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ABSTRACT

This paper presents a case study that deals with the evolution of Budha Khe Rhi brand, a Brazilian fashion company, since its creation as an informal business, until today, when is transitioning to a strategy of fast-fashion. We analysed strategies used by this company from the perspective of brandsense (LINDSTROM, 2005) and considering the seven authentic habits studied by Beverland (2009) and Bergh and Behrer (2011). We mapped the company's brand evolution and we identified how the company combines its concept to its brand identity. As a result, we observed that the company has been exploring all of the five senses in order to providing a unique experience in all its selling points. Seeing, smelling, tasting, touching and listening, all the senses have been used strategically to involve costumers. Another result we found is that company's brand strategy has been based on authenticity, since its beginning.

Keywords: Evolution, visual identity, brand sense.

1 INTRODUCTION

In 1956 the pioneer industrial design consultancy Lippincott & Margulies published a booklet entitled Designing a Brandmark for Today's Marketing (LIPPINCOTT & MARGULIES, 1956). More than fifty years later, as a leading design and brand strategy consultancy, Lippincott offers a publication entitled Engaging Customers Through Sensory Branding (LIPPINCOTT, n.d). During the period between these publications the world has changed constantly. New information and communication technologies has contributed to social and market changes that has generated new consumer profiles and new market rules. On that basis, interaction has become a major point of study (LINDSTROM, 2005). Nowadays is widely discussed how to provide an interactive, sensory and emotional experience for the consumer, connecting all brand contact points (LINDSTROM, 2005; WHEELER, 2006; S., 2013; LIPPINCOTT, nd). Branding, considered by Lindstrom (2005) as creating emotional bonds between brand and consumer, based on information captured by the senses, is the key point in this discussion.

In the fifties, brandmark was defined at that time as "the distinctive design often used as part of a package, product, or even a building (...) it identifies the product or company and is employed consistently from year to year, despite model or product changes" (LIPPINCOTT & MARGULIES, 1956). Nowadays, "the concept of brand identity is defined as a unique set of brand associations that a firm can create or maintain" (HULTÉN, 2010, p.257). Improving the idea of brandmark, the concept of brandsense has emerged as an approach to support the construction and management of the brand based on the five senses: sight and hearing, further explored on communication, beyond the touch, taste and smell (LINDSTROM, 2005). However, creating an emotional engagement with your audience it is still a challenge for most companies. Many brand strategies

are still created for a static world, through the same media, with the same distribution. Some brands are still wrongly trying to reach people with the same tools of communication, spending money on visibly overwhelmed channels (GOBÉ, 2006). The effectiveness of these traditional strategies has been decreasing. In postmodernism, people are at the center of the experience. People want to feel something about the brand, and design can make this possible. According to Gobé (2006), the new dimension of emotional design is "a connection with the five senses, and their ability to elicit emotions and invite people to join the brand." This philosophy is already adopted by some large companies. However, in the case of small and medium business, how occurs their brands management? It would be aware of bringing his audience to an emotional and sensory experience?

This paper presents a case study that deals with the evolution of Budha Khe Rhi brand, a Brazilian fashion company, since its creation as an informal business, until today. The company was founded in 2004, as a result of tourism trips of a group of undergraduates who identified the opportunity to undertake this sector after bringing Thai costumes to Brazil. Reflecting the spirit of still on vacation students, the business concept was established based on irreverence. After the initial phase, when produced imitations of Thai products, the company's strategy walked for placement as a fashion brand with a focus on lifestyle. With the expansion and the opening of franchises, the design began to have greater importance in its strategy. On that basis, in this study the brand is analysed from the perspective of brandsense (LINDSTROM, 2005) and the seven authentic habits studied by Beverland (2009) and Bergh and Behrer (2011). For this case study of the company, we interview the partners and high management, we visited the stores and we analyse advertising materials and documents shared by the company. We mapped the company's brand evolution to identify how the company combines its concept to its brand identity, providing a unique experience in all its selling points.

2 SENSING THE BRAND

Globally, thousands of new businesses are open every day. In 2013, 1,840,187 new businesses were created only in Brazil, according to SERASA Experian Birth of Companies Indicator¹. Considering the increase in the number of companies and product offerings, organizations must choose new strategies to differentiation. Among the possible directions, strategic design is aimed at promoting the performance and efficiency of a business, based on the articulation of business practices - whether internally or externally to the organization (ERLHOFF & MARSHALL, 2007). Representing a external practice of business proposal in strategic design, branding is a primary capital for many companies, and is the main form of distinction in the market (NEUMEIER, 2008). Beyond, the buzz in brand management is to get out of the box: successful brands are restructuring their images, using a unique and distinctive visual and verbal vocabulary, and creating original messages to touch the heart (GOBÉ, 2006).

Mass media are reaching people all the time, but they appeal mostly just two of the five channels: visual and auditory. But as human beings, people are more receptive when operate in five senses (LINDSTROM, 2005), as shown in figure 1.

¹ SERASA Experian. In: <http://www.serasaexperian.com.br/index_sul.htm>.

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Therefore, visionary brands are already combining design and information and communication technologies to change the public's perception (GOBÉ, 2006), in effort to offer a sensory experience that goes beyond what we see and hear. Perceived value and adherence to brand may increase as the senses are explored jointly. Explore the senses in branding strategy helps to create a strong lasting bond between brand and consumer. The goal is to build a loyal relationship in a long period of time. And to create this bond, the sensory appeal must be unique, characteristic of the brand, and constantly reinforced (LINDSTROM, 2005).

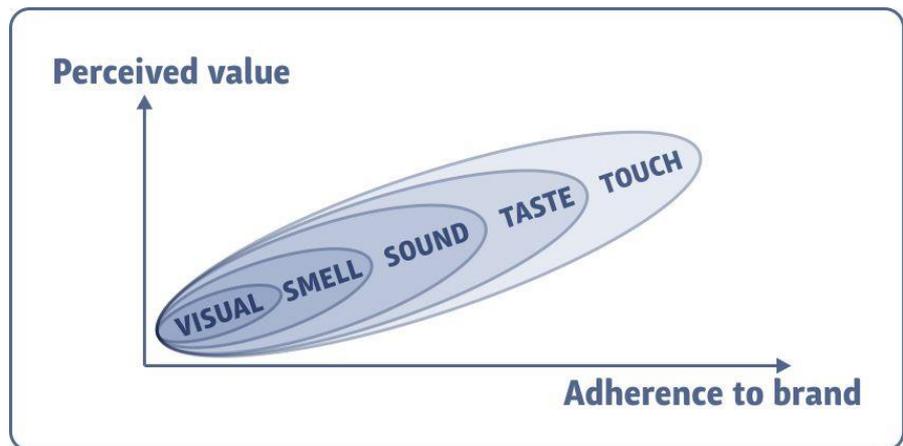


Figure 1: Improving brand's perception with the senses. Source: from the authors, adapted from Lindstrom (2005).

Based on several studies, Hulten (2011) explains some relations between the five senses, briefly presented in figure 2. The sense of vision is the strongest sense, related to identification and location. The sense of smell is related to pleasure and well-being and is closely connected to emotions and memories. The sense of taste is the most distinct emotional sense and often interacts with other senses. The sense of touch is the tactile one, related to information and feelings about a product through physical and psychological interactions. Finally, the sense of sound is linked to emotions and feelings, and impacts brand experiences and interpretations.

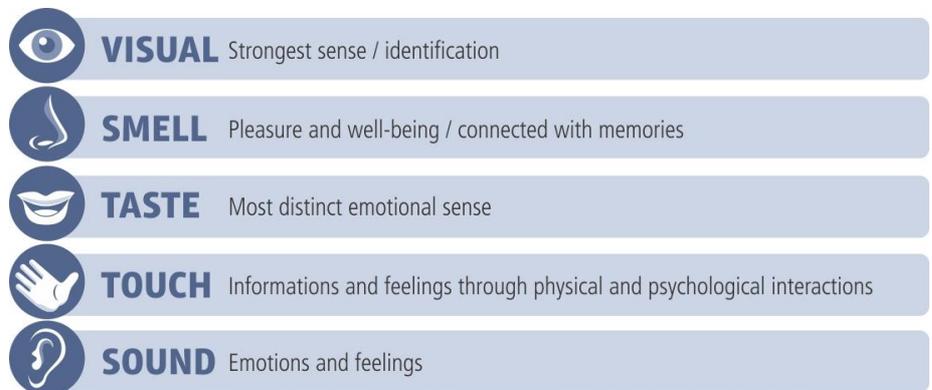


Figure 2: A brief view of five senses. Source: from the authors

In recent decades, it has been widely recognized that people do not buy products but meanings and experiences. When making a purchasing decision, people make use of emotional, psychological and socio-cultural reasons - not just practical reasons (VERGANTI, 2012). Besides others, these reasons are based on information supplied by the brand through its identity. The brand identity is tangible and appeals to the senses. As noted by Wheeler (2006) brand identity feeds recognition, expands differentiation and makes ideas and meanings accessible to people, becoming a form of expression in everyday life.

The brand identity should appeal to the senses and enhance the personality and values of the brand, always being authentic and true. Based on the seven habits of iconic brands studied by Beverland (2009), Bergh and Behrer (2011) analyzes how youth brands can tap into authenticity.

1. Authentic habit 1: storytelling

Authentic brands tell stories that provide an emotional connection with the consumers. They create stories to respond to collective anxieties and desires (HOLT, 2005), take advantage of lucky events and allow and stimulate the consumers to tell their own stories about the brand (BERGH; BEHRER, 2011). But these must be true stories, or may risk disappointing their consumers. For instance, a recent issue of Brazilian magazine Exame² exposed the case of some companies that tell good brand stories to delight their consumers, but has been questioned and considered not reliable when people found those stories were untrue.

2. Authentic habit 2: appearing as artisanal amateurs

In general, people understand that amateurs are unpaid and are not formally trained. But, rather than doing something because they are paid to, amateurs engage in activities because of their personal passion (BEVERLAND, 2009). Nowadays, quality and efficiency in production are basic requirements that the mark must fulfill. Authentic brands emphasize their craft traditions, combining the passion of the amateur with the skill of an artisan (BERGH; BEHRER, 2011).

3. Authentic habit 3: sticking to your roots

Authentic brands are always evolving and being creative in products and communication, but all their attitudes reflect the roots of the brand and the original spirit of the founders. It's about continually reinforcing the brand personality, its beliefs, attitudes and culture (BERGH; BEHRER, 2011), avoiding change, ambiguity, or inconsistency (HOLT, 2005). Also, brand's roots provide a point of difference against large global competitors. Emphasizing brand roots provide a point of difference against large global competitors, because they approach the brand and the consumer (BEVERLAND, 2009).

4. Authentic habit 4: love for the craft

People who work for authentic brands always demonstrate their love for their craft. This reflects the desire of consumers to get paid for doing what they love. According to Beverland (2009), "the owners and employees of authentic brands are perceived as being sincere because they are motivated by their passion for

² Exame.com. In: <<http://exame.abril.com.br/revista-exame/noticias/marketing-ou-mentira>>

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doing rather than money, fame, and many of the other outcomes that they often experience anyway". Love workers bring the brand to life, and to consumers.

5. Authentic habit 5: consumer immersion

Authentic brands absorb their surroundings to inspire breakthrough innovations (BERGH; BEHRER, 2011). They never ask consumers about innovations. In the author's words: "how would customers know how to use an iPod if their only experiences were with CD players?" (BEVERLAND, 2009). Behind authentic brands are employees that possibly are also fans, and are ready to test prototypes or ideas because they represent the brand's target consumer. Also, staff lives in the marketplace, and are able to observe and be in touch with others consumers to find out qualitative data.

6. Authentic habit 6: be at one with the community

Authentic brands are sensitive to culture. Besides emphasizing their national and regional roots, authentic brands also play a significant role in the development of their industry, not only by introducing innovations but also in a broader perspective (BERGH; BEHRER, 2011). Also, the notion of putting down roots is central to our identity. In our lifetime, we form connections with multiple communities including schools, sports teams, fan communities, family, cultures, religions, and local places. Since globalization, deterritorialization, and hyper reality have resulted in a crisis of authenticity in the postmodern market, brands that have built, or allow for, connections to physical place and cultural space (including history) provide consumers with the means of authentication (BEVERLAND, 2009).

7. Authentic habit 7: indoctrinate staff into the brand cult

Authentic brands are backed by devoted employees that share the same brand values and are passionate about the company's cause. Besides, staff is open to new ways of thinking and doing (BERGH; BEHRER, 2011). For that, the firm immerses their staff in the values of the brand to encourage innovation and high performance. Authentic brands have long understood the importance of taking care of employees' welfare, taking leadership positions on important workplace policies, creating an atmosphere of mutual respect, and encouraging employees to question, challenge, and innovate. Finally, authentic brands give their employees a starring role in the brand's mythology (BEVERLAND, 2009).

Sensing a brand involves to feel it through the senses and to experience habits. Designing a remarkable brand involves to have success on exploring different channels to reach people and to establish a consistent identity. All these aspects (exploring the five senses and having authentic habits) are easily seen in Budha Khe Rhi brand. Our intention is to analyze how the brand explores each of these aspects. But firstly, it is important to explore the origin and history of the brand.

3 RISING BUDHA KHE RHI

At the year of 2004, two friends ended a vacation trip in the same place, in a season in Thailand. There, they live the country culture and the lifestyle of the young travellers that enjoying the parties like the Fool Moon Party, always in paradise scenes. Back to Brazil, brought with them some Thailand clothes, specially the Thai pants, traditional apparel used by fisherman and adopted by

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sportists and yogis and by travellers, due to its casual look and freedom of movement. Still students back then (in Business and Law), started to attend classes and events using the Thai pants, that sparked the interest from friends, who started to ask to borrow the pants. So, they had the idea of producing some Thai pants in a seamstress and sell to friends. After that, raised the demand for Thai pants.

When the summer vacation was coming, they joined to more two friends (undergraduate students in Advertising and Business) to a three month trip to a paradise beach in the Brazilian Northeast, called Morro de São Paulo. To fund the trip, collect a small amount of money and produced 200 pants, already adapted to the reality of the Brazilian youngs, and took with them to sell on the beach. According to Cláudio Stein, one of the partners, "we sold out many pants until we went to the trip". At the beach, they sold out all the pants and could financiate the whole trip.

Back to Porto Alegre, as their undergraduate courses were ending, they decided to start a business and selling clothes seemed a good idea for them. So, at the summer 2004/2005 the company was started, based on producing adapted Thai pants. The second product that entered the mix was the t-shirts with irreverent prints, that is the main product today. In this period, they already created the brand, inspired by the tradition of Buddhist monk Budai or Pu-Tai, usually depicted smiling or laughing and known by the nickname Laughing Buddha. Using the words in Portuguese (Buda = Buddha; Que Ri = Laughing) with a written form that refers to the Thai, rise the brand Budha Khe Rhi.

From a selling clothes business, Budha Khe Rhi became a small enterprise in fashion market, franchiser, with ten stores in whole country, including own stores, franchise stores, an online store and qualified retailers, as well as 150 selling points as multibrand stores. Cláudio Stein explained that they decided to expand the company by franchising in the aim to focus in the brand development. To maintain the brand identity that born with its creation, the company used a whole of strategies, that we analyse in the next session.

4 FEELING BUDHA KHE RHI

Irreverence, luck, positive mindset, ecological and social consciousness are aspects of the personality and proposal of Budha Khe Rhi. This aspects come from the founders and their lifestyle, that they cultivate and promote.

To maintain the brand personality strong, these aspects have to be sense in all points of touch of the brand. What most promote the propose of the brand is its manifesto (figures 3 and 4), that is in a prominent place of all stores:

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“Based on real facts...
Forgot the yesterday
Budha Khe Rhi is much more than a brand
It's a state of spirit
It's a kiss under rain, it's a beach party, it's a toast with the galley
It's travelling without leaving home. Forgot about tomorrow
It's don't be afraid of be happy. EXPERIENCE.
it's having great luck.
It's live each moment the most intense way possible, it's have more dreams than regrets
It's surrender to life. LIVE TODAY.
It's reach the end and see that worth it
It's understand that the whole distance of the universe is HERE and all the time is NOW.”

Budha Khe Rhi's Manifesto

Figure 3: Budha Khe Rhi's manifesto. Source: company's website.



Figure 4: Budha Khe Rhi manifesto. Source: (a) company's website and (b) from the authors.

The visual aspect, that covers the visual sense, it's very important to Budha Khe Rhi. Since its creation, the founders care about it. They carefully think about the logo, that shows a Laughing Budha and the brand's name followed by the word Brasil, reinforcing the origin and the aim of the brand, of be considered a Brazilian brand, not only a brand from the south of the country. In 2011 the brand logo was remade in order to improve the brand image (figure 5).

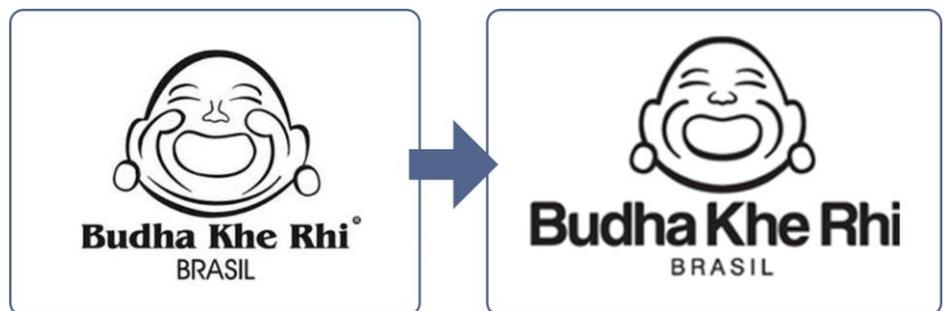


Figure 5: old and actual logos. Source: shared by the company.

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The figure of Laughing Budha is very charismatic and is used as prints in t-shirts, in tags, labels and trims of the products, packages (figure 6), as well in furniture and stores ambiance.



Figure 6: T-shirts and package. Source: company's website.

Another great point is the care about the stores ambiance (figure 7). Each store has its own project, but all of them have the same brand spirit. They are constructed mixing materials, hot and cold, natural and technological, as well as recycled ones. In the figure below we can see a luminaire made from PET bottles and the displays made from reused metal pipes. Another important material is synthetic grass, that appears on the floor or on the walls.



Figure 7: stores ambiance. Source: from the authors.

To the smell sense, recently the company developed along a partner a special aroma of wet grass, in order to bring to the stores the sensation of the 'kiss under rain' they say in its manifesto. Furthermore, since long they put a good aroma in every package that leaves the stock, so the products carry this aroma in all selling points. Tasting sense is worked out by company when they offer to clients for free a bottle of beer in the stores, as well as food they give in special events, happy hours and collection previews, that are always food from partners that have the same spirit of the brand, like a brand of "California burritos"³, or

³ A typical mexican meal actually found in San Diego, California, with a special filling.

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another brand of "paletas mexicanas"⁴, always related to flavours of travel destinations. In memory of the Thailand trip, the company also sold a great know brand of energetic drink at some stores, that has its story related to Thailand.

The touch sense is heavily stimulated in Budha Khe Rhi. All the ambiances have a lot of textures, hard, like concrete and soft, like synthetic grass, cold like metallic pipes and hot like wood. Also the at products, since brand beginning, the company invest in textured material, like knitted fabrics with different yarns. All the stores have also a surface where clients can doodle with chalk and interact with the brand, what arouses nostalgic feelings.

Finally, the company cares about sound sense since ever. Music is a great theme for prints in collections, and at the stores always we can hear music that inspire the founders and the brand since its beginning. All client that enter the store can listening from salesman the history of the company and the history about each product developed by the brand. Recently, they created a radio in an online application, to standardize the music in all stores (figure 8).

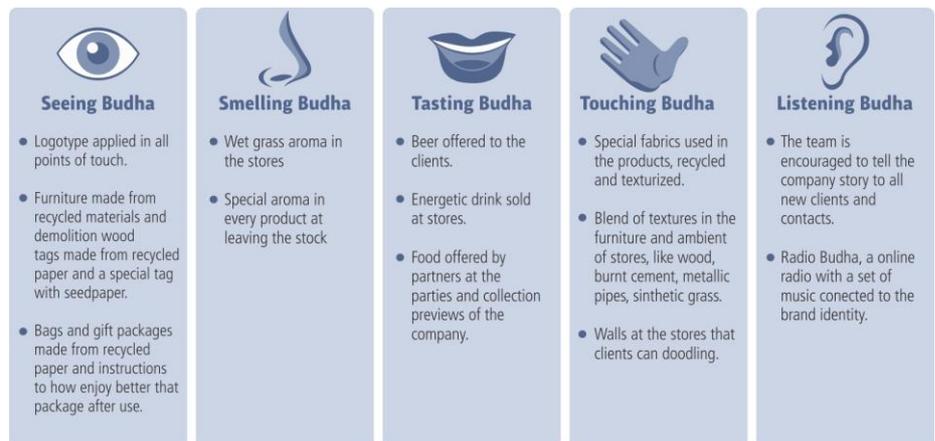


Figure 8: The five senses of Budha Khe Rhi. Source: from the authors.

5 RECOGNIZING BUDHA KHE RHI

Despite the founders never hear about the authentic habits proposed by Beverland (2009) e revisited by Bergh and Behrer (2011), Budha Khe Rhi have many practices that allow it as a authentic brand. At first, they have a true storytelling that is share with every stakeholder and with the consumers. People are really engaged with the company's history. According to the marketing director of Budha Khe Rhi, "we don't have clients, we have fans", because of theirs engagement with the brand. For second, they really start as artisans and amateurs and this characteristic stay alive in the conception of the stores and in details in many products, as well in tags made with seed paper.

The third habit, about reinforce the brand roots, appears mainly in the marketing actions and promotions (figure 9). For example, the most recent sale

⁴ Traditional dessert in Mexico, a great popsicle with natural ingredients.

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have a tax of 69%, in a irreverent association with the sexual position and in order to differentiate from other brands that traditional offer 50%/60%/70% off.

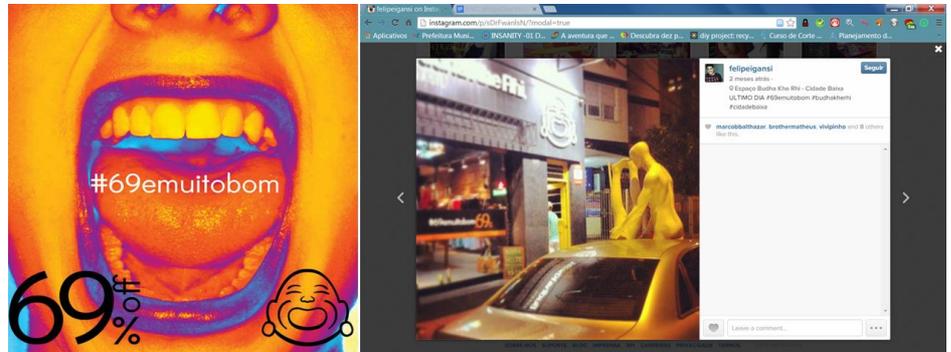


Figure 9: Sale promotion. Source: company's website.

About the fourth habit - love for the craft -, the founders actually live the philosophy of the brand, and demonstrate to love what they do, attending meetings for new entrepreneurs, taking the brand's name wherever they go and telling his career to whoever want to hear.

Considering that the brand has fans instead of employees (as the director said), the fifth habit is also confirmed. The brand's staff uses their products even outside of work, and participates watching the market and suggesting new ideas. In fact, employees are part of the target consumer of the company, and so generate new insights for the brand.

The sixth habit is also checked - be one with the community -, considering that the stores maintains certain standards in order to provide the same experience for the consumer wherever he is, but encourage franchises to insert a bit of their local culture. In addition, there are often specific products that are sold for just a few stores, according to regional habits. Thus, the store fits into the local environment.

Finally, the seventh and final habit is justified by the knowledge that all staff have about the brand, and devotion to its philosophy. The company's cause, reflected in its manifesto, is defended by all who works there.

6 CONCLUSIONS: SENSING BUDHA KHE RHI

The analysis of Budha Khe Rhi's trajectory under brandsense perspective, considering the five senses and the seven habits of authenticity, demonstrated that, despite the fact that the company did not know this theories, empirically the founders have made the brand strong by putting all their desires in the development of the company and really have worked to engage their customers through sensory branding. We observed the use of the five senses in order to providing a unique experience in all its selling points. Seeing, smelling, tasting, touching and listening, all the senses have been used strategically to involve costumers. Another result we found is that company's brand strategy has been based on authenticity, since its beginning.

A authentic storytelling is very important to develop and maintain a strong brand that people will engage with and this is what we perceive in Budha Khe

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Rhi, according to Lindstrom (2005) concept of branding, as they could create emotional bonds with people that interact with the brand. The brand's history, the lifestyle of founders and the passion for the brand they created, conquered clients, staff and suppliers that became fans of the brand and promote it freely.

Stores' environment, products details and the services they offer, all of these aspects have been used strategically in the aim to create a characteristic ambience. This ambience is supposed to be the key factor of company's success. The brand has confronted the challenge that Gobé (2006) talks about, still as a micro enterprise and has used those aspects in an intelligent way, following the changes that influence on its customers. This approach reflects on products development, strategies, way of communication and so on.

Budha Khe Rhi becomes different of other MSEs in Brazil, and mainly in Rio Grande do Sul, because the use of the senses is rare in those companies, as a authentic storytelling well worked. Therefore, the use of this senses is carefully developed to reinforce the brand identity and image, as a great strategy of the company.

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