UNDERSTANDING CONSUMER BRAND KNOWLEDGE IN DEVELOPING STRONG BRANDS

Case of Quosis Oy

Erik Helin
Bachelor’s Thesis
January 2008

JYVÄSKYLÄ UNIVERSITY OF APPLIED SCIENCES
School of Business Administration
Abstract

This research looks into the further development of the Quosis brand. Quosis desired the development of a strong brand which could bolster their growth into the market leader in the national open source software market. In a competitive market, utilizing the competitive advantages brought by a strong brand is a great way to differentiate from the competition and gain market share. Quosis had previously done some work on developing the brand through setting up a brand manual and carefully planning out the brand. However, no information existed regarding how well this brand strategy was working and how it was being accepted by customers and potential customers.

This research focused on gaining an understanding of how familiar customers were with the Quosis brand and how they had perceived it. This was done by interviewing the company’s customer base to find out their brand knowledge regarding the Quosis brand.

The results showed that the brand had not penetrated the customer base as well as possible. This could have been due to the complexity of the brand message keeping in mind the size of the company. A focused brand message could increase the penetration of the brand message and help customers connect Quosis with open source, utilizing secondary associations. The research is designed so that it can be repeated again at a later date to see whether or not the changes made have penetrated the customer base. This study into the Quosis brand may also be used at a later date as the basis for researching the consumer brand equity of the Quosis brand.

Keywords

Branding, open source, brand knowledge
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1 Definitions

Aided awareness - occurs when you show or read a list of brands and the person expresses familiarity with your brand only after they hear or see it. (Dolak 2003)

Brand - A brand is an identifiable entity that makes specific promises of value. (Dolak 2003)

Brand image - is defined as consumers' perceptions as reflected by the associations they hold in their minds when they think of your brand. (Dolak 2003)

Brand knowledge - is a customer’s extent of familiarity and understanding of a brand’s awareness and image. (Keller 1993, 2)

Secondary associations - Associating attributes of a category to a brand because of the brands connection to this category. (Keller 1993, 6)

Top-of-mind awareness - occurs when a person is asked to name brands within a product category and the desired brand is first to be mentioned. (Dolak 2003)

Open source - is a development method for software that harnesses the power of distributed peer review, transparency of process and free distribution of the software’s source code. (Open Source Initiative 2007)
2 Understanding the Scenario

Branding is an important tool for growing companies looking to establish themselves as market leaders. Understanding and utilizing the advantages brought by branding can mean the difference between achieving the position of market leader and being left behind by competitors. This is also true in the open source software market which has amended the entire software market with its emergence into the mainstream. As the software market was becoming increasingly monopolistic, open source software brought freedom of choice, with increased flexibility and lower costs to the seemingly ever expanding software market. Open source software is based on the open use of the software’s source code, both in the development stages as well as in the use of the completed software. It permits unrestricted accessibility, duplicability, and distribution of the source code meaning it can be used by anyone, free of charge.

The marketability of open source software is derived from the customizability of the software to meet the specific needs of the customer. In the developing open source market, companies must therefore become increasingly service oriented in order to be competitive. However, to these companies the greatest strength of open source software – accessibility – also embodies some of the greatest challenges. As open source software popularizes, it becomes increasingly difficult for service providers to remain competitive in the expanding market. This is due to the fact that the business model is focused on offering a service rather than a unique product. In order to sustain a competitive advantage, open source software companies must be able to differentiate themselves for their competitors.

With a low barrier to entry, open source software proves an extremely difficult market to remain competitive in. To contend in the open source market, a company must be recognized by the consumer as a viable competitor. Branding can create and communicate the competitive advantage in order to create differentiation. However, a brand must be recognized and recalled by the consumer in order to be beneficial to the company. In an effort to better understand and improve the brand knowledge of their company, Quosis has sought to continuously develop “Quosis” as a brand. As one of the
leading open source companies in Finland, Quosis has experienced sizable growth since its establishment. But how has the brand coped with this growth, what needs to be considered for the continued development of a focused and consistent brand that reinforces the long term growth of the company? In order to evaluate the strength and equity of a brand, one must assess the consumer’s ability to recall and recognize the brand and its message. This research will investigate the brand knowledge of Quosis’ customers in order to understand whether or not the brand message has been communicated loudly enough and whether the customers have picked up the correct and desired brand message. In order to benefit the company, this analysis will allow the company to evaluate whether volume of the brand communication needs to be increased, or if the brand message needs to be adjusted in some way before increasing its volume. The ultimate goal is the sustained development of a strong brand which would facilitate the growth of the company.

2.1 Opening the Phenomenon of Open Source

Open source is a set of principles allowing the source code of software to be freely shared and distributed. According to the Open Source Initiative, open source software is “a development method for software that harnesses the power of distributed peer review and transparency of process” (Open Source Initiative 2007). The openness of the source code allows for software modification enabling the software to meet the specific needs of an organization. The free sharing of source code and software also means that is can be used without expensive licensing fees and update costs. The promise of open source software, according to the Open Source Initiative, is “better quality, higher reliability, more flexibility, lower cost, and an end to predatory vendor lock-in” (Open Source Initiative 2007). The free sharing of the source code allows for software knowledge to be developed, shared, and altered fitting specific needs, beyond the barrier of product licensing.

The free sharing of source code over the internet has lead to the creation of open source development communities. These communities are responsible for the software development and are comprised of individuals who either work individually or
collaboratively in order to develop software. Within development communities, software under goes a form of peer-review as the product is constantly being altered, tested and bettered. The sheer number of potential developers creates an evaluative process which cannot be matched by traditional software development methods. To a software provider, these communities enable the development of the best possible product from the collaborative effort of thousands of developers. The peer-review within the community, simultaneously, cuts down on the development time and costs for the company responsible for the software development. Even after the software development is completed it is still shared and used freely.

The free use of the source code allows software to be customized to meet each customer’s specifications. Through open source, a customer receives a tailor made solution without any licensing or update costs. Arguably, this provides the customer with a better product at a less expensive price. The openness of the source code means open source software is very flexible and can also adapt quickly to evolving demands. In contrast to traditional closed software, constant community review of open source software code allows the software to be modified quickly to meet the requirements of, for example, new regulations or changing business demands. Inability to quickly adapt to the evolving demands can make closed software solutions obsolete. Open source software allows for changes which will naturally occur with growth. Freely shared source code means companies who have invested in open source solutions are not locked in to one software provider. An organization can change the software vendor or even choose to make modifications in-house through the open source code. Open source solutions can also be built-on later, emphasizing the absence of vendor lock in. The ease at which open source solutions can be integrated into existing and new solutions has encouraged their adoption. This has been especially true for organizations looking for complete solutions which need to perform many different tasks and therefore require several different applications and components, which must work seamlessly together.

As a business model, open source companies operate by offering a service rather than a product. The product itself is free with no licensing fees or update costs. Open source business is therefore based on the customization, training and user support. As a service
many of the differences of a service business also apply. Companies have to ensure their customers satisfaction. The absence of vendor lock-in means customers can get the same service elsewhere and in the future can buy from other open source software providers without losing any of their existing investments. Open source companies must be service oriented and able to satisfy the specific needs of each customer organization. Customers expect high levels of service as the software products become commodities. This concept of better service, with tailor made products at a lower cost is after all what has lead to the growth of the open source software market.

The growth of the open source software market has been phenomenal as today, they make up a large part of the enterprise business software market. In Europe customized and in-house software solutions make up 81% of the entire software market. The use of similar software solutions in the United States proves a comparable 84% of businesses, underlining that there is a vast market for open source services. According to Jyrki Pöysti, “open source software has enabled cost effective software customization as well as interoperability with closed source and existing solutions” (Pöysti 2007). Companies therefore feel comfortable investing in open source solutions because they do not limit future expansions, but rather act as enablers of future growth and expansion.

New software architectures such as the Service Oriented Architecture (SOA), which usually work as web services are designed for ease of use and interoperability with other existing or new components. SOA is gaining popularity because it enables building-on and integrating with existing solutions and increases the reuse of existing components. Companies therefore experience significantly lower switching costs as they do not loose any existing investments. This architecture compliments open source because of its openness to mixing and matching to create tailored solutions. All of the open source solutions provided by Quosis also support service oriented architecture. According to Henning Kagermann, CEO of SAP, SOA is the future of enterprise software. (SAP Conference 2007) This emphasizes how closed solutions have had to accept open concepts in order to stay on the cutting edge of enterprise software and meet the demands of their customers. Open source software’s influences the entire software industry. Open source will eventually play a role in the life-cycle of every major software category, and will fundamentally change the value proposition of packaged software for customers.
However, open source principles may also create some difficulties for businesses. The openness of the software has lowered the entry barrier into the market. Theoretically, anyone with software knowledge, a computer and internet access could now utilize this development method and be a competitor. In reality, this is usually done by businesses that have the capital to maintain such communities. The entry barriers for these companies however, are extremely low meaning increased competition for companies with a marketable software component. Many open source companies who are developing software also run into difficulties in maintaining a sufficient amount of activity in their development communities. Development communities depend heavily on the principle of network externalities. An open source component will only provide the full range of benefits mentioned when it has a large and active development community. Often meaning larger, reputable companies are able to attract enthusiastic developers with more ease than early stage development projects.

Comparing to the traditional closed source software industry there are still more companies able to compete. Large closed source software solutions are not always used because they are the best solution but rather just be the most available ones. Emphasizing that a strong brand can secure and keep market share in the software industry. In the open source market where companies can become a reliable software provider with lower investments means more companies have the ability to enter the market. With a considerably lower barrier to entry, it becomes increasingly important to have a unique competitive advantage or a strong differentiator which sets a company apart from its companies. In the case of Quosis, the company desires the creation of a strong brand which will be recognized as the leader in Finland's open source market.

The open source market in Finland is still in the early stages of development, meaning evolving of the market is not only possible but likely. As the market develops, a sustainable competitive advantage will become increasingly important. The creation of a strong brand during the early stages of a markets development is especially important because this is where market share is gained. A strong brand will ensure that this market share is retained for the long run and can secure a company's market position. This is
precisely what the case company Quosis is looking to achieve through this research.

### 2.2 Introducing Quosis Oy

Competition is increasing within the software industry; as a result many companies seek differentiation to strengthen consumer recognition of their company. Quosis is an open source software service provider from Finland. The company was founded in 2004 and specializes in open source and open standards. Quosis is one of the leading open source companies in the nation and are in a position to become the open source market leader in Finland. Quosis provides consultation services and software solutions which improve organizational communication and information management. More specifically Quosis focuses on the areas of document and content management as well as portals and integration solutions. These and other open source components offered by Quosis can be combined according to the customers needs in the Quosis Platform. This platform is a solution which uses the components necessary for creating a tailored solution for its customer organizations. In the growing open source market Quosis has recognized the need for differentiation and has taken a proactive approach to branding, in hopes of creating a sustainable competitive advantage.

Quosis is a growth oriented company and which also influences the company's brand strategy. The company seeks high growth in order to become the leading open source service provider in Finland. Reaching the position of the market leader will significantly strengthen the brand. As the market leader, the company hopes their brand will continue to gain strength and reflect an image of the go-to people in the Finnish open source industry. Quosis hopes to build a strong brand which will become a sustainable competitive advantage and a unique differentiator in the long run.

Understanding the difficulties in creating a competitive advantage in the open source market where commonality is a major issue, can determine the success of a company. According to a recent Forrester study on open source in enterprises, 79% of respondents listed not being locked into a single vendor as being either important or very important. Implying that a key criteria for software customers is the ability to change vendors
without worry of losing existing software investments, in other words minimizing the switching cost. This emphasizes the importance of utilizing branding as a way of differentiation and securing market share.

3 Bolstering Growth by Utilizing Branding

In highly competitive markets such as open source software which also has a low barrier to entry, branding can be utilized to secure market share. A strong brand can also bolster future growth and be considered an asset with monetary value. This brand value is known as brand equity. Before the actual brand equity can be measured, the extent of brand knowledge in potential customer’s minds must first be understood. According to Kevin Keller, brand knowledge is comprised of two parts, brand awareness and brand image. Keller argues that in order for a brand to have value, customers must be familiar with the brand and hold some favourable brand associations in memory towards the brand. Only when this is true, will a brand influence the behaviour of a consumer, in turn bringing a return for the company through sales.

The foundation onto which a brand is built is the concept of recognition. Furthermore, in this research the concept of the associative network memory model is used. Keller argues that these basic memory principles can be used to understand how knowledge of a brand works. The associative network memory model is based on knowledge existing as a set of nodes and links. (Raaijmakers & Shiffrin 1981, 88). This model suggests that information is stored in the brain as nodes which are linked to other nodes. Each node contains information of, for example, a brand or product information. When the brand node is activated it spreads to other nodes which have been linked to the particular brand. The associative network memory model therefore implies the spreading of an activated node to other associated and linked nodes. In the case of a brand this could mean links to nodes of the product category or other variables such as price or quality, which the customer associates with the brand. The stronger these links are between the brand and its associations, the stronger the brand is. (Raaijmakers & Shiffrin 1981, 89). Consumers should ideally be able to make the right associations between the brand and its desired attributes with the great ease. For example, in Sprite’s case, this would mean that when a
consumer thinks about a refreshing beverage, ideally the brand Sprite would be the one strongly linked to this product category, meaning it is retrieved with the greatest ease. These brands are known as top of mind brands. In the case of Quosis the open source product category will be used to understand how strongly the link between the brand and product category are in the customers minds. This research strives to understand what happens when a customer hears the words open source, will the link between the open source node and the Quosis brand node be strong enough for this link to be created effortlessly or will it need to be aided before it can be retrieved from memory?

The associative network memory model has similarities to the concept of secondary associations. Secondary associations are perceptions reflected onto a brand through some secondary source. (MacInnis & Nakamoto 1991, 12) This is important because a company such as Quosis is definitely affected by these associations as the nature of their open source product and service offerings. As many consumers perceive open source software to be an inexpensive yet a flexible and customizable solution for businesses, the concept of secondary associations would infer the same perceptions to be true for Quosis as well. (Keller 1993, 11) The public awareness and the high publicity open source has received in recent years could be an asset for the Quosis brand in its development stages simply through inferred associations. Leveraging these secondary associations can reduce the time and costs otherwise needed to communicate the same message, which in this case is already inferred through open source. (MacInnis & Nakamoto 1991, 13)

This consumer psychology acts as the theory behind how brand knowledge and equity works. According to Keller, customer based brand equity is the differential effect of brand knowledge on consumer response to the marketing of the brand. Customer based brand equity occurs when a customer is familiar with the brand and holds some favourable, strong and unique brand associations in memory. (Keller 1993, 8) In order for a consumer to be swayed in their buying decision towards the brand they hold some brand associations to they must first have brand associations. In the case of Quosis the research will focus solely on the concept of brand knowledge.

Brand knowledge is conceptualized in terms of two components, brand awareness and brand image. (See Figure 1.) Brand knowledge is described as consumer awareness of a
brand and the associations with the brand. Understanding whether or not consumers are aware of the brand and what associations they hold towards the brand is key information for developing a strong and equitable brand. With respect to the associative network memory model, brand knowledge can also be thought of as the brand nodes strength in the customer’s memory. However, for associations to be made a node must first exist. In other words, for consumers to hold any associations towards a brand, positive or negative, consumers must first be aware of the brand.

**Figure 1. Dimensions of Brand Knowledge Used in This Research**

![Diagram showing dimensions of brand knowledge](image)

Brand awareness is the consumer’s ability to identify the brand under different circumstances. This awareness is comprised of two areas: brand recognition and brand recall performance. Brand awareness from a recognition viewpoint occurs when a consumer is able to positively confirm prior exposure to a particular brand. This means a consumer can correctly discriminate as having heard or seen the brand before. From a recall point of view brand awareness occurs, for example, when a customer is given a
product category and is able to generate the specific brand from memory. Brand awareness is important especially in low involvement situations where the recognition with no other associations can be enough to create the desired result even in the absence of a well formed attitude towards the brand. In the case of Quosis much of the research focuses on establishing the current brand awareness in customer’s minds, enabling the drawing of conclusions and a base to build on later with increasingly in-depth research into brand equity. Brand equity usually however, begins from brand awareness, which also influences the formation and strength of brand associations in the brand image or how easily the brand information is accessed.

The brand image builds on the awareness of the brand. The brand image is comprised of the perceptions about a brand as reflected by the brand associations in a customer’s memory. Brand associations are the related attributes, the functional, experiential or symbolic benefits and the overall brand attitudes or the customers overall evaluation of the brand. (Keller 1993, 6) The success of marketing campaigns or programs is determined by their ability to create favourable associations. Brand image is especially important in high involvement situations, because these are the dimensions of brand knowledge which play and especially important role in determining the differential response which leads to brand equity.

Thorough understanding of brand knowledge and the associative network memory model is highly important because different areas are more important for different businesses and industries. Software service providers for example go through high involvement sales processes making the image of the brand very important. A strong reputable brand is needed to compete for large contracts. Quosis has understood this and taken measures to create a strong and reputable brand even as a start-up.

3.1 Brand Development so Far

Quosis has developed a brand manual which is used as a guide within the company as well as with partners. The goal of the brand manual is to ensure that any marketing communication or form of publicity follows the given guidelines and through this, is
parallel to the overall brand strategy. This has been done to secure the value held within
the brand as well as ensure its growth in the desired direction. The brand manual goes
through the core brand which is made up of open source expertise and project
management as well as the surrounding extended brand elements creating the Quosis
brand.

The brand manual goes on to outline how Quosis wants its brand positioned, which is
especially important for employees to understand. This positioning is similar to that of
open source as an alternative solution for the creation of complete information systems
without the traditional barriers or drawbacks such as expensive licensing and up-date
fees. In addition to this Quosis is also focusing on expertise in project management to
gain trust in their offerings. Furthermore the brand manual goes on to explain in great
detail how the brand is to be presented visually as well as its communication through
employees. The bottom line in creating such a brand manual is to try and ensure
consistency in the brand. The Quosis branding strategy aims at attacking the market
opportunity which they see for open source solutions in order to gain the position of the
market leaders. Ideally this would allow the company to create a strong brand in a short
period of time. The growth and strength of the brand would come from the success of the
company and its products and this would be controlled by the guidance set forth in the
brand manual. The brand manual however is already looking forward to this stage and
may not focus enough on current brand activities as well as necessary.

Quosis is aiming to build a brand which is the national leader in its sector. The goals are
clear as to the differentiation and competitive advantage desired through a strong brand
but how well is the brand being perceived by customers, who according to Keller, should
be familiar with and hold some favourable brand associations in memory towards the
brand. (Keller 1993, 3) The measuring, analyzing and controlling of such information is
crucial for the brands development in the right direction. This brand development process
is ongoing and this research project could act as a stepping stone towards the
development of a strong, reputable and valuable brand.
4 Methodology for Researching Consumer Based Brand Knowledge

Differentiation proves a vital component for staying competitive in the open source market. In order to excel, Quosis can look internally to see how they can strengthen their company’s image through branding. Developing a strong brand requires the measuring, analysis and controlling of the brand from time to time in order to ensure the brands development is parallel with the desired brand expectations. Using Keller’s concept of brand knowledge, I will assess the brand knowledge of the Quosis brand within the company’s customer base. The assessment of the brand knowledge is the first step towards the creation of a brand development process which can eventually involve the measurement of the monetary equity of the brand.

In order to assess the strength of Quosis as a brand, Quosis customers are the sample which will provide spontaneous thoughts, impressions and opinions of the brand. Customers prove a valuable primary source for providing first-hand insights into their perceptions and opinions on the brand. As a means to gain the opinions of Quosis customers I will be using a telephone survey. As agreed by with the company, this survey will be directed solely with previous Quosis customers, as not to impact current or pending contracts Quosis may be undertaking.

4.1 The Setting for Sampling

As the researcher, I have been familiarized with the Quosis brand through a five month internship at the company. During my work at the company I gained a considerable amount of knowledge on the open source industry, Quosis as a company and the value proposition they offer. Through my work in the sales and marketing department I gained a considerable amount of knowledge on what the product and service offerings of Quosis are. Also, gaining an understanding of what and how they are communicated to customers, partners, potential customers as well as employees through involvement in marketing activities.

This in-depth knowledge of the Quosis brand, places me in an ideal position to research
the current situation of the brand and to try and find areas which to develop. This meant as the researcher I would be able to carry out my research project on this particular topic as the information needed on the company, its products and services as well as insight on the industry were all very familiar, because they were dealt with on a daily basis. This background knowledge made for a good basis to start the research process.

As mentioned, the interviewee sample for the survey was comprised of former Quosis customers. These are customers who have completed projects with Quosis but don’t have any current ongoing or upcoming contracts with Quosis. This was decided with the company to ensure current customers don’t feel bothered which could have a negative effect on the brand. Within the former Quosis customer base, I contacted each company’s technological decision makers. These are the individuals responsible for IT purchases in the company. This is important for finding out what the decision makers regarding software purchases know about the brand. These individuals will also be responsible for future purchases making them the most important individuals in the company from Quosis' point of view. They are the individuals who Quosis would want to have the most in depth knowledge about the brand. Because of the size of Quosis as a company and the limited size of brand awareness outside the open source community in Finland, limiting the sample to customers who have been in contact with Quosis should prove the most efficient way of conducting the research.

As a young start-up company the only individuals who will have some sort of an image or perception of the Quosis brand are business associates and customers. Most important for the company's continued growth however, is how previous, current and potential customers perceive the brand. For this reason previous customers were chosen for this research. This sample group is also important to follow throughout the growth of the company to ensure the brand is developing in the desired direction. Using previous customers and more specifically the decision makers in the purchasing process was the most logical decision for this research. It enables analysis of the current situation as well as allowing for projections of the future. (Daymon & Holloway 2002, 257) Changes to the brand can also be measured later with new customers to see whether the changes were communicated efficiently and accepted.
Although only a limited number of companies were selected for the research, the sample should however, be large enough to be analyzed and to see some emerging patterns in the data and draw conclusions relating to these patterns. A too small sample could mean the statistical analysis and its results are not statistically significant. (Daymon & Holloway 2002, 257)

### 4.2 Collecting Valuable Data

Having outlined the sample for the research, the data collection itself needs to be addressed. As mentioned, in this research the data collection was conducted through a telephone interview mainly due to the geographical distribution of the subjects as well as the length of each interview, which did not call for an in-depth face to face interview. The results sought in this research could be attained through a brief telephone interview. Such an interview was enough to assess the customer’s knowledge of the Quosis brand. The telephone survey was also beneficial because of the cost efficiency of it as a research method. Furthermore, the use of a telephone interview from a third party ensured the respondents felt comfortable explaining any issues. Respondents felt more comfortable and were able to be frank with their answers because this was not a face to face interview. (Daymon & Holloway 2002, 258) Using this type of data collection method reduced the time each interview took without influencing the quality of the results. Telephone interviews also boast much higher response rates than mail surveys for example. The human contact encourages respondents to complete the interview. Mail surveys often get neglected because of the ease of doing so. (Daymon & Holloway 2002, 258) In a telephone survey a respondent feels more obligated to complete the interview unless they can provide a viable reason not to.

### 4.3 Possible Limitations

Telephone interviews however do have some limitations. As a rule the interview should be short in length, not exceeding 15 minutes. (Daymon & Holloway 2002, 258) Longer in-depth interviews would be better conducted as face to face interviews. Telephone
interviews should also have short and to the point questions. This creates heavy emphasis on the interview structure and wording of the questions, so that a desired result can be extracted. This research project however fell well within these parameters making this data collection method the most suitable one for this research.

The surveys were primarily conducted in the morning, before noon, when it could be expected that most would be out for lunch. Mornings were also ideal to avoid interviewing close to the end of the day when interviewees are about to go home and therefore, no longer mentally focused on work related issues. The interviewees could be contacted using direct mobile numbers gained from the company CRM (Customer Relationship Management) system. This meant many of the gate keepers could be avoided. When the interviewees were contacted, I introduced myself and explained the purpose of my call. In order to ensure the answers were honest the interviewees were also promised anonymity from Quosis, with respect to who answered what.

Interviewees who were not able to take part when they were first reached were asked to suggest a more appropriate time to be contacted, and were then interviewed at a time convenient for them. This was done to ensure the interview did not irritate and negatively affect the customer’s perception of the brand. There were no major issues with contacting the interviewees, with two exceptions. Of the sample of 13, two were not interviewed, one did not want to take part in the interview and the second could not be reached. As a rule, in order to increase the success rate of telephone interviews, interviewees should be called back at least six times. (Daymon & Holloway 2002, 175) This however, was not enough for the final interviewee who could not be contacted after a dozen attempts during the three day interview period and for this reason was eventually left out of the research.

The research was conducted over a three day period between November 21st and 23rd of 2007, involving 13 companies which were customers of Quosis. The interview took approximately 2 to 3 minutes to complete depending on the length of the responses.
5 Mining for the Desired Information

The interview was based on a set of questions which were pre designed to find out the information which will give a good picture of Quosis brand and point out areas which need improvement. The structure was designed to flow much like a natural conversation and direct the interviewee’s thoughts logically through the topic covering all areas necessary. The questions are mostly closed questions with one rating section and a few open ended questions. Closed questions were used to keep the interview concise but at times open questions were used to let the interviewee freely express their opinions or perceptions. (Fowler 1995, 86) Each question was given a great deal of thought in order to achieve the desired result. (For survey see appendix 1.)

The first section uncovers whether or not the interviewee is familiar with open source software. If the interviewee is familiar, they are then asked to mention a few benefits of open source software, to show what they know about the product category. As mentioned before secondary associations may also be useful and these associations are what are being sought out in this section. This product category is also here Quosis would want to be the brand which comes to mind first also known as the top of mind brand.

The survey then attempts to uncover the top of mind brands by asking the interviewee to name the brands which come to mind when thinking of the open source market in Finland. The top of mind brand is the brand that comes to the interviewees mind first, when the product category is mentioned. Being the top of mind brand makes it easier to build further brand associations towards the brand and its image. In addition, consumers may name several brands. Brands which come up unaided but are not the first brand to be identified are known as being in the consideration set. (Kotler 1997, 193) This would also be an acceptable result for Quosis because the consumer was still able to name Quosis as one of the prominent brands in the product category without further assistance. Being in the consideration set means it is a strong enough brand that a consumer would highly consider its purchase. This response is strong enough to encourage brand loyalty in the customers mind. (Aaker 1991, 40)
In order to understand if the customer is familiar with the Quosis brand but was just not able to produce it on their own they are given a list of five different open source brands which weren’t mentioned as top of mind brands previously. The interviewee is asked to identify which of these open source brands are familiar. This researches the customer brand knowledge through aided awareness. Aided awareness is used when the brand being researched is not mentioned as a top of mind brand or in the consideration set. (Kapferer 2004, 160) Aided awareness researches the recognition of a brand. As stated earlier, according to the associated network memory model, hearing the brand name Quosis should trigger the link between the brand and open source or at the very least be recalled as a familiar brand.

The interview then moves on to inquire if the interviewees are currently using any open source software solutions and if so who delivered this solution. If the answer is Quosis, the interviewee is also asked why they chose Quosis, to uncover if potentially the reason for its purchase is one of the elements making up the Quosis brand or potential secondary associations through open source itself. If the answer is not Quosis the alternate supplier is recorded to gain a better understanding of the market situation and the competitors of the Quosis brand. Knowing what were the key issues during the customers purchasing decisions would ideally point out brand associations similar to those communicated in the brand, attributes such as price and quality for example.

Having found out the background information on customers awareness of the Quosis brand and their understanding of the open source market, we want to know more in depth information on the brand itself. Customers were asked what comes to their mind when they think of the Quosis brand. This should help identify types of brand association the customer have with Quosis. The most prominent brand associations will be mentioned first by the customer according to the associated network memory model, due to the strength of these nodes. In this part of the research we would hope to see some similarities with the brand message of Quosis and the customer’s initial thoughts of the brand. This could also bring out consumers feelings on the brands image, which can then be compared to the brand image Quosis is trying to portray.

Following this, customers are asked a set of customer satisfaction questions. These
questions are included because they have been previously asked from the same customers. These questions will allow the company to compare the results and see if there have been changes to the customer satisfaction. These questions however are also useful for measuring many of the brand image attributes, benefits and attitudes mentioned earlier. Although the questions are designed to gain insight into the customer’s satisfaction with the company and their projects, it does not mean that the questions are limited to this. The customer satisfaction questions also have important brand indicators embedded in them which can be useful when analyzing the research conclusions. For example, rating the expertise of Quosis with regards to the customer project can also be used as a customers rating of Quosis’ expertise in relation to the brand image.

The final part of the interview is an open ended question, designed to gain some insight into the customer’s perception of the Quosis brand image and the competitive advantage of Quosis. The customers are asked how they feel Quosis differs from other software service providers. This question should uncover some unique brand associations that customers have about the brand. Not only brand associations which they relate to the Quosis brand image but also associations they feel differentiate the Quosis brand from competitors. This also gave the customers a chance to elaborate on any issues relating to the brand they may have had at the end of the interview.

5.1 Extracting Information through Analyzing Data

Following the interview the data was collected and analyzed. The findings should give a snapshot of the brand knowledge within the Quosis customer base. The research is intended to draw out the strengths and weaknesses of the brand so they can be identified and addressed. Once any existing issues are addressed, the research process can be repeated. The re-usability of this research process will allow the company to find out if the changes made to issues in the brand have made trickled down to the customer base. This will allow the company to measure the development of the brand. Furthermore, understanding of the brand knowledge in the customer base can act as a foundation for research into the brands equity. Brand equity is an asset which cannot be forgotten in the valuation of a company for example, in a merger or acquisition processes.
This research will also serve as a brand development tool for Quosis as it can be re-used to find out how the brand knowledge in the customer base has developed and allow the company to measure their brand development. By measuring the brand knowledge the company will have a clear understanding of how the brand is improving and also go on to measure the brand's equity if desired.

As the method of analysis, simple percentage calculations as well as the chi-square test were used. The percentages allow the company to quickly see where areas of weakness may be. (Daymon & Holloway 2002, 260) Percentages presented in well formulated graphical illustrations give an easy way of understanding and self analyzing the current brand situation with respect to the interviewed sample.

The Chi-Square test compares categories with one another and in this case will be used to show the influence of one variable to another. This test will give an understanding of how dependent the variables are of one another in a compact way. The chi-test however does not give any answers as to the direction or kind of dependency but will help evaluate how significant and strong this relationship is. (Berenson, Levine, and Krehbiel 2004, 320) By analyzing the results of the Chi-Square test, assumptions can be made as to what may be the cause of certain dependencies.

6 Drawing Conclusions from the Data Collected

The analysis of the findings and data will be presented following the order used during the interview and finally the cross tabulations and chi-square test will be used to compare the top of mind brands with open source familiarity and the spontaneous thoughts of the customers regarding the Quosis brand.

Of the interviewees all eleven said they were familiar with open source software solutions. This meant everyone who agreed to the interview was able to do so from a familiarity of topic standpoint. When these customers were asked to name the main benefit of open source software which came to mind a vast majority mentioned cost
related benefits.

Figure 2.

Benefits of Open Source Software Solutions

The perceptions customers have of open source software’s benefits are quite common and there aren’t really any significant or outstanding results in this sense.

Customers were then asked to identify which brands came to mind from the Finnish open source software market. This section was to research the top of mind brands of the customer base. (Figure 3.) In this stage of the interview customers were not aided in any way and it was entirely up to them to recall open source brands from their memory. Quosis was mentioned four times here as the top of mind brand. However, considering the research was being conducted solely with previous Quosis customers this number could have been higher. One would expect that if the same research was conducted with a larger population and sample that the results may not fair as well if over half of previous open source customers cannot recall the brand unaided. These results indicate that there may still be some work to be done with building brand awareness as the company grows.
However, the two often go hand in hand.

Figure 3.

The results may also be influenced by the early stages of the open source software market in Finland. Customers may not be very familiar with the concept because it has not penetrated the software industry as deeply as in some other nations. On the other hand this may also help Quosis. Two of the interviewees admitted to not knowing any other open source brands other than Quosis. For these customers, Quosis is the only open source brand they have ever been in contact with so their perceptions of open source may even be influenced by their perceptions of the Quosis brand. The quality of open source will also represent the quality of Quosis. (Aaker 1991, 85) This of course works both ways and means any negativity towards Quosis will also hamper the image of open source software.

After extracting as much information as possible without aiding the interviewees other than by supplying the product category the customer’s familiarity of the brand was tested.
This of course was conducted only for those interviewees who were not able to recall the brand themselves. Those who mentioned Quosis as the top of mind brand were omitted. The interviewees who had not been able to recall the Quosis brand name on their own up to this point were given a list of five Finnish open source brands which were also not mentioned as top of mind brands. From this list of brand the interviewees were then asked to identify which of the brands they were personally familiar with. Of these results, the number of times Quosis was identified as a familiar brand was recorded. (Figure 4.) Using the associative network memory model, aided awareness is based on easing the creation of the link between the brand name and the product category.

Figure 4.

**Familiarity Through Aided Awareness**

![Familiarity Bar Chart](image)

Of the interviewees all but one said they were currently using some sort of open source solutions at their business. (Figure 5.) Of these ten open source users, six said their open source solutions were provided by Quosis. Of the remaining open source users it is also possible that Quosis had provided open source solutions to these users but it was not the open source solution they were considering when asked.
Interviewees were then asked to point out what came to their minds when they thought of the Quosis brand. Of the eleven interviews, six said nothing came to their mind when considering the Quosis brand. The minority who were able to mention something, listed open source, portal solutions and the ability to react to changes as things that came to mind from the Quosis brand. Considering the interviewees were all former Quosis customers, the number of respondents being able to mention something about the brand could have been higher. This could be an indicator that there needs to be some more work done on the basic level of brand communication before elaborating towards a complex brand message.

Regarding the customer satisfaction questions the averages are presented in figure 6. There were no areas of great concern; however, this would depend on the previous results which Quosis can compare these with. Gaining or loosing points in some areas could be
an indicator of development or lack of attention in a specific area. The responses in this section however do not seem to have any significant issues and nothing that would point to specific areas in the brand which need improvement or attention. Quosis is apparently viewed as a very knowledgeable company when it comes to their field of expertise. This is also in the brand message and is an area which is proven to have been perceived by customers to be true.

Figure 6.

![Customer Satisfaction Ratings](image)

The final question of the interview inquired into what differentiates Quosis from other Finnish open source providers. Most respondents once again demonstrated some difficulties in pointing out anything at all. Two respondents were able to mention something which in their opinion differentiates Quosis from its competition. One
mentioned the company’s growth orientation and the other that Quosis deals mostly with ready products rather than core coding. The first is a notable response because this growth orientation is also part of the Quosis brand and at least one customer was able to refer to this as a competitive advantage or a unique differentiator. However, it is important to note that a large majority was not able to mention anything, leading to the conclusion that maybe the brand message has been too wide or complex for them to understand. There could of course be other reasons but it would seem as if there needs to be more core brand message communication to customers and potential customers to help them with the brand knowledge of Quosis on a basic level. This basic knowledge must come before more elaborate brand communications can be added.

Further statistical analysis for this research project is conducted using cross tabulations and the chi-square test. This will point out how much one variable influences the other variable. The first of these tests was conducted to understand the relationship between the customers responses for the top of mind brands with what came to mind when asked about the Quosis brand. (Table 1-3)

### 6.1 Comparing Top of Mind Brands with Perceptions

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<th>Missing</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>N</td>
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<td>Percent</td>
</tr>
<tr>
<td>TOP * WQuosis</td>
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<td>100.0%</td>
<td>0</td>
</tr>
</tbody>
</table>
### Table 2. TOP * WQuosis Crosstabulation

<table>
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<th>WQuosis</th>
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<th></th>
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</thead>
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<tr>
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<td>Total</td>
<td></td>
</tr>
<tr>
<td>TOP 1,00</td>
<td>Count</td>
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<td>4</td>
</tr>
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<td></td>
<td>% within WQuosis</td>
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<td>60,0%</td>
<td>36,4%</td>
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<td>2,00</td>
<td>Count</td>
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<td>2</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>% within WQuosis</td>
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<td>40,0%</td>
<td>63,6%</td>
</tr>
<tr>
<td>Total</td>
<td>Count</td>
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<td>5</td>
<td>11</td>
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<td></td>
<td>% within WQuosis</td>
<td>100,0%</td>
<td>100,0%</td>
<td>100,0%</td>
</tr>
</tbody>
</table>

### Table 3. Chi-Square Tests

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<th>Value</th>
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<th>Asymp. Sig. (2-sided)</th>
<th>Exact Sig. (2-sided)</th>
<th>Exact Sig. (1-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>2.213(b)</td>
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<td>.137</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuity Correction(a)</td>
<td>.737</td>
<td>1</td>
<td>.391</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>2.284</td>
<td>1</td>
<td>.131</td>
<td></td>
<td>.242</td>
</tr>
<tr>
<td>Fisher's Exact Test</td>
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<td></td>
<td></td>
<td></td>
<td>.197</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>2.012</td>
<td>1</td>
<td>.156</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
a. Computed only for a 2x2 table 
b. 4 cells (100.0%) have expected count less than 5. The minimum expected count is 1.82. 
Top of mind brand variable = TOP  
What came to mind from Quosis as a variable = WQuosis 

This test compares two categorical variables, the top of mind brands with what came to mind from the Quosis brand. The chi square test should indicate whether or not the variables depend on each other and the extent to which they do so. (See table 3.) In this case the Pearson chi-square value was 2.213. As a general rule the higher the value, the higher the dependency of one categorical variable on the other. (Berenson, Levine, and Krehbiel 2004, 320) The chi-square value is high enough to conclude that there could be some dependency between the two categorical variables. However, this test also gives us the P-value which would indicate that the dependency is not statistically significant. A statistically significant P-value would be less than 0.05 which it is not in this case. (Berenson, Levine, and Krehbiel 2004, 320) A higher number of interviewees could help in drawing better quality conclusions from the statistical analysis.
Table 5. TOP * OS Cross tabulation

<table>
<thead>
<tr>
<th></th>
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<th>Total</th>
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</thead>
<tbody>
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<td></td>
</tr>
<tr>
<td>TOP</td>
<td>Count</td>
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<td></td>
<td>% within</td>
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<tr>
<td></td>
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</tr>
<tr>
<td></td>
<td>2,00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Count</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>% within</td>
<td></td>
</tr>
<tr>
<td></td>
<td>VAR00002</td>
<td>63,6%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Count</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>% within</td>
<td></td>
</tr>
<tr>
<td></td>
<td>VAR00002</td>
<td>100,0%</td>
</tr>
</tbody>
</table>

Top of mind brand variable = TOP
Familiarity with open source solutions = OS

For these two categorical variables the chi-square test could not be performed due to the zero value for one of the categorical variables. Assumptions of patterns and associations can be made from the data in the cross tabulations but the actual dependency of one categorical variable with the other and its significance can not be obtained. (Berenson, Levine, and Krehbiel 2004, 321) The cross tabulations show percentages which differ and this could indicate the possibility of patterns and associations. Due to the fact that one variable is a constant it is impossible to draw any factual or statistically significant conclusions from this data sample.

Gaining further, in depth statistical information would be interesting however given the data collected from the interviews it is not possible. Due to the limitations brought forth by the sample size, any further statistical analysis would not be statistically significant and therefore will not be conducted.
7 Discussion and Recommendations for the Future

These results have proven that there is some work to be done when it comes to building a strong brand. However the same could be said for any small and growing company or brand. In the case of Quosis some of the most prominent issues to be considered according to the results of this research were the development of the brand’s awareness in the customer base. Quosis has created a brand manual which will guide the brand in its development into a strong brand. However, at this growth stage the emphasis in my opinion needs to be more in creating awareness of the brand and what it stands for. The fact that a majority of customers weren’t able to say anything when it came to what the Quosis brand stood for or what differentiates it from it’s competition is a sign that maybe the focus should be still on the basics. The complexity of the brand manual is not suited for this stage of the brand. I would agree that it is important for the brand manual to stay a step ahead of the brand and to develop along side the brand but in my opinion it is too far ahead of the actual situation of the brand. The old saying “don’t run before you can walk” emphasizes the same message.

I would recommend analyzing the findings in this research and looking at them objectively to understand what may be the cause for some of these results. According to Keller, at this stage, the issues should be analyzed in order to understand whether they are a result of wrong brand information or just not strong enough brand communication. (See Figure 7.) If the problem is because of the wrong brand message being communicated, the issue should be corrected and then the volume increased. If the issue is solely due to a lack of strength in the brand communication then the volume should be increased. In the case of Quosis there may be elements of both present. The brand message may be too complex for what is needed at this stage of development. The volume for basic brand knowledge should however be increased. Customers need to know who you are and what you do at a very basic level before more complex and elaborate strategies can be focused on.
In my opinion the brand is supported by a great deal of strength in products and expertise within the company. The brand itself should go hand in hand with this existing expertise and knowledge. Focusing the brand message to something precise could increase the penetration it gets regarding brand knowledge in customers, partners, and even employees within the company. In a company which does a great deal of work face to face with customers the importance of employees understanding the brand is not emphasized enough. Every employee must understand the basics of the Quosis brand. Every employee is a representative of the brand. In the face to face meetings with the customers and partners, these employees are the brand in the eyes of the customers and partners. For this reason it is necessary for everyone in the company to understand the brands message and the goals and objectives of the company as a whole to move forward productively. A simplified brand message may make this easier to do on a practical level.

A suggestion I would make regarding increasing the brand knowledge would be the addition of a slogan which informs customers of what the company does but at the same time leaves the customer curious to understand more in depth what the company has to offer. The current logo says Quosis Oy. The Oy gives an impression of a small start up company and could eventually limit the brand. My suggestion for a slogan is “open for
business”. The word open indicates that this software service provider operates in the open source market and “for business” indicates that the company is dedicated to providing some sort of business solutions for its customers. However, this also leaves much for the imagination which could draw potential customers to seek out more information and through this find products and services they are interested in. A good slogan is able to build the customers knowledge of the brands image as there is more to the logo than just a brand name. A logo with this slogan could help potential customers and partners to make the connection between Quosis and open source. Increasing visibility of the brand with a slogan would most likely bring better results than just the brand name itself which may mean nothing to potential customers who are not familiar with it.

8 Concluding Remarks

Quosis was looking to develop its brand into a strong and market leading brand. In a competitive market, utilizing the competitive advantages brought by a strong brand is a great way to differentiate from the competition and gain market share. Quosis had previously done some work on developing the brand through setting up a brand manual and carefully planning out the brand. However, no information existed regarding how well this brand strategy was working and how it was being accepted by customers and potential customers.

This research was developed to understand the brand knowledge of the Quosis customer base. The brand knowledge, consisting of brand awareness and brand image, allows a glimpse into whether or not customers are familiar with the brand and furthermore how they have perceived the Quosis brand.

This research should be used as a tool for further development of the brand and can also act as a basis for researching the brand equity once the brand becomes more developed. As found in the research, the brand has some work to be done in creating more awareness around it. The image needs to compliment the awareness. Creating elaborate brand manuals don’t have much practical usage before there is higher awareness of the brand.
Planning for the future should not be underestimated but neither should the importance of the present in order to get there. The foundations or in this case the basic brand communications must be sound before they can be built on. The results have shown that a more concentrated brand communication could ensure better penetration with consumers. The bottom line is that people will remember a simple high volume message better than a complex and confusing message.
9 References


Kagerman, Henning. 2007, SAP customer and partner conference.


Pöysti, J. 05.09.2007, Verso Open Source Conference, Helsinki

10 Appendices

10.1 Appendix 1. The Interview

Interview Questions

1. Are open source software solutions familiar to you? ___________________________
   If so, what are some of the benefits brought by open source? ______________________

2. What brands come to mind when considering the Finnish open source market?
   __________________________________________

3. If Quosis is not top of mind then, which of the following open source brands are familiar to you? Nomovok, Nemein, Quosis, Zimios, Kilokode and Flander.
   __________________________________________

4. Are you currently using any open source software solutions? _________________
   If so, who was the provider of these solutions and how were they chosen ____________

5. What first comes to mind when thinking of the Quosis brand? _________________

6. Customer satisfaction questions. Rank from 1 (bad) – 5 (good)

   Quality of project     _____,
   staying on schedule   ____,
   was project worth carrying out/benefit ____,
   project leadership   ____,
   expertise            ____,
   service orientation  ____,
   level of cooperation ____,
   level of documentation ____.

7. How does Quosis differ from other open source software companies?
   __________________________________________