

Executive Summary

In recent years global 'Service Brands' like Google have been leading a shift in the perceived value of a brand experience. With little in the way of a tangible product, these brands have had to develop a consumer-centric mentality, focusing on service, while delivering an innovative and unique brand experience. However the more traditional 'Product Brands' such as Coca Cola and Apple have recognised this shift in the branding evolution and have taken on-board an equally consumer-centric mentality by delivering messages of not only their product benefits, but also of a brand culture, community and way of life. It is this emotional connection that builds meaningful brand relationships and in turn brand advocates, making way for an evolution to 'Experience Brands'. It will be 'Experience Brands' that lead the way in the future of branding.

The key to becoming an 'Experience Brand' is in developing and delivering a unique and meaningful brand experience. If Google is to maintain its brand dominance and challenge the rising 'Experience Brands' then it must master all three components of the brand experience:

- Functional – *does it do what people want it to do?*
- Accessible – *how easy is it for people to do what they want to do?*
- Emotional – *how does it make people feel?*

(Tempkin, The 2011 Temkin Experience Ratings, 2011)

Google's brand experience is based around the functional and accessible elements of the experience, offering self-managed, automated productivity tools with no real human touch or emotional connection. Google must master the very crucial emotional component of the brand experience if it is to challenge the likes of Apple and Coca Cola and claim back the title of the world's greatest brand.

Equally important to Google's success has been the evolution of its unique business model highlighted by the synergy of the 'Freemium' and 'Advertising' models, creating a 'network effect'. Google's business model has evolved further however with the distribution of AdWords, the regular acquisition of innovative



companies in order to gain valuable R&D and smart technology and the expansion of the service and product portfolio leading to Android Play and product sales, as well as the move into cloud computing infrastructure.

The future growth of Google's business lies in three key areas:

- Extending the advertising model.
- Providing cloud infrastructure services.
- Going mobile in technology and products.

By continuing to evolve the concept of personalised advertising, further developing mobile technology and investing in cloud computing infrastructure, Google have set the platform for a strong and profitable future with seemingly unlimited potential.



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Introduction

Focusing on creating unique and meaningful brand experiences is crucial for the future success of brands the world over. Consumers now expect more from a brand than a basic exchange for product or service benefits. If they do not get the brand experience that they desire then they will simply find another brand.

This is a critical analysis of the Google brand and a look into the factors that affect the future success of the worlds leading brands.

We will begin by introducing Google Inc. (Google) and outline the development of both the company and the brand, as well as discussing the nature of Google's brand experience and brand relationships. We will then go on to debate the future of 'Product Brands' vs 'Service Brands' and discuss the evolution of the 'Experience Brand'. Next we will discuss how Google relates to its business model and formulate a vision of the future potential of Google. We will complete this paper by applying a service-marketing framework to analyse Google's brand experience.

1.0 Google INC

From modest beginnings as an internet search engine run off Stanford University servers, Google have developed into a global brand and world leader in internet search, cloud computing and advertising technologies, as well as in mobile device platforms and productivity software. Google's focus since the beginning has been to provide the best user experience possible. Google's core brand value is based upon this philosophy, in taking care to ensure that everything it does is ultimately to serve the user, as apposed to its own internal goals or bottom line (Google-about, N.D).

1.1 The Business & Brand Development

Larry Page and Sergey Brin, co-founders of Google met at Stanford University in 1995 where they studied computer science. In 1996 the pair collaborated on a search engine called 'BackRub', and in 1997 changed the search engine's name to



'Google', a play on the word googol, a mathematical term represented by the number one followed by 100 zeros. The use of this term reflects their mission to organise a seemingly infinite amount of information on the internet (Google INC, N.D).

In 1998 Google was incorporated after receiving a US\$100k investment from Andy Bechtolsheim, kick starting the company into the beginnings of the online service brand that we know today. 1998 also saw Google move into its first official workspace (a friends garage), as well as being recognised by PC Magazine as the search engine of choice in the top 100 websites for 1998 (Google INC, N.D).

In February 1999 Google's 8 employees outgrew the garage office and moved to a bigger space. Later that year Google's office space moved again, to Mountain View, now with 40 employees. 1999 also saw Google receive US\$25m in equity funding (Google INC, N.D).

By 2000 Google had officially become the worlds largest search engine with over 1 billion URL's indexed. It was the start of the new millennium when Google seeked to expand the business and brand globally by releasing alternative language interfaces, securing international domains and opening Google offices in key locations around the world (Google INC, N.D). Today Google has more than 70 offices in more than 40 countries (Google Company, N.D). 2000 also saw the launch of 'Google AdWords' (Google INC, N.D), the company's first brand extension and still to today the primary revenue earner. In 2011 advertising revenue amounted to more than US\$36.5b (Google Investor Relations, N.D). In what was to become an annual tradition and symbol of the kind of company that Google is, the first April Fools Day prank was played.

In 2001 Google completed its first public acquisition (a strategy that was to become a key element of the company's business model); Deja.com, later to become 'Google Groups'. The Google search engine was expanded to include



images and the total search index size grew to 3 billion web documents (Google INC, N.D).

Over the next 10 years the Google business and brand grew exponentially with the continual expansion and innovation of not only the worlds number one search engine, but also with the acquisition of online technology; Pyra Labs (creators of Blogger), Keyhole (who's technology lead to Google Earth), Urchin (who's technology was used to create Google Analytics), Writely (the bases for Google Docs) and YouTube. Over this period Google develop a raft of web tools for both personal and business use, designed to enhance the online user experience as well as making the worlds information more universally accessible. Google launched such tools as 'AdSense', 'Google SMS', 'Desktop Search', 'Google Scholar', 'Gmail', 'Google Maps', 'Google Analytics' 'Google Talk', 'Google Finance', 'Google Checkout', 'Google Translate', 'Google Chrome' and Google+. Google also developed mobile technology with the Android platform, Google Wallet and the Android Market (Google Play), as well as introducing an ultra high-speed broadband network and the development of a self-driving car (Google INC, N.D).

Many milestones have been achieved to date, with 'Google' being voted by the American dialect society as the most useful word of 2003. In 2004 the company made its initial public offering, moved to the current headquarters (Googleplex) accommodating 800+ staff, and the index of web pages reached 8 billion. 2005 saw 1.1 billion images indexed, in 2006 Oxford English Dictionary added 'Google' as a verb, and in 2010 Android Market exceeded 10 billion app downloads (Google INC, N.D).

In 2012 Google are still focused on expansion and innovation. Recent developments include Chrome O/S, a cloud based operating system to compete with MS Windows and Apple OSX, Search Plus Your World (a more intuitive search engine), augmented reality glasses and further development of the self-driving car, as well as the constant upgrading and refining of the vast range of products/services in the Google portfolio. Google now employ over 30,000 staff



world wide, own more than 150 domains and generated US\$37.9b in revenue in 2011 (Wikipedia, 2012).

With initiatives such as 'Google Ventures', 'Google Green' and 'google.org', Google believe passionately in supporting and investing in causes that they feel strongly about. Causes such as world health with 'Google Flu Trends' and 'Crises Response', education with 'Google Apps for Education', clean energy (Google invested US\$780m into clean energy initiatives in 2011) and climate change with its electric vehicle charging infrastructure being developed across the USA. In 2010 Google contributed US\$184m to charitable organisations.

Google has become a brand that is entrenched into the lives of millions of people worldwide at all levels of society on both personal and business levels, offering a user experience which is constantly evolving. This consumer-centric mindset is poised to carry Google as one of the worlds leading brand experiences deep into the future. However, this brand is very functional and practical in nature. Google seems to displays a distinct lack of a meaningful emotional connection with its users. This we will discuss further in the coming chapters.

1.2 The Google Brand Experience

Brand experience is the concept of sensations, feelings, cognitions, and behavioral responses evoked by brand-related stimuli that are part of a brands design and identity, packaging, communications, and environments (Brakus, Schmitt, & Zarantonello, 2009).

Google is all about the user experience and all about its people. It's the people that make Google the kind of company that it is today (Google-about, N.D).

"Our goal is to make it as easy as possible for you to find the information you need and get the things you need to do done" (Google - Our Products and Services, N.D)

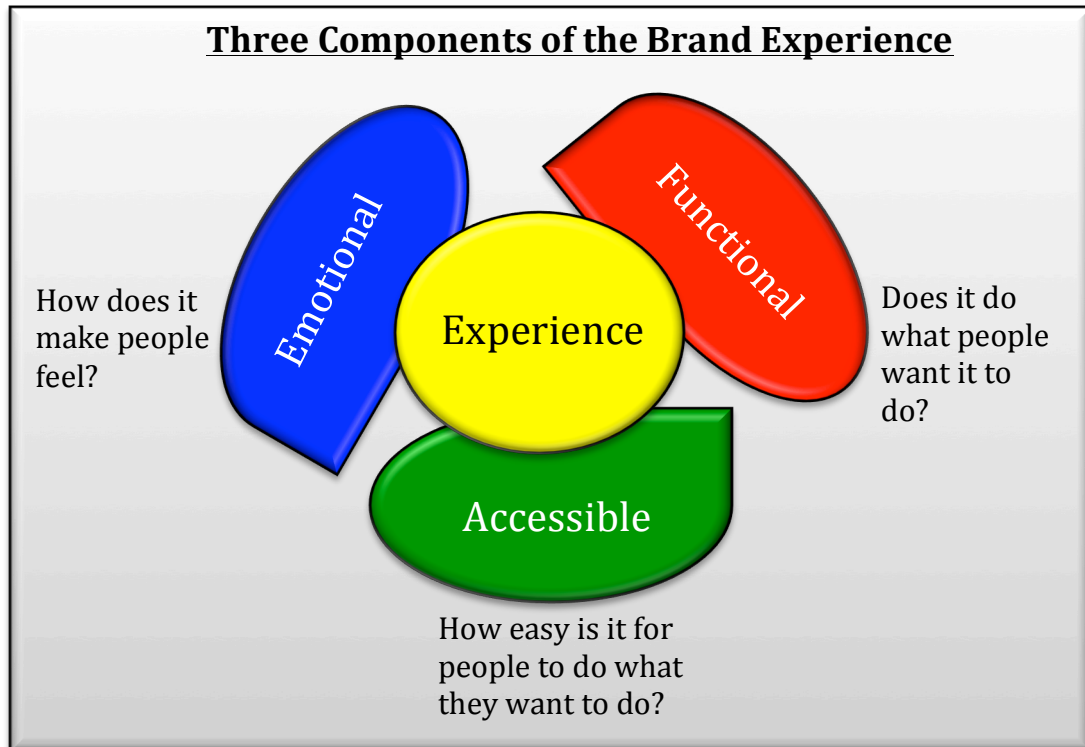
Google's brand experience is based around simplicity, ease of use and functionality, but more significantly is 'free' to use. Most of Google's services are free to users with advertising accounting for the majority of the company's



revenue. This business model is what has allowed Google to grow so rapidly. Creating a user experience at no cost to the user has built a pool of millions of consumers that has in turn become an attractive marketing channel for advertisers, who pay for the opportunity to engage those consumers (Moon, 2007).

Google's brand experience differs from other 'Service brands' in that Google is an online 'Service Brand', offering an online service experience. Where service organisations commonly rely heavily on customer service (de Chernatony & Segal-Horn , 2003), Google must ensure that its online service experience is meaningful enough to maintain a sustainable differential advantage in continuing to build a successful brand (de Chernatony & Segal-Horn , 2003). Google is working to create an online community where users have the ability to interact naturally, share and recommend the things that they find interesting with the people that they think will be interested. This community environment enhances the user experience by developing the emotional side of the brand experience. The emotional connection with consumers is where Google have struggled, with the majority of Google products and services focusing on the functional and accessible components of the brand experience (Tempkin, Google Lacks Apples Emotional Design, 2011). All three components of an experience must be mastered in order to create a meaningful brand experience and in turn a successful brand, as illustrated in figure 1.





(Figure 1: adaption of Temkin's Three Components of Experience Model (Tempkin, The 2011 Temkin Experience Ratings, 2011)

If Google is to challenge the likes of Apple and Coca Cola (both of whom have mastered all three experience components) as one of the worlds leading brands of the future then it must work to create a stronger emotional connection with its users. Google is moving in the right direction with the launching of Google+ and by continually looking for new ways to improve its brand experience with faster, more intuitive and more aesthetically pleasing products and services.

"The perfect search engine" is something that "understands exactly what you mean and gives you back exactly what you want" (Google - Our Products and Services, N.D).

1.3 The Google Brand Relationships

Consumer-brand relationships are built around trust and an emotional connection to the brand. As discussed earlier Google is not quite there with developing a meaningful emotional connection with users but is rated highly as a trusted technology brand. Google has a vast range of products and services used by an equally vast range of users as well as by advertising customers. To be able to successfully manage such a product/service portfolio and so many users/customers, the majority of Google's products and services are self

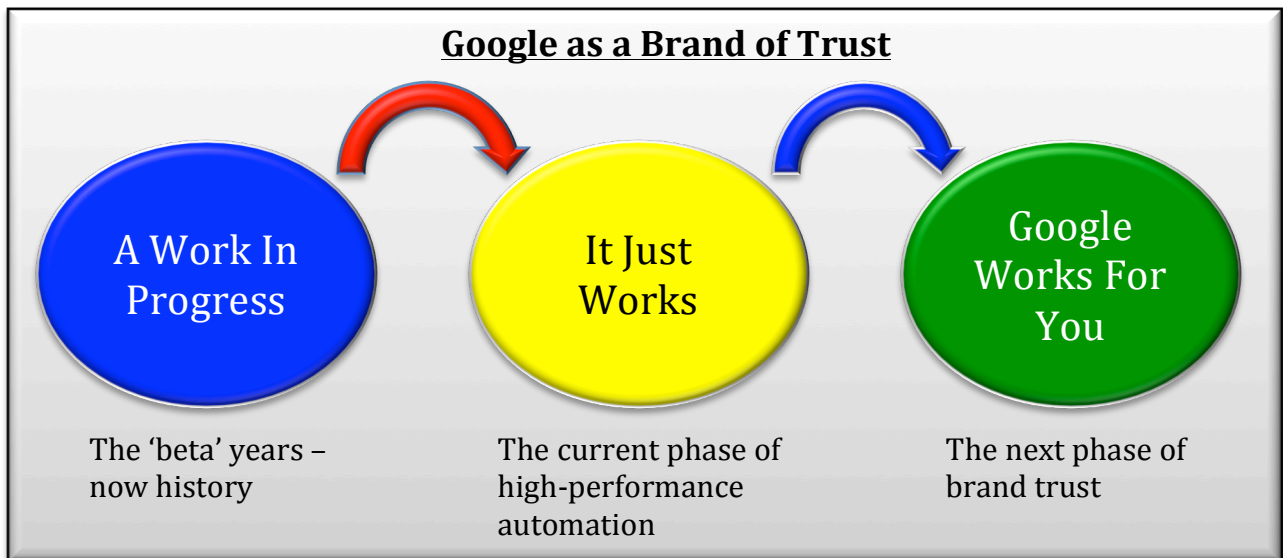


managed, or automated. Although this product management model works well in functionality, accessibility and user productivity, with little consumer-brand interaction or emotional engagement by way of human customer service, physical stores or marketing activity, it is very difficult for Google to build any meaningful brand relationships. Google so far has gotten away with providing the worlds most advanced and popular search engine and very good, free online productivity tools. This however will not be enough to develop meaningful brand relationships and true brand advocates.

As Google expands further into developing tangible products such as mobile phones (Motorola) and laptops (Chromebook), the necessity for developing brand relationships will become more crucial. Being a trusted service provider is fine, but transferring that trust directly to Google hardware products may not be so simple, particularly when you are competing with the likes of Apple, Microsoft and Samsung who have excellent systems of customer support already in place, and work hard to maintain and evolve their brand relationships.

This trust is a key component in Google developing its brand relationships, as consumers need to feel confident that they are going to receive the support that they require when purchasing Google products. By considering Google as a 'Trust Brand' we can identify three phases in the brands evolution (Phipps, N.D), as illustrated in figure 2.





(Figure 2: Adaption of Phipps 'Google as a Brand of Trust' concept (Phipps, N.D))

The next phase in Google's evolution will be its greatest challenge to date, as it entails a Google brand built on relationships, not algorithms. This means that Google will need to excel as a brand of trust, connecting with customers beyond the automated machine interface (Phipps, N.D).

Google will need to start incorporating the human touch into its brand and deliver brand messages that engage with consumers on an emotional level as apposed to on a productivity level. This fundamental branding concept will enable Google to become a future 'Experience Brand' (discussed in further detail in the next section), building meaningful brand relationships and developing true brand advocates.

2.0 Product vs Service Branding

Traditional branding as we know it has been challenged in recent years by a new wave of innovative out of the box thinking brands that are surging ahead of your classic 'Product Brands' and re-writing the rule book as they go. 'Service Brands' are starting to lead the way due to their consumer centric mind-set and focus on creating a brand experience, having no tangible product experience available. Brands such as Google, Microsoft and Facebook have shown a trend recently of 'Service Brands' climbing the top 100 global brand value lists ladders. Prior to 2011 Brandz rated Google as the worlds most valuable brand for 5 consecutive



years, and from 2010 to 2011 Facebook recorded a 246% rise in brand value to appear on the list for the first time ranked at number 35 (Brandz, 2011).

Although there are varying interpretations of what defines a brand, it is not the definition that distinguishes 'Product brands' from 'Service brands', but the way in which they execute their brand strategies. The interpretation of a brand's experience as a 'promise' is particularly appropriate for 'Service Brands' due to their characteristics of intangibility (de Chernatony & Segal-Horn, 2003).

2.1 Service Brand Discussion

Many of the world's leading 'Service Brands' are online or technology-based companies that are continually growing their service offerings to meet more consumer wants and needs while staying current and relevant. Google for example over the past few years has branched into mobile device platforms, a social network site and a cloud based computer operating system. By understanding where technology is heading and anticipating how consumers will adopt and interact with this technology, online and technology based 'Service Brands' are creating a unique user experience that is meeting and exceeding the expectations of consumers while incorporating those experiences into consumer's everyday lives. In many cases the services being offered are at no cost to the consumer, with revenue coming in the way of low cost advertising. This model of service delivered at no or a low cost creates a desirable brand experience, attracting regular users.

"The user experience, customer experience, searcher experience, whatever you want to call it – Google knows that online, the brand is the EXPERIENCE. Good experience, good brand. Bad experience, out of business." (Good Experience, 2003)

With no tangible product to represent the brand, a 'Service Brand' must ensure that it delivers on its brand promise and creates a meaningful user experience in each and every contact or interaction that it has with consumers. It is the delivery of the brand promise and meaningful user experience that will define a 'Service Brand' and its brand experience.



The brand experience must not only be delivered to consumers, but also conveyed within the company itself. Happy and involved staff is the most important asset of a 'Service Brand' as they are the ones that are delivering (directly or indirectly) the brand experience to consumers. Therefore all levels of a service company are involved in creating the brand experience. If staff are not aware of and experiencing the brand values and messages for themselves, the brand promise and experience will not be able to be affectively delivered to consumers (Viita, 2011). Successful 'Service Brands' therefore depend on strong internal communication programs to support greater consistency in delivering the brand experience (de Chernatony & Segal-Horn , 2003).

"Success is more likely when everyone internally believes in their brand's values. When management behaviour is based on genuine conviction, shared values are more likely. Through shared values, there is a greater likelihood of commitment, internal loyalty, clearer brand understanding, and importantly, consistent brand delivery across all stakeholders. By viewing these factors within a systems perspective, greater services brand consistency can result" (de Chernatony & Segal-Horn , 2003)

2.2 Product Brand Discussion

Products on the other hand live in a different world of branding and marketing focusing on traditional product branding models, where emphasis is on product benefits as apposed necessarily to the overall brand experience. Traditional "Product Brands" such as Coca Cola, McDonalds and Nike tend to raise consumer expectations through advertising, reaching as many people as possible in order to engage and sell their brand promise. In doing this, global 'Product Brands' are everywhere, all around us in typical mass-marketing fashion.

Competition is often very high with 'Product Brands' and a key role of branding and marketing efforts is in differentiating from competing brands. 'Product Brands' work on developing emotional connections with consumers, even creating a brand culture, where consumers are loyal followers and advocates of their favourite brands. Apple is a classic example of a brand that has developed



such a following for its products that brand loyalists will often purchase Apple products with no thought or consideration for competing brands.

'Product Brands' however have physical limitations that 'Service Brands' are not affected by; the supply of resources, factory capacities and wholesale and retail stock limits as well as cost limitations; production costs, distribution costs and sales and marketing costs which may limit brands that function under traditional product marketing models. As well as brand and product competition, 'Product Brands' deal with many challenges; changes in consumer habits e.g. diet considerations with healthy food and obesity affecting McDonalds or Coca Cola, ethical manufacturing practices affecting Nike or Apple, or issues with anti-consumerism messages being voiced worldwide. To combat these many challenges 'Product Brands' are taking on the concept of creating a unique brand experience, coming inline with the 'Service Brands' model. Coca Cola is a traditional 'Product Brand' that is developing the brand experience (most recently 'Open Happiness') concept in order to maintain its dominance as one of the worlds leading brands. Coca Cola's success is evident in taking the top spot in Interbrand's 2011 Best Global Brands list (Interbrand, 2011).

2.3 The Next Step - Experience Brands

So who will ultimately win the battle of the brand categories, the traditional 'Product Brands' or the innovative new 'Service Brands'? The answer is neither... Branding has evolved further than the debate between just 'Service Brands' and 'Product Brands'. Looking to the future, brands are now being measured by how they deliver on their brand promise, inline with their brand values in delivering a unique brand experience. This can be defined by a new brand category; 'Experience Brands', i.e. *"brands that invest in building and continually improving how people experience and interact with them as a point of differentiation from competitors, and a reason for consumers to become customers and advocates"* (McCall & Bigham, 2011). Regardless of the nature of the brand offering, whether it be a product, a service or a combination of both, all brands will need to aim to become an 'Experience Brand' in order to be successful in a market where brand experience is everything.



“To win with the consumer, brand organisations need to rethink how they do business. It is not just about important stuff like designing great advertising, having an elegant in-store presence, a helpful customer service or clever social marketing strategy. It’s about building an organisation that is capable of delivering winning brand experiences at every stage of the consumer journey” (Weir, 2011).

As ‘Product Brands’ start to understand and adopt the ‘Experience Brand’ mentality they will begin to rise again and challenge, possibly even take the initiative back from the worlds leading ‘Service Brands’. This is beginning to become apparent in analysing two 2011 most valuable global brands lists, published by Brandz and Interbrand, where six of the top ten brands on each list are ‘Product Brands’ and both lists rate a ‘Product Brand’ as the number 1 global brand. Published brand value lists however are not necessarily the best measure of a brands success as these measurements can be quite subjective, as seen in the following table.

The Top Global Brands of 2011				
Brandz	Value US\$M		Value US\$M	Interbrand
Apple	153,285	1	71,861	Coca Cola
Google	111,498	2	69,905	IBM
IBM	100,849	3	58,087	Microsoft
McDonalds	81,061	4	55,317	Google
Microsoft	78,243	5	42,808	GE
Coca Cola	73,752	6	35,593	McDonalds
AT&T	69,916	7	35,217	Intel
Marlboro	67,522	8	33,492	Apple
China Mobile	57,326	9	29,018	Disney
GE	50,318	10	28,479	Hewlett-Packard

(Figure 3: Comparison of published brand value tables (Interbrand, 2011) (Brandz, 2011)



Although 7 of the worlds leading brands feature in both lists, the \$values of the brands and the order of ranking is significantly different between the two lists. We will however use these lists as a basis for the worlds brand rankings.

More interesting than the ratio of 'Product Brands' to 'Service Brands' in these rankings is the ratio of technology to non-technology brands ranked in the top 10 global bands, with seven technology brands ranking on each list. This is an indication of where the future lies with the worlds leading brands. Although Coca Cola leads the Interbrand list, it is only by a very small margin with three strong technology brands closing in.

The Brandz list shows a different picture entirely with Apple taking over from five-time leading brand Google. Apple is a 'Product Brand' that has taken on the 'Experience Brand' model and run with it, offering innovative relevant products with a unique and personal brand experience. In a recent brand experience study Apple was ranked as the brand providing the most unique experience (McCall & Bigham, 2011). Goggle, dropping to second place in 2011 has long dominated this list but is still the most desirable as well as the most trusted and recommended technology brand (Brandz, 2011). With Google branching into products such as mobile phones (with its acquisition of Motorola) and augmented reality glasses to compliment its already vast range of services, the company is in a position to re-challenge for the top spot in the new era of 'Experience Branding', offering both products and services, enjoying the best of both worlds. Google will however need to address the 'emotional connection' issues raised in this paper.

There are other brands to watch out for though. In 2011 Facebook overtook Google as the most visited website in the USA and was ranked as the fastest growing global brand (Brandz, 2011). This emphasises the importance of the continual evolution and questioning of the brand experience in order to keep it relevant and in touch with today's and tomorrows consumers.



2.4 Discussion Conclusion

After discussing both sides of the 'Product Brands' vs 'Service Brands' argument it is my view that neither 'Product Brands' nor 'Service Brands' will lead the race in becoming the worlds most dominant and valuable brands. The future will see an overall more consumer-centric mentality taken on board by organisations where a new category; 'Experience Brands' will rule supreme, regardless of the nature of the brand offering. Organisations that do not take on this thinking will simply not compete in modern markets. A trend is shifting towards technology brands with their ever increasing integration into our daily, lives leading the way and setting the benchmark for how an organisation should deliver a brand experience to consumers now and into the future.

3.0 The Google Business Model

Google is a very successful and very profitable online service company, based on a 'Freemium Business Model'. Or is it? Google is a very successful and very profitable online service company, based on an 'Advertising Business Model'. Is this more accurate? The answer is not as simple as one or the other. In fact Google's business model incorporates both of these two models and is continuing to evolve.

Osterwalder, 2004, articulated that a business model is a *"conceptual tool that contains a set of elements and their relationships and allows expressing a company's logic of earning money. It is a description of the value a company offers to one or several segments of customers and the architecture of the firm and its network of partners for creating, marketing and delivering this value and relationship capital, in order to generate profitable and sustainable revenue streams"* (Yutaka Sugano, Veiga Gonçalves, & Figueira, 2009). A business model in its simplest terms can be said to be a business concept that has been put into practice (Yutaka Sugano, Veiga Gonçalves, & Figueira, 2009).



Google's business structure can be looked upon from three different viewpoints:

- Google's vision and mission – Google is a search company.
- Google's profitability model – Google is an advertising company.
- The essence of Google – Google is a technology-oriented company (Tsai, Lin, & Su, 2011).

All three viewpoints describe what Google does, but together describe what Google is.

Google's core competency is in online search. From Google's inception the focus has been on providing internet users with a search tool that offers the best results according to the degree of relevance of each sites content, with the help of advanced algorithms (Yutaka Sugano, Veiga Gonçalves, & Figueira, 2009). This consumer-centric strategy led Google to creating an intense volume of traffic in a very short time. After only two years of operating Google was already registering approximately 60 million daily searches. However, even with this vast audience the company showed negative revenue. This was due to the fact that Google had not yet found a sustainable business model (Yutaka Sugano, Veiga Gonçalves, & Figueira, 2009).

In an effort to rectify Google's negative revenue an advertising model was introduced, by way of a new service, AdWords, where advertisers paid to have text announcements displayed alongside relevant native search results. Google was careful however to keep native search results and paid advertising separate so as to not affect the quality of the search service (Yutaka Sugano, Veiga Gonçalves, & Figueira, 2009). When Google formed an agreement with AOL to allow the use of their search technology in the AOL portal, a new business line was opened with the distribution of AdWords. This business model created a synergy, combining search and advertising services, which would go on to make Google one of the most profitable companies in history (Yutaka Sugano, Veiga Gonçalves, & Figueira, 2009).

As Google evolves and continues to create new value to satisfy user needs, Google's business model also evolves. AdSense was launched as a service for



distributing AdWords to third-party websites, allowing for website owners to take a share of revenue from search results based on their own sites content (Yutaka Sugano, Veiga Gonçalves, & Figueira, 2009). Google has since developed its business model through the expansion of its service and product portfolio offered to internet users and consumers. For each new service that is developed, Google generates more traffic and opens up new areas to expand its advertising services (Yutaka Sugano, Veiga Gonçalves, & Figueira, 2009), for example with Google Maps, Gmail and YouTube. With Google's expansion into products such as the Android mobile platform, Google Chrome and Chrome OS we see another evolution of the business model facilitating not only the expansion of advertising space into mobile, but also entirely new revenue streams such as Android Play (where users can purchase apps, music, movies and books all from the one location), cloud computing and product sales, such as Chromebook and augmented glasses.

Acquisition is a strategy that has allowed Google to expand quickly and efficiently by purchasing already developed technology and data bases that are then evolved and applied to various areas of Google's service and product offerings. This business model has been expanded recently with the purchase of Motorola, the sign of a possible move into Google branded mobile devices but more interesting is the vast library of patents that came with the deal.

The much talked about 'Freemium Business Model' also applies to Google and has been the cornerstone of the company's growth. Google have stood by the concept of developing free online tools to internet users, while charging for advertising services, which in 2011 accounted for 96.4% of the company's total revenue (Google Investor Relations, N.D) By continuing to innovate and refine its services and user experience, Google has demonstrated a synergy between its 'Freemium' and 'Advertising Business Models' creating the following network effect. The better that its service offerings are, the more that users will be attracted to Google's services, and therefore more customers will be interested in advertising online, generating more revenue, with more in turn being invested



into improving Google's services, thus improving the business models (Yutaka Sugano, Veiga Gonçalves, & Figueira, 2009).

4.0 Future Potential

"Google's goal is to make any information available, anytime, to anyone, in any location and on any device" (Hunter, et al., 2009).

With technology and the internet becoming more integrated into our daily lives it is hard to imagine a world without a company and brand such as Google, continuing to lead the way in technological progress and innovation. Google do not seem to have a defined growth strategy with its expansion tentacles venturing into projects ranging from broadband networks, and clean energy to social media and self-driving cars. The company appears to be set on fixing the world and ventures into any project where it feels it can make a positive difference, based on company wide values as apposed to commercial enterprise (Hunter, et al., 2009). However, eventually some of these projects will hope to return a profit, directly or indirectly. Eric Schmidt (Google's Executive Chairman) suggests that Google's growth strategy is focused on mobile technology.

"Perhaps the biggest concern should be that Google is diverting so much time and money to things that have little or nothing to do with improving its search technology" (Cusumano, 2005)

4.1 Business Potential

Google is fundamentally a technology company and focus will always remain on its core competency, search, the basis of the Google brand. Advertising is for the most part a sustainable business model and will likely be Google's main source of revenue for many years to come, with future expansion and opportunities in this also. However, in the long-term there is significant risk in relying too heavily on one revenue stream (Groucutt, 2008). With a strategy of acquisition and product and services portfolio expansion, Google are spreading this risk by developing new streams of revenue (Groucutt, 2008).



In the service industry knowledge is a critical asset and Google has more knowledge than anyone in history (Hunter, et al., 2009). As Google continues to collect and store information from almost any data connected to the internet, it will increasingly be able to predict trends and understand commonalities in a wide range of industries (Hunter, et al., 2009). Google must however be careful not to allow any misuse of this information while understanding its limitations in an uncertain privacy environment (Hunter, et al., 2009).

Google has many future avenues of growth, however key areas will be in extending its advertising model, providing cloud infrastructure services (Hunter, et al., 2009) and going mobile in technology and in products, as well as evolving Google's brand experience.

Advertising Opportunities

Technological advances in everyday media offer new channels of advertising for Google expanding away from personal devices. Televisions (TV's) are becoming more interactive with digital radio, online games (Hunter, et al., 2009) and internet browsing. Advertising may also become more personalised based on how we interact with our TV's. This opens the door for Google to apply its already successful AdSense model to a new media platform, away from the internet.

With the rise in interactivity across all media and an expansion on the 'LOOP' campaign theory where a TV audience is encouraged to interact with advertisements by responding via text message (Davis & Sajtos, 2008), Google with its wealth of data and infrastructure (Hunter, et al., 2009) are in a good position to expand these interactions to smartphones, tablets and even personal computers, for the audience and the advertiser.

With the convergence of advertising channels and the movement into integrated marketing campaigns, there lies an opportunity for a platform that coordinates marketing activities across multiple channels. An automated self-service system



that is capable of managing and tracking advertising activities could be the answer (Hunter, et al., 2009).

Cloud Computing Infrastructure

"During the next decade, cloud-based services are expected to become the largest growth opportunity for technology-driven businesses" (Hunter, et al., 2009)

Google has invested considerable resources into its cloud infrastructure and is a world leader in this technology. As cloud security is improved and trust in the system, concept and providers strengthens, then the potential in cloud computing is vast. For enterprises large and small, having the option of seamlessly unlimited data storage and accessibility, in-house servers may become a thing of the past, saving on space, time and money. Combined with Google's growing portfolio of web-based productivity tools and applications, Google may become the default one stop IT solution.

Going Mobile

With a worldwide trend of mobile accessibility, Google has an opportunity to expand its advertising reach to wider, more interactive audiences as well as into emerging developing nations as they adopt smartphone technology.

Eric Schmidt quotes "We envision literally a billion people getting inexpensive, browser-based touchscreen phones over the next few years" (Marshall, 2011)

Google continues to grow its open-source mobile platform technology and partnerships, with the continuing evolution of Android and the emergence of Chrome OS, while also developing Google branded, or owned hardware devices, with the acquisition of Motorola and the development of the Chromebook. The future evolution in mobility could come by way of Google's augmented glasses, still in the testing phase, but set to bring another dimension to the digitised mobile experience.



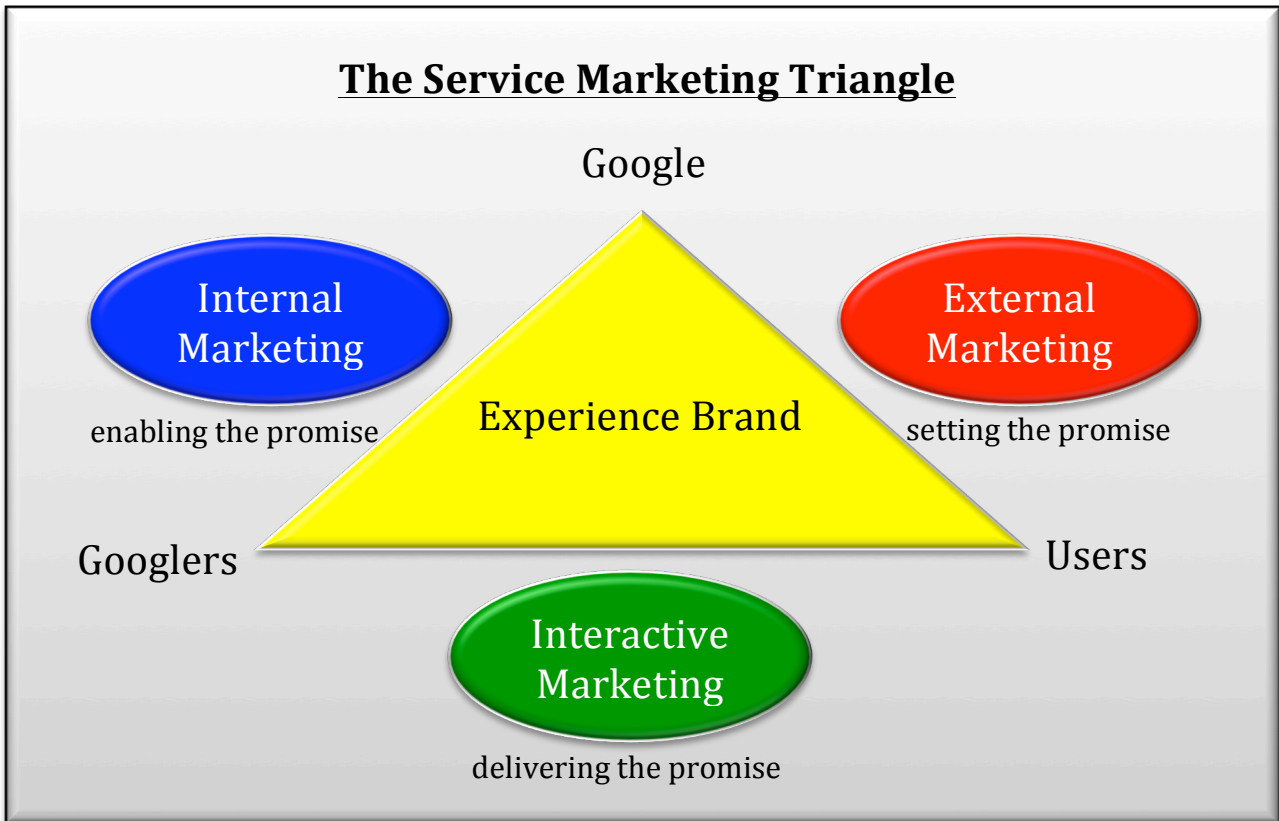
4.2 Brand Potential

Google is an online 'Service Brand' of vast proportions, that in the future will hope to become an 'Experience Brand'. The company is doing all the right things internally by creating an open culture where staff are encouraged and feel comfortable to contribute and share ideas and opinions. Because of this open culture, Google continues to attract and retain staff, and ranks number one on multiple surveys of the most attractive employer (Interbrand, 2011). However there is still work to be done in creating a more emotionally connected brand experience and more meaningful brand relationships, as discussed earlier. If Google is able to achieve this brand development, to rival the likes of Apple and Coca Cola, then it would truly become the full brand package, raising high above all other brands in the race to become the worlds greatest 'Experience Brand', delivering the worlds greatest brand experience.

5.0 Service Marketing Framework

By applying a theoretical framework (figure 4: The Service Marketing Triangle) to analyse Google's brand experience we can better understand where its strengths lie and what actions need to be taken in order to reach the desired brand state; in this case to become an 'Experience Brand'.





(Figure 4: Adaption of The Service Marketing Triangle (Guzzoni, 2005))

Internal Marketing

Enabling the promise - To create a successful 'Experience Brand' it is vital to have the 'Googlers' (Google's staff) onside, up to speed and happy. Creating brand advocates within the company is crucial in order to carry the brand promise through to users. This is an area where Google excels in with a great working open-culture and environment facilitating the collective sharing of ideas and opinions.

External Marketing

Setting the promise - Marketing is a key element in delivering the brand promise and brand messages. By engaging with consumers, brands are able to create a brand story or personality and connect with consumers on an emotional level. This is crucial in competitive markets where the only differentiation between similar products and services is the unique identity of individual brands.



Google is an interesting case in that they do not advertise or show any form of marketing. Considering its enormous global success this is a very unique situation. However as Google ventures more into tangible product lines and attempts to compete with companies such as Apple and Samsung for market share, it will need to engage with its target audiences in order to deliver its brand promises and messages. Google's online tools and services currently have no face or personality. They are merely productive tools available to solve common problems, increase efficiency or connect people. But there is limited emotional connection with the brand. If Google are to evolve into an 'Experience Brand' then it must connect with its users and tell the Google story.

Interactive Marketing

Delivering the promise – The delivery of the brand promise to the consumer is a crucial step in creating a winning brand experience. It is an opportunity to engage with the consumer and to make a meaningful connection that will be memorable and lasting.

In an effort to increase efficiency and ease of use Google has taken the human touch away from its service delivery, not only in its service offerings but also in its product offerings. All information required, or the answers to any questions can be found online with no need to contact a real person for any reason. This virtual reality gives the impression of non-interest and a lack of care, with no real life connection of brand to consumer. Google has put a lot of effort into creating a dynamic working environment, developing enthusiastic and happy internal brand advocates but offer no opportunity for these advocates to engage with their users to offer a truly meaningful brand experience. If Google is to progress to an 'Experience Brand' then it must develop ways of connecting with users on a more personal and human level.



Summary

- Google has set the platform for developing into an 'Experience Brand' by creating an open-culture working environment where staff are strong brand advocates.
- Google shows a distinct lack of marketing, making it difficult to deliver the brands promise and messages, or to engage and connect with consumers.
- By automating online services and offering no human touch, Google are missing an opportunity to engage with consumers and connect on an emotional level, while underutilising internal brand advocates.
- In order to develop into an 'Experience Brand' Google will need to look at ways of creating an emotional connection with its consumers, creating a meaningful brand experience and building consumers into brand advocates.

Conclusion

Google is without a doubt a very special company and an online 'Service Brand' that is a super power in the world of branding. Google has managed this by continually pushing the boundaries of innovation and technology, while staying true to its core values and competency of providing the best search experience possible, as well as continuing to evolve its business model. Google has created an online community centred on web based communication and productivity tools that have become entrenched into the daily lives of millions of internet users. By continuing to evolve the concept of personalised advertising, further developing mobile technology and investing in cloud computing infrastructure, Google have set the platform for a strong and profitable future with seemingly unlimited potential.

However, while Google has consistently ranked as the worlds top brand over previous years, 2011 saw a comeback from some of the more traditional 'Product Brands' like Coca Cola and Apple. These brands understand the importance of creating a unique brand experience while developing meaningful brand relationships. They have evolved from being mere 'Product Brands' to



becoming 'Experience Brands'. Branding is no longer a face-off between 'Product Brands' and 'Service Brands'.

Google's brand experience is based around simplicity, useability, functionality and productivity, facilitated by automated, self-managed online systems. This distinct lack of a human touch and emotional connection is now the difference between Google's and Coca-Cola or Apple's brand experience. If Google is to rival the likes of these 'Experience Brands' in the coming years then it must address its shortcomings in delivering a meaningful brand experience to its users.

The new benchmark in how an organisation should deliver a brand experience to consumers now and into the future can be defined by how they deliver on their brand promise, inline with their brand values in delivering a unique brand experience. Welcome to the world of 'Experience Brands'.



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