

# Applicability of Kapferer's Brand Identity Prism to SMEs

Ahmad Nasiri

Faculty of Entrepreneurship, University of Tehran, Iran

Nastaran N. Richards-Carpenter

Guildhall School of Business and Law, London Metropolitan University, UK

MohammadSadeqh Ghasemi

Faculty of Management, University of Tehran, Iran

## Abstract

*This commentary article explores the applicability of Jean-Noël Kapferer's Brand Identity Prism (BIP) to Small and Medium-sized Enterprises (SMEs), addressing both the challenges and adaptation strategies. While the BIP offers a strong framework for developing brand identity, SMEs often face obstacles in benefiting from it mainly due to resource constraints, expertise limitations, and market volatility. However, by adopting phased implementation, embracing co-creation and collaboration, leveraging digital tools, and conducting continuous monitoring, SMEs can adapt the framework to suit their specific needs and circumstances. This commentary bridges the gap between theory and practice, offering actionable insights for SME managers and encouraging marketing scholars to refine branding models to better suit the needs of smaller enterprises.*

**Keywords:** branding, brand Identity prism, small and medium-sized enterprises, SME

## 1. Introduction

Branding is not merely the domain of large multinational corporations; small and medium-sized enterprises (SMEs) are increasingly recognizing the significance of a strong, consistent brand identity as a driver of growth, customer loyalty, and competitive advantage (Berthon, et al., 2008; Casidy, et al., 2018; Centeno, et al., 2013; Hafeez, et al., 2023; Hanaysha, 2022; Muhonen, et al., 2017; Rokhim, et al., 2021). However, crafting and maintaining a cohesive brand identity is a challenging task for SMEs due to resource constraints, fluctuating market dynamics, and the complexity of volatile consumer expectations (Hirvonen & Laukkanen, 2013; Muhonen, et al., 2017). Among the strategic tools available, Brand Identity Prism (BIP) presented by Jean-Noël Kapferer (Kapferer, 2008) has emerged as a seminal framework for understanding and constructing brand identity.

The BIP offers a comprehensive framework for conceptualizing brand identity through six interconnected facets (Kapferer, 2012). Each facet represents a unique aspect of a brand's character, contributing to a holistic understanding of its identity. The first facet, *Physique*, refers to the brand's tangible attributes, such as its logo, packaging, and overall design, which visually represent the brand. *Personality* embodies the human traits and characteristics attributed to the brand that influence the way consumers perceive it. *Culture* highlights the underlying values, beliefs, and heritage that shape the brand's ethos, reflecting its foundational principles. *Relationship* focuses on the interactions between the brand and its customers, encompassing service quality and engagement. *Reflection* mirrors the target audience the brand aims to attract and portrays an image that resonates with the intended consumers. Lastly, *Self-Image* represents the internal reflection of customers, or how they perceive themselves when interacting with the brand. The strength of the BIP lies in its ability to align internal brand narratives with external perceptions, ensuring a consistent and coherent brand experience (Kapferer, 2012).

Originally designed with larger corporations in mind, BIP's application to SMEs raises questions about the challenges, adaptability, and the need for contextual modifications. This commentary analyzes the challenges and opportunities of applying the BIP within SMEs. We assess its conceptual strengths while identifying potential obstacles that SMEs may encounter. Additionally, we propose strategies for adapting the framework to better suit the unique needs of SMEs. These insights offer actionable and comprehensive guidance for managers, practitioners, and scholars seeking to enhance brand equity in SMEs.

## **2. Challenges of Implementing the BIP in SMEs**

Implementing the BIP in SMEs presents several challenges, primarily due to resource constraints, expertise limitations, market dynamics, and the complexity of integrating its multifaceted dimensions. SMEs often operate with limited budgets and staff, which makes it difficult to apply the comprehensive nature of the BIP. The framework requires a level of strategic branding expertise that many small business owners or managers may lack (Hirvonen & Laukkanen, 2013). Unlike larger corporations with dedicated branding teams, SMEs may struggle to conduct the extensive market research, consumer analysis, and internal reflection necessary to apply all six facets of the BIP effectively. For instance, a local artisanal bakery seeking to differentiate itself in a competitive market may have a unique culinary product and a compelling local narrative but it may lack the expertise to develop a comprehensive branding strategy that incorporates the personality and relationship facets. This gap in strategic branding could lead to inconsistencies in brand perception, ultimately diluting brand equity.

Furthermore, the multidimensionality of the BIP, while it is a strength, can also pose a challenge for SMEs, particularly those in their early stages. Aligning six distinct facets can create internal conflicts or detract from the brand's core focus. For instance, a boutique clothing brand may excel in promoting a strong cultural narrative but may struggle to effectively project a compelling self-image or relationship facet due to the absence of structured customer feedback mechanisms.

Moreover, SMEs operate in rapidly changing market environments where consumer preferences and competitive conditions evolve quickly (Hirvonen & Laukkanen, 2013; Krake, 2005; Wong & Merrilees, 2005). For SMEs, maintaining consistency across all six dimensions of the BIP in today's volatile contexts seems to be difficult or impossible. The global digital economy further complicates these challenges, as businesses must engage with consumers across various online platforms, demanding even more resources and effort to sustain a coherent and consistent brand identity.

## **3. Applicability of the BIP to SMEs**

Despite the challenges SMEs face, there are ways in which the BIP can be applied in this context. The applicability of BIP to SMEs lies in the model's ability to provide a structured and comprehensive approach to brand identity while allowing flexibility in its implementation. The BIP offers significant advantages, such as helping businesses create a coherent and distinctive brand identity that resonates with customers. This is particularly important for SMEs looking to establish their presence and differentiate themselves in competitive markets.

On the other hand, SMEs, due to their size and agility, have a unique advantage in customizing the implementation of the BIP to align with their available resources. Their ability to swiftly adapt to market changes and engage directly with customers allows them to leverage the potential of the BIP. Unlike larger organizations, SMEs can refine their brand identity in real-time to remain relevant and responsive to shifting consumer preferences. With their flexibility, deep market knowledge, and close customer relationships (Sestino, et al., 2021; Elmadag & Peneklioglu, 2018), they are well-equipped to apply the BIP in a customized way. Therefore, SMEs can develop adaptation strategies to overcome constraints and leverage the BIP's conceptual advantages, along with their own competencies and resources. The following strategies are suggested to help SMEs integrate and effectively implement the BIP in building their brand identity.

## **4. Adaptation Strategies for SMEs**

### ***4.1. Adopting a Phased Approach***

One effective strategy for mitigating resource constraints is to prioritize and sequence the development of the six dimensions. In the early stages, focusing on tangible facets—specifically brand physique, personality, and relationships—is critical (Juntunen, et al., 2010; Centeno, et al., 2019; Elmadag & Peneklioglu, 2018). Concentrating on these elements enables SMEs to build a visible, relatable brand presence without incurring prohibitive costs. For example, leveraging cost-effective tools and designs can help develop a consistent visual identity. A well-defined logo, color scheme, and overall aesthetic, achieved with modest investment, provide a strong foundation for the brand's physical representation. Similarly, establishing a consistent brand voice and tone allows SMEs to craft a narrative that accurately reflects their character and emotionally connects

with customers, even with limited marketing budgets. Forging strong, trust-based relationships further solidifies the brand's groundwork for future growth (Sestino, et al., 2021).

Once these core elements are securely in place, SMEs can gradually incorporate the more resource-intensive dimensions of culture, reflection, and self-Image. This phased approach ensures that funds and effort are allocated judiciously and allows SMEs for the progressive development of a comprehensive brand identity. By carefully assessing the brand's core value proposition and the specific expectations of its target market, SMEs can direct limited resources toward dimensions that foster early differentiation and drive customer engagement.

#### 4.2. *Opting Co-creation and Collaborative Strategies*

Co-creation emerges as a powerful method to deepen brand authenticity by actively involving customers in the branding process (Nadeem, et al., 2021). Through online surveys, focus groups, or social media contests, SMEs can enrich dimensions such as culture and self-image, transforming customers into brand advocates. This collaborative process not only fosters a sense of community and shared ownership but also enhances overall brand loyalty (Mingione & Abratt, 2020; Juntunen, 2024; M'zungu, et al., 2019).

In situations where internal expertise is limited, external partnerships prove invaluable. Engaging with branding consultants, local universities, or business incubators can infuse fresh perspectives and targeted insights. Even short-term collaborations can lead to strategies that fit an SME's unique needs and refine the facets of the BIP. This approach helps clearly define tangible elements like the visual and verbal identity, which are crucial for establishing brand physique and personality.

Simultaneously, investing in internal capacity building through training programs, workshops, and online courses enables SMEs to gradually master the complex framework of the BIP (Nguyen, et al., 2021). Developing internal competencies ensures that the core values (culture) are consistently translated into customer interactions (relationship) and mirrored in consumer perceptions (reflection). By leveraging both external expertise and internal development, SMEs can mitigate the risk of misalignment among the dimensions. This balanced, dual approach ultimately results in a coherent and authentic brand identity, strategically positioned to build lasting customer relationships and drive long-term success.

#### 4.3. *Leveraging Digital Tools and Social Media*

Considering SMEs' financial limitations, digital tools and social media serve as powerful, cost-effective platforms to adapt their brand strategy in line with the BIP (Sestino, et al., 2021; Shams, et al., 2024). By utilizing these digital channels, SMEs can craft a well-defined brand narrative that enhances the brand's physique through consistent visual elements—logos, color schemes, and design templates—all showcased online. The tone and style of social media communications establish the brand's Personality, reflecting its unique character and voice.

Sharing content that highlights core values reinforces the brand's culture, while real-time engagement fosters dynamic customer interactions, strengthening the relationship dimension. Continuous feedback from these interactions provides immediate insights into consumer sentiment, allowing SMEs to adjust their strategies quickly (Cao & Weerawardena, 2023; Elmadag & Peneklioglu, 2018). This agile approach not only refines the brand's reflection—how consumers perceive and relate to the brand—but also influences their self-Image, as customers align their personal identities with the brand's messaging.

Digital analytics further bolster this strategy by tracking behavior and sentiment, ensuring that every facet of the brand identity evolves with market conditions. In this way, leveraging digital tools and social media interconnects all dimensions of the BIP, creating a cohesive, adaptive, and authentic brand identity that resonates deeply with its audience.

#### 4.4. *Continuous Monitoring*

Continuous monitoring through brand audits, customer feedback, and digital analytics is essential for maintaining a dynamic and responsive brand identity. In rapidly shifting markets, this agile approach enables SMEs to adjust their strategies in real time, ensuring that each dimension of the BIP remains current and effective. For instance, regular assessments can reveal shifts in consumer behavior that necessitate tweaks in the brand's physique—its visual elements—and its personality, reflected in tone and character. If customer

feedback suggests evolving expectations, the brand's cultural values may be recalibrated to better align with new societal trends (Mingione & Abratt, 2020).

Moreover, continuous monitoring enhances the relationship dimension by providing insights into how customers interact with the brand, enabling SMEs to foster more engaging and trust-based connections. Market intelligence gathered through digital analytics directly informs adjustments in the reflection and self-image dimensions, ensuring that the brand authentically mirrors consumer aspirations and reinforces a positive self-perception among its audience.

This layered, adaptive strategy creates a resilient framework that empowers SMEs to navigate competitive pressures and shifting market dynamics. By embedding agility into their brand management processes, SMEs can continuously refine their core identity, ensuring that internal values are consistently translated into impactful customer interactions. In doing so, the brand not only remains relevant and deeply resonant but also effectively leverages the comprehensive insights provided by the BIP to drive sustained engagement and long-term loyalty.

## **5. Implications**

### *5.1. Implications for Marketing Scholars*

The challenges and adaptation strategies discussed in this commentary offer marketing scholars an opportunity to bridge theory and practice in the context of SME branding. Traditional frameworks such as the BIP provide a robust conceptual foundation; however, their application in resource-constrained, dynamic SME environments demands a re-contextualization that accounts for sector-specific nuances, cultural variations, and digital disruptions. Scholars should investigate how these models can be systematically adapted to capture the complexities of SME brand identity formation, integrating insights from behavioral studies, digital analytics, and co-creation processes.

Longitudinal research is particularly vital for understanding how brand identities evolve amid shifting market forces and internal strategic adjustments. By employing mixed-methods approaches, future studies can map causal relationships between branding interventions and measurable outcomes such as customer engagement and brand equity. This empirical evidence can test the limits of existing theories and uncover new dimensions of brand evolution specific to smaller enterprises.

Moreover, examining the interplay between digital tools and traditional branding practices presents a rich avenue for inquiry (Cao & Weerawardena, 2023; Sestino, et al., 2021). While social media, online communities, and interactive platforms hold significant implications for theory and practice regarding brand perception, their influence remains underexplored. Integrating interdisciplinary methods from information systems and behavioral economics can yield actionable insights, informing both academic debates and practical branding strategies for SMEs. Overall, a deeper, contextually nuanced exploration of SME branding frameworks will enrich the marketing literature and provide a roadmap for more effective, adaptive brand management strategies in real-world contexts.

### *5.2. Implications for Managers and Practitioners*

For managers and branding practitioners working with SMEs, a nuanced and context-sensitive approach is essential. Rather than applying a one-size-fits-all approach to traditional frameworks, such as the BIP, they must first conduct a comprehensive diagnostic of each SME's unique context. This involves assessing not only the market environment and competitive positioning but also the internal resources, organizational culture, and strategic vision of the SME (M'zungu, et al., 2019). By mapping these factors, practitioners can identify which dimensions of the brand identity framework are most pertinent and where immediate efforts can have the highest impact.

Again, we emphasize that integrating traditional branding frameworks with modern digital engagement strategies offers a pathway to both theoretical rigor and practical agility. While the BIP provides a robust model to capture the multifaceted nature of brand identity, digital tools can operationalize this model in real-time. For example, leveraging social media analytics, customer feedback platforms, and digital storytelling methods enables practitioners to refine and adapt the brand narrative dynamically. This dual approach not only supports the development of a resilient brand identity but also ensures that the SME's branding efforts are continuously aligned with evolving consumer preferences and market trends. As studies show, being both

market-oriented and brand-oriented can be vital for growing SMEs' success (Butkouskaya, et al., 2024; Iyer, et al., 2019; Reijonen, et al., 2012; Temprano-García, et al., 2023).

Furthermore, branding consultants and agencies should develop scalable, modular service packages that consider the limited budgets and human resources typical of SMEs. A phased implementation strategy can be particularly effective: starting with high-priority dimensions—such as brand personality and customer relationships—and progressively integrating additional elements as the business grows. This incremental approach minimizes risk and resource strain while allowing for measurable improvements over time. Embedded evaluation mechanisms, such as periodic brand audits and performance metrics, can further enable practitioners to adjust strategies responsively and maintain strategic alignment.

Finally, fostering long-term, collaborative partnerships with SMEs is crucial (Ojasalo, et al., 2008). By engaging in co-creation processes and capacity-building initiatives, branding practitioners can empower SMEs to internalize strategic branding practices. This collaborative model not only delivers immediate, practical benefits—such as enhanced customer engagement and improved brand differentiation—but also equips SMEs with the tools and insights needed to sustain and evolve their brand identity autonomously.

In sum, by merging conceptual depth with practical innovation, practitioners can craft bespoke branding solutions that are both theoretically sound and pragmatically viable, ultimately enabling SMEs to build strong, adaptive, and distinctive brand identities in today's competitive landscape.

## 6. Conclusion

While Kapferer's Brand Identity Prism (BIP) was originally developed for larger organizations, its comprehensive and multidimensional approach offers valuable insights for SMEs. The challenges—primarily resource constraints, limited expertise, market dynamics, and the complexity of managing multiple branding facets—are significant. However, the conceptual advantages of a holistic brand identity framework can be harnessed by adopting strategic adaptations. By phased implementation, embracing co-creation and collaboration, and leveraging digital tools, SMEs can tailor the BIP to their unique needs. Continuous monitoring and flexible adjustments further ensure that the brand remains relevant amid rapidly changing market dynamics.

Looking ahead, SMEs should view the adaptation of the BIP as a dynamic ongoing process—one that evolves in tandem with both internal capabilities and external consumer trends. When thoughtfully adapted, the BIP can serve as a powerful tool for SMEs to differentiate themselves, enhance customer loyalty, and navigate the complexities of contemporary branding.

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