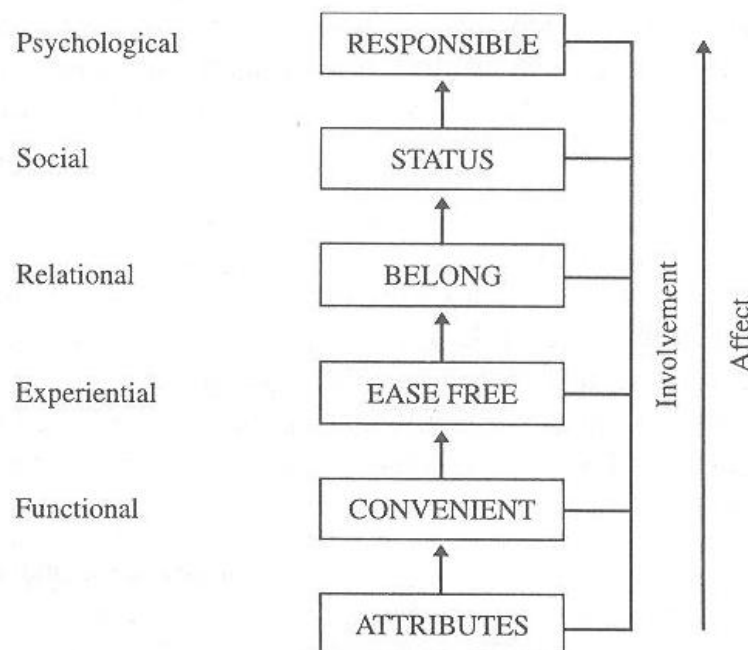
Value Domain	Central Meaning	Core Purpose
Functional	"What it does <i>for me</i> "	Solves problem
Experiential	"What it does <i>to me</i> "	Creates pleasure
Relational	"What it does <i>with me / them</i> "	Helps belong
Social	"What it says <i>about me</i> "	Enhances status
Psychological	"What it says <i>to me</i> "	Heightens self-worth

The market offering (i.e. brand) is referred to as "it", and both perceived "functional and experiential" values are value "for me" (i.e. use value), and the rest of the value domains are values "of me" (i.e. sign value). Hence, it is argued that there are two broad *value paradigms*, and five *value domains*.

Could the five value domains be arranged in a hierarchy as reflected in a means - end chain, where individual consumers may find a terminal end goal or value at one of the five steps of the hierarchy. A parallel is found in Maslow's hierarchy of needs theory. Maslow hypothesized that within every human being is a hierarchy of five needs (i.e. physiological, safety, social, esteem and self-actualisation). It is argued that physiological and safety needs, in essence, relate to functional value, while relational value equates Maslow's social needs. Esteem needs are termed "social value" in our classification, and self-actualisation needs relate to psychological value. Although there is no equivalence between the two frameworks, it is argued that there is a striking correspondence, none the less.

A means - end value chain of the five value domains is illustrated below with respect to the use of a mobile phone in a less mature market that attaches sign value to the product.

FIGURE 6: Hierarchical Ordering of Value Domains for a Mobile Phone



The mobile phones provide convenience of contactability at a functional level. It may be a terminal value - goal for some. One may "experience" the sense of ease and the "freedom" of not being tied to a physical setting in order to be contactable. The phone's symbolic value may help its user to belong to a particular reference group. The phone may also help to project the user's image and enhance his or her status in society - as one who is busy and successful. At a psychological level, the user of the mobile phone may feel responsible as a parent or as a corporate executive because he or she is now contactable throughout the day. These are all values that become relevant to individual customers. Importantly, as illustrated in Figure 6, one may not move up or down the ladder in step-by-step fashion. The consumer may, cognitively, by-pass or truncate particular steps of the ladder to reach a terminal goal or end value. It should also be noted that functional value is a possible terminal goal as it entails a measure of "self - involvement". This is an important adaptation of the traditional means - end theory.

A clearer understanding of the five value domains based on terminal values rather than instrumental values is found in the delineation of the five distinct *roles* of the consumer, who in the main operates in a given value domain.

Value Domains and Customer Roles

The mindset and the typical behaviour of the customer who operates in one value domain are likely to be different to those of another, operating in another value domain. Moreover, the difference in the behaviour of consumers in the two value paradigms (i.e. "use value" and "sign value") may be more pronounced than is the case between individual value domains.

Customer as User

The customer is seen here as a user of products. The concept of "utility" found in Economics is akin to this role of the customer. In this context, the customer buys products, because through their use, he or she is able to satisfy needs. The products' attributes and their functions are typically and carefully considered by the customer. The central question that the consumer raises in regard to an identified need is: "What will it do *for me*"?

The consumer in such contexts will typically become a rational decision maker who will carefully evaluate attributes of the product vis-à-vis competitors in the market (viz. value - expectancy models of consumer behaviour). The "customer as a user" is typically a "problem solver".

Customer as Experienter

Schmitt (1999) defines experience in terms of private events that occur in response to some stimulation. They are not self-generated but induced. Pine and Gilmore (1998) refer to the dawn of the "experience economy". A movement away from agrarian to industrial; from services to experiences, which coincides with a movement from characteristics to features; from benefits to sensations.

"Experience Marketing" has, at its base, "sensations", rather than benefits of services, or features of goods or characteristics of commodities (Pine and Gilmore, 1998). The "*consumer as experienter*" is subject to sensory stimulation, and is a seeker of *pleasure*. Hence, the consumer's role as hedonist is characterized by consumption for pleasure, for sensory stimulation and gratification, accompanied by affect, rather than for survival or to solve a problem. Gabriel and Lang (1997) refer to the pursuit of pleasure, untarnished by guilt or shame, which becomes the bedrock of a new moral philosophy, a new genre of the good life.

Importantly, Campbell (1987) makes the distinction between utility and pleasure. He describes them as distinct motivational principles, the former deriving from need, and the latter aiming at pleasure. Need represents the disturbance of a state of psychological equilibrium; it is based on absence, or lack or necessity. By contrast, pleasure, argues Campbell, is "*not so much a state of being as a quality of experience*; not an attempt to restore an earlier state of disturbed equilibrium, but is a quest for a certain kind of stimulus which will bring about a pleasurable experience". He concludes that "stimulation of the senses is therefore, itself, a part of the pleasurable experience" (Gabriel and Lang, 1997).

Customer as Member

Here, the customer's role is that of a member of a social group. Schein (1970) defines a social group as "any number of people who (i) interact with one another, (ii) are psychologically aware of one another, and (iii) perceive themselves to be a group. "Membership groups" are those to which the individual belongs. "Aspirational groups" are those to which one does not belong, but wishes to belong.

"Customer as member" takes two forms. First, a brand, given its *sign value*, will help the customer to maintain his position in a "membership group" he belongs to. Second, a product's sign value will enable him to associate himself with an aspirational group. The use or possession of the brand may signify the customer's membership of a group or his association with an (aspirational) group. Clearly, the need to belong to or be associated with a social group is a strong motivator and a dominant "value" of the customer.

Customer as Communicator

Here the customer buys, uses and owns brands for their communicative value, not use value. Customers establish and promote their identities through the consumption of brands. In sum, customers "value" the personal statements they are able to make through the brands they own and use.

At the core of "customer as communicator" lies the idea that material objects embody a system of meanings, through which we express ourselves and communicate with each other. In this context, we want to buy things not because of what they can do for us but because of what they say about us. According to this perspective, products and brands tell stories and communicate meanings in different ways, but with the same facility as words. A car, therefore, is not a carrier of persons so much as a carrier of meaning about itself, its owner, its manufacturer and a broader culture.

The recognition of brands as parts of a communicative system opens great possibilities of explaining the seemingly insatiable character of modern consumption without recourse to concepts of greed and envy. It opens the possibility of assessing the impact of image-makers without resorting to the idea of manipulation or deception (Gabriel and Lang, 1997).

It is important to note that particular brands communicate meanings, not only by themselves but also as a "system of good in a given context". For instance, in some cultures, a sequence of soup and fruit does not constitute a "meal" or eating without utensils cannot be described as a "meal" proper.

Customer as Actualizer

As we observed, objects and events customers consume and engage in provide meaning. They enable the customer to make a statement of themselves to others. Moreover, objects and events communicate "value" to customers. McCracken (1988) describes goods both as "bulletin boards for internal messages and billboards for external ones". Through the goods we consume, we often communicate with ourselves, reinforcing social categories and classifications. Like old family photographs which are not for public display, we may use those private goods to remind ourselves of who we are, what we have achieved (Gabriel and Lang, 1997).

Customers buy and own brands and goods in order to buttress their self concept; to feel good about themselves, indeed, to enhance their sense of self-worth. Personality theory refers to the concept of ideal self. A "system of things" does help the customer to symbolically reach this ideal self. Such a system provides evidence to oneself that one has achieved a desired state of mind or being - the customer as actualizer.

Levels 5 Branding

The five value domains (i.e. functional, experiential, relational, social and psychological) and the five customer roles (i.e. user, experiencer, member, communicator and actualizer) can now be related to a brand - its role and consumer response.

The corollary of customer "needs" is customer "value". One needs to belong. Hence, belonging is valued, etc. In as much as needs can be arranged in a hierarchy, as Maslow did, we could arrange customer values in a hierarchy. Moreover, as was argued earlier, when one moves up the hierarchy, consumer involvement increases accordingly, and along with it increased affect or emotion. The principal argument here is that the sense of self becomes increasingly marked as one moves up the *values-hierarchy*, from functional to psychological value.

Brands ought to deliver customer value. Hence, it is argued that the values - hierarchy reflects five levels of brands, increasing in their personal value, and relevance, and hence, involvement and affect.

It should be reiterated that the five levels of branding are based on the principal or focal brand **value** perceived by the customer. This is the key difference between Schmitt's (1999) classification of Think, Sense, Feel, Relate and Act brands. For instance, "Feel" of Schmitt's delineation is affective, by definition. Moreover, in our classification, the same product (e.g. toothpaste) may be placed at any one of the five levels of branding, depending on the realities of the market and the strategic initiatives of the marketer.

Schmitt's thesis is to "trigger stimulation of the senses, the heart and the mind". Our thesis is that, once the strategic value - domain is identified for a particular brand, then the task of the marketer is to produce the *strategic affect* for the product in the minds of its target customers. As was discussed, this could be achieved by making the brand - value personally relevant through a process of abstraction, from means to end (Gutmen, 1985). Moreover, in our thesis the stimulation of the senses, is the domain of experiential value and is given a specific meaning and limited scope unlike in Schmitt's classification.

The five value types, it is argued, are characterized by five corresponding response modes of the customer. It is argued that with an increasing level of branding, the place of representational or "of me" value becomes more important, and so does the role of branding.

TABLE 2: Levels 5 Branding and Typical Branding Modes

Level of Brand	Value Domain	Branding Mode	Principal Interaction
01	Functional	Think	It - Me
02	Experiential	Sense	
03	Relational	Relate	Me - Them
04	Social	Project	
05	Psychological	Reflect	Me - Me

Functional value is perceived through intrinsic and performance attributes of the brand, which are typically analysed by the consumer in order to find out "what it does for me". Here, the rational, "think" mode is the typical consumer response - (e.g. a brand of toothpaste which is valued for producing oral hygiene).

As regards the "experiential", the consumer values the sensory stimulation and its accompanying pleasant sensation that the brand produces for the customer. Here, the "*sense*" mode is the typical consumer response (e.g. a brand of toothpaste which is valued for its flavour and reinforcing fragrance and consistency of the paste).

"Relational" value is generated by the brand's symbolic value of making the customer belong to a group desired by him. Here, the "*relate*" mode is the typical consumer response (e.g. a brand of toothpaste which is valued because of its special appeal to, say, teenagers).

"Social" value is produced by the brand's ability to help the customer to project a desired self - image to others. The brand, in this context aids the customer to make a statement of himself, and become more appealing to others. Here, the "*project*" mode is the typical consumer response (e.g. a brand of toothpaste which is valued for its ability to make a consumer more attractive in the eyes of others).

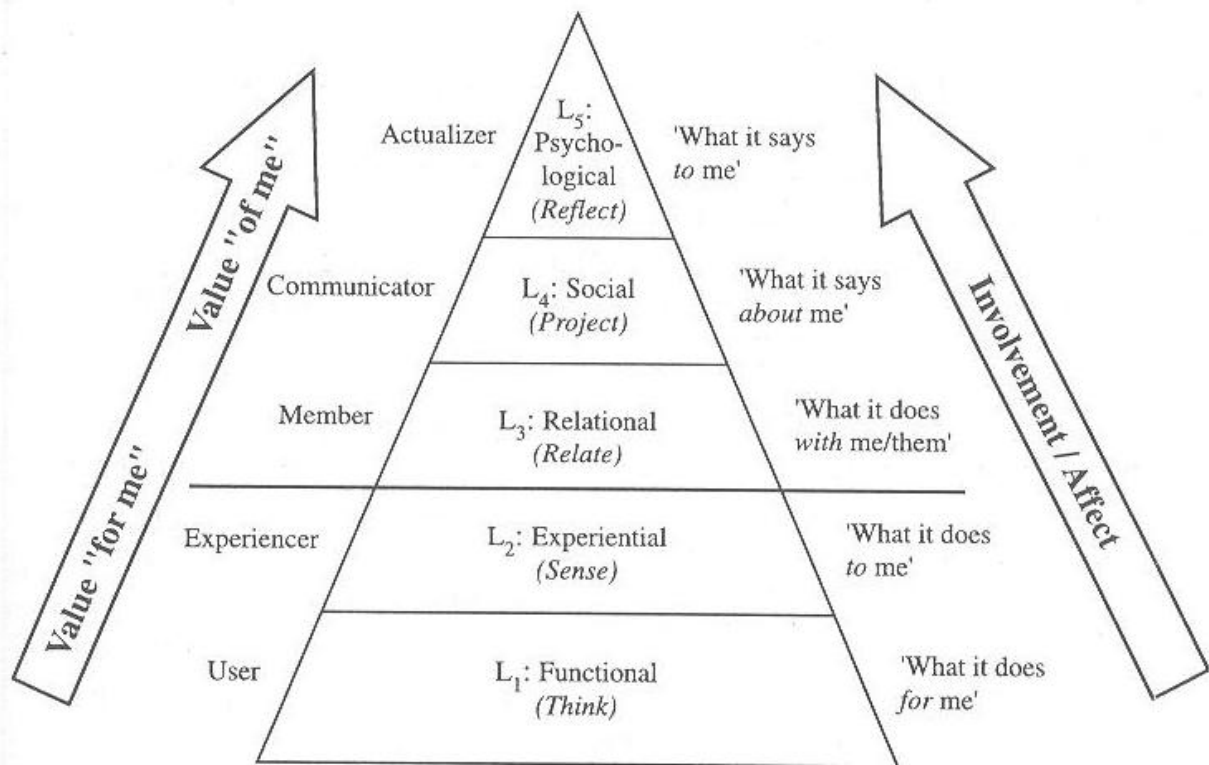
"Psychological" value is produced by the brand's ability to make the customer feel good about himself; to increase his sense of self-worth, and to strengthen his positive self-concept. Here, the consumer is engaged in self-reflection as a result of the customer - brand encounter. Here, the "*reflect*" mode is the typical consumer response (e.g. a brand of toothpaste which is valued for making the customer feel responsible for her family's oral care and therefore its well being, at large).

It is argued that the usefulness of the five value domains and levels 5 branding as opposed to the functional - emotional classification is evident from the above delineations.

Putting it Together

Having questioned the conceptual validity of the functional - emotional dichotomy, the paper introduced the "use value - sign value" distinction. Affect or emotion, it was argued, arises out of the personal relevance of the brand's value offering. Hence, the vital distinction and sequence between perceived value at the cognitive level, and the resultant emotion at the affective level, was laid bare. The use and sign values were then enlarged in terms of the five value domains, which in turn were related to five customer roles. A parallel was drawn between the five value domains / customer roles, and levels of branding, along with the principal response modes of the customer, at each level of branding. These relationships, the central thesis of this paper, are illustrated below.

FIGURE 7: Value Domains, Customer Roles and Levels 5 Branding



Empirical Analysis

Context: The professional qualifications of the Chartered Institute of Marketing (CIM) are pursued by over 3000 students in Sri Lanka. In 2003, CIM decided to introduce its Apparel Marketing Program of study, leading to a professional qualification in an attempt to prepare Sri Lanka's vital apparel sector to meet the challenges of a quota-free era.

A study was carried out among potential students of the CIM Apparel Marketing Program. They were merchandisers/ marketing executives between the ages 22-35 years and engaged in the export of garments.

Method: Decisions made by individuals in regard to the selection of a professional study program are probably triggered by personal attitudes and perceptions, which are present at overt and inert levels. Hence, in-depth interviews were considered to be appropriate for the study. Respondents were selected from the industry and the technique of laddering based on the means-end theory (Gutman, 1982) was employed to elicit the "ladder" of linkages between the attributes, consequences and overarching values (Reynolds and Gutman, 1988) with respect to the pursuit of the CIMs professional qualification in Apparel Marketing.

As an essentially qualitative research method, means-end analysis does not involve statistical analysis and a statistically valid sample is not a requirement. However, it is important to preserve the elicited views and language of the interviews and to that end, the laddering process was confined to 15 respondents from elicitation stage. During the interviews care was taken to create an environment in which the respondents were relaxed in order that they could be searchingly introspective. The respondents were variously asked "why is it important to you?", leading to progressively higher levels of distinction and abstraction until the trained interviewers of Quantum Strategic Services Ltd. were satisfied that the personal value linkages had been established. The interviews were tape-recorded and lasted for about 50 minutes each.

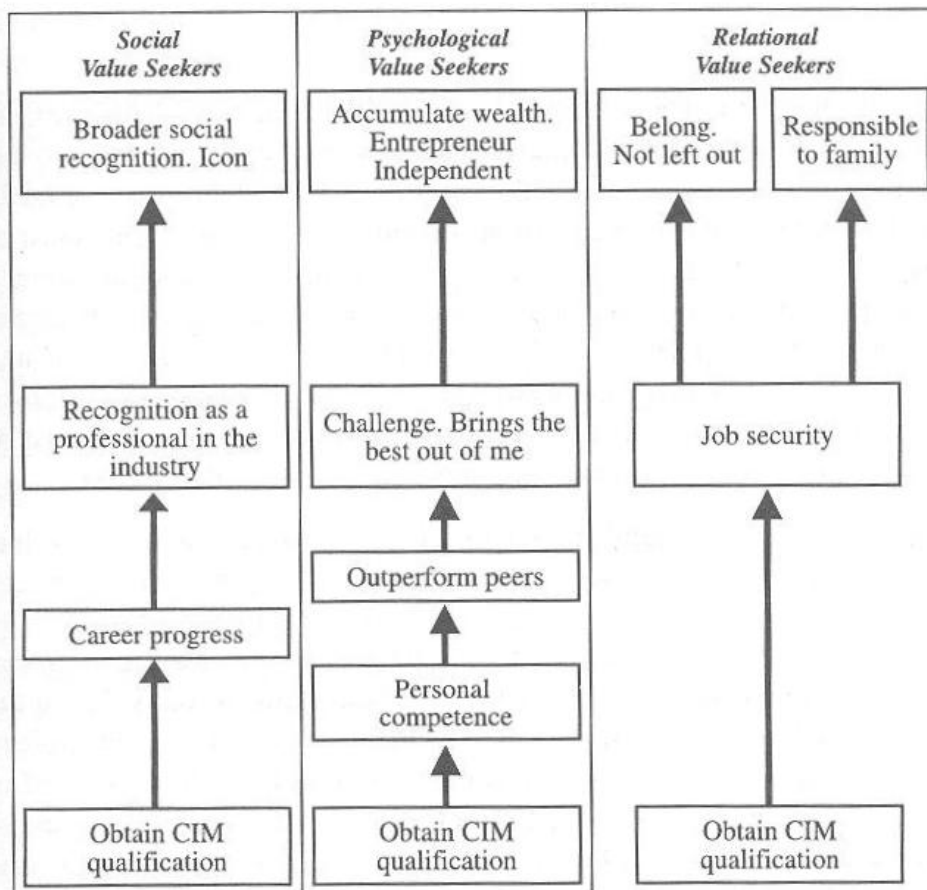
As the responses obtained in a laddering interview are typically rather idiosyncratic, it is necessary to perform a content analysis and classify the raw data into a limited number of response categories (Reynolds and Gutman, 1988). Based on the literature (Sejwacz, Ajzen

and Fishbein, 1980), and an inspection of the first few protocols, the responses were grouped in terms of categories of goals, whose hierarchical order was established.

It was observed that two types of connections between goals are possible. A direct connection between two particular goals exists when one goal is mentioned directly after another goal in the same ladder. In other cases, the connection was through one or more intermediary goals.

Findings: As illustrated in the figure below, three groups of respondents emerged, based on the terminal goals pursued by them. Hence, three ladders are evident. Interestingly, the first ladder represents those who (i) associated *social* value with their terminal goal. (ii) The second with the group whose terminal-goal was *Psychological*, and (iii) the group that had a *Relational* terminal goal.

FIGURE 8: Value Ladders



Strategic Implications of Value Domains

The key implications of value domains and levels 5 branding for strategy formulation are described briefly.

Market Segmentation

The concept of value domains can be effectively applied to segmenting markets. Segmentation of markets based on demographic or psychographic factors may describe the segments, but not determine them. Segmenting markets on the basis of customer value, it is argued, is a more robust approach to market segmentation. This, in fact, is the rationale of benefit segmentation.

Hayley (1963) segmented the toothpaste market in terms of consumers who sought the primary benefit of a) prevention of tooth decay (i.e. functional / think); b) flavour (i.e. experiential / sense); and c) attracts attention (i.e. social / project). Value segmentation, along with the interaction of other segmentation variables, will help the marketer to develop distinct market segments from which attractive target markets could be selected.

Positioning and Branding

Once the dominant value domain of the selected target market is identified, the marketer needs to find a 'position' in that value domain which is meaningfully different to that of competitors. In fact, the very selection of the value domain, will, in some instances, provide the point of difference (i.e. competitive advantage). This "position" must be clearly articulated so that it will be lodged, indeed, positioned, in the consumer's mind. In sum, the domain - value should be reduced to a key word(s) that the marketer wants the consumer to own (Ries and Trout, 1993). This crystallized and operationalized value (i.e. consumer benefit) should be *desirable* to the target customer, it must be *distinctive* to the extent that its point of difference is marked; it must be *defensible* (credible and sustainable), and of course, *deliverable* (Parry, 2002).

Many new brands, before establishing themselves, attempt to associate a value/benefit without reference to an attribute. This makes the brand less defensible. A direct brand - value association can only be established over time. Initially, the attribute-brand - value nexus should be established, before the value - brand association can stand on its own. Moreover, more than one attribute being linked to a value in the means - end chain will help strengthen the value claim, and also be less vulnerable to competition. For example, the combination of clove oil and fluoride in a brand of toothpaste makes its claim of "protects teeth" and its value of "oral hygiene" more credible in a typical South - Asian market. In this example, importantly, both intrinsic form attributes (i.e. clove oil and fluoride) relate to the self-same product function,

and therefore, its customer value. Clearly, one should not forget that domain - value acquires meaning and emphasis over time, and being cognizant of such changes is a key to value and brand management.

Conclusion

Consumers do not buy a product or brand for its own sake. They buy what is in it for them. In sum, consumers buy that which is valued by them. This "value" is not located in the brand itself, nor in the psychological processes of the consumer, though they may lead to it. It cannot be equated to motives either. "Value" is a perceived or cognised reality in the mind of the consumer. Hence, it is argued that the traditional functional-emotional distinction is schematically confusing because it is variously placed by many writers in the cognitive or affective stages of the consumer's psychological process. While the "functional", it is argued, is cognitive in so far as it is a "perceived value", the "emotional" relates to the extent to which the consumer is "affected" by that which is perceived.

A cautionary note must be struck about the selection of more than one domain, as the response and branding mode is unique to each domain (e.g. think versus sense). However, it should also be noted that a customer may of his own accord ladder up or down in the means - end value chain, beyond the espoused message and proposition of the marketer. This is a process the marketer must carefully address - an area for further study and research.

It is also evident that in terms of the means - end chain, that which is valued by the consumer to be "functional" may transform itself into a "non-functional" value at a higher level of abstraction - from means to ends. The paper importantly introduced a use value versus sign value distinction at the cognitive level in place of the functional - emotional dichotomy. They are the two value paradigms. The strategic task of the marketer in this context is to produce the desired "affect" by relating the use and/or sign value to a particular personal value / terminal goal.

The paper introduced five value domains: The functional, experiential, relational, social and psychological and the corresponding roles of the customer in terms of the user, experiencer, member, communicator and actualizer. The principal task of brand management is to tap into the appropriate and strategic responses of the consumer in relation to the value domains and customer roles. These modes point to five levels of branding, namely, think, sense, relate, project and reflect. It is argued that higher levels of branding (psycho - social values or project - reflect modes), typically produce greater affect or emotion as they represent more "involved" personal values or terminal consumer goals.

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