

Services Branding: Analysis of Brand Names and Symbols in Insurance Brand Building in Croatia and Slovenia

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This paper expands the understanding of a complex area of service brand management. Since the specific nature of services makes it difficult to objectively judge a service prior to its consumption, decisions and the selection of a service brand can be critical for a marketing strategy. Strong service brands possess: distinctiveness, relevance, memorability and flexibility. Elements of a strong service brand (name, logo, symbol, character and slogan) identify the brand and differentiate the service from its competitors.

Research was conducted into the appropriateness of brands within Croatian and Slovenian insurance services sectors. Elements of the 45 insurance service brands (27 Croatian and 18 Slovenian) are analyzed in this paper and evaluated in terms of how and if they meet the criteria of a strong service brand, as well as in terms of their appropriateness for creating desirable, positive and unique associations.

Key Words: Marketing services, service brand, Croatian insurance service brands, Slovenian insurance service brands.

Označevanje storitev:

analiza imen in simbolov v zavarovalništvu na Hrvaškem in v Sloveniji

Pričujoći prispevek skuša približati razumevanje kompleksnega področja managementa storitvenih oznak. Ker specifična narava storitev otežuje, da bi objektivno ocenili storitev pred njeno potrošnjo, ima lahko odločitev in izbira oznake storitve kritičen pomen za marketinško strategijo. Prepoznavne oznake storitev odlikuje razločljivost, umestnost, zapomnljivost in prožnost. Elementi prepoznavnih oznak storitev (ime, logotip, simbol, pisava in slogan) identificirajo oznako in diferencirajo storitev od konkurence.

Opravljena je bila raziskava glede primernosti oznak na področju zavarovalništva na Hrvaškem in v Sloveniji. V prispevku so analizirani elementi 45-ih oznak v zavarovalništvu (27 hrvaških in 18 slovenskih), ki so ovrednoteni glede na to, koliko izpolnjujejo kriterije prepoznavne oznake storitve ter koliko so te oznake primerne za ustvarjanje zelenih, pozitivnih in enkratnih asociacij.

Ključne besede: marketinške storitve, oznaka storitve, hrvaške zavarovalniške oznake, slovenske zavarovalniške oznake.

1 Introduction

Despite numerous and repeated efforts, especially over the last two decades, scholars and marketing experts have not yet reached a precise, satisfactory or comprehensive definition of a brand. Nor have they managed to explain how it adds value to the products and/or services. Although there is general consensus that the most appropriate view of the brand is as a «group of perceptions», it has also been challenged as inadequate and insufficiently precise.

Brands are intangible when defined and understood as groups of perceptions. However, the results of brand building and of owning a strong brand are very real and often tangible for a company, especially if expressed traditionally as business results in terms of quantities and financial values. Furthermore, strong brands change consumer behavior – consumers are prepared to spend more money and often time on a brand they trust, they become attached and loyal to it.

Even though one may doubtless speak about the universality of some basic marketing paradigm on the shaping, building and management of brands, the marketing of services displays certain peculiarities that are inherent to the distinctive nature and characteristics of services. The intangibility and ephemerality of services, variations in quality and the fact that a customer is actively involved in the process of service delivery (regardless of how far-reaching this involvement may be) are major factors influencing the different approaches to the shaping, building and management of a service brand. According to Mudie and Cottam (1999), the service itself may offer no unique tangible benefit – and this can be added by the development of brand imagery. A service brand is essentially a promise of future satisfaction. It is a blend of what the company says the brand is, what others say and how the company performs the service – all from the customer's point of view (Berry 2000:129).

Decision-making about brands by service companies

mostly focuses on building the image of a service provider and, to a lesser degree, on the individual services from the range of the respective company. The selection of the service brand may be critical for the company's marketing strategy and should be preceded by research into the brand's potential (that is, into the potential of all its elements) to transfer crucial and desirable information on the purpose and benefits expected from the service to the target market segment. Strong service brands are distinctive, relevant, memorable and flexible. The elements of a service brand (brand name, logo, character and slogan) serve to identify the brand and differentiate the service from its competition. They need to be chosen and managed in such a way as to enable the formation of strong, positive and unique associations related to the brand. This kind of approach has a direct impact on the level of brand knowledge (brand awareness and, in particular, brand image). The brand's competitiveness is determined by its likeability, the frequency with which the service is used and the level of consumer satisfaction.

The general objective of this paper is to improve the understanding of the complex, interesting and increasingly important problem of service brand management. Other specific objectives include: researching the attractiveness of brands within the Croatian and Slovenian insurance service sectors, with an emphasis on the qualities of strong brands, and comparing the practical management of brand elements by Croatian and Slovenian insurance service providers with the basic theoretical postulates of service brand management.

2 Service Brand Management

Scientific and professional marketing literature often claims that, due to the specific distinctive characteristics of services, service brands and service brand management are extremely important. Onkvist and Shaw (1989), for instance, believe that branding is of greater importance to services than it is to material, tangible products. That is to say, many services are perceived as generic objects of exchange (commodities) whose intangibility makes it more difficult for customers to evaluate the services objectively before actually using them, and also to evaluate the service quality afterwards. Ambler and Styles (1997) see the service brand as a promise. Branding is an essential cornerstone when it comes down to developing trust between service providers and customers (Van Looy *et al.* 2003:362).

Despite such views, the corpus of academic and practical literature dedicated to a detailed study of the approach to the selection of a brand and brand management remains relatively modest and smaller than one might expect. Such a situation is characteristic even of the most developed market in the U.S. in which, as Berry (2000:128) claimed, services currently account for more than 80 percent of the US GDP.

As reported by Dobree and Page (1990), five steps to effectively branding services include: building a brand proposition, overcoming internal barriers, measuring delivery against the proposition, continual improvement and expansion. Levy (1996) opines that successful service

brands can be developed based on the principles of branding fast moving consumer goods. These principles include product definition, clear benefit identification, brand differentiation, consumer motivation and the measurement of product strength. De Chernatony and McDonald (1998) agree with this position when stressing the importance of the distinctive characteristics of services, the importance of symbols in brand building, empowerment of staff and consumer participation in developing the brand. Also, they think that branding efforts in the service industry do not match the rapid growth of the service industry itself. O'Cass and Grace (2003 and 2004) focus on the meaning of service brands as a web of associations in the consciousness of the customers. They emphasize the distinctive characteristics of services as a source of specific and unique associations that need to be employed as the foundations of service brand building and management. Furthermore, they point out that it is of crucial importance for marketing experts to understand such potential associations and their powerful impact on the attitudes of customer to the service brand and their intention to use it. To support this assertion they argue that brand management is a demanding process of managing intangible values, accompanied by a whole range of possible risks to the final selection and use of the service. Finally, they conclude that the development and management of a strong and unique association is of crucial importance to the strategic development and management of successful service brands in the long run.

The management of a service brand should be based on two criteria (Grönroos 2000:291):

- The absence of a ready-made, standardized product should be understood as a starting point in formulating the brand relationship. The service delivery process itself, or any of its integral parts, lies at the very center of brand management. Managing the service delivery process should enable as many positive contacts with the brand as possible, helping to give customers positive perceptions and consequently a long-term relationship with and loyalty to the brand;
- The company as a whole, rather than the individual services it provides is the foundation on which to create the service brand policy (even though service companies sometimes apply individual service brand policies).

McDonald *et al.* (2001) also support the adjustment of branding theories to suit service branding and stress that despite the similarities between the principles of branding goods and services, the specific nature of services requires a tailored approach.

De Chernatony and Segal-Horn (2003) view service brand management as a yet undeveloped area of marketing, pointing out that it abounds not only in questions that need to be answered but also in solutions to enable its more efficient application. Taking into account the fact that the transfer of brand value is visible to the customers through the service delivery process, they warn of the importance of internal marketing aspects. They put special emphasis on brand positioning in the consciousness of the staff as well as strong corporate values to motivate them. In other words, they advocate the position that a brand requires to become reality in the consciousness of the people who provide the

respective service because they themselves are a brand in the service sector.

3 Branding Financial Services

Regardless of the importance that financial services have in developed market economies, e.g. a share of 21% of the U.S. GDP (Brady *et al.*, 2005:401), for a long time the financial service sector failed to pay much attention to marketing or, consequently, to the component of that covering brand management. The reasons for this were numerous and diverse. A fact worth noting is that the different financial service providers themselves were inclined to perceive their industry as conservative, with discretion being one of the main characteristics of service. Combined with certain legal limitations and insufficient marketing knowledge, it led to a restrained and often negative attitude towards marketing and its intensive application in practice.

Concluding that the brand management culture has not taken a firmer hold in service companies, Kapferer (2002) singles out financial services and banking especially. In their research into brand management in the British financial service sector, O'Loughlin and Szmigin (2005) confirmed the conclusions of previous researchers on the universality of basic brand management marketing paradigms on the one hand, and on the other, the necessity to properly adjust the process of service brand building and management to the distinctive characteristics of services in general, and to the multidimensional specifications of individual types of services in particular. They concluded that when deciding on and managing a financial services brand, marketing experts should take all the aspects of the value of the service (functional and symbolic) that are important to customers as their starting point. Also, they need to integrate any factors that may contribute to the creation of brand equity into the process of the provision of the service. Maio Mackay (2001) conducted one of the few researches into the application of brand equity measures in the service sector to date. It was the example of financial services (credit cards) that led her to conclude that many of the existing consumer based measures of brand equity, which have traditionally been used in the "fmcg" (fast moving consumer goods) markets, can also be used to capture brand equity in the services markets. Starting from the now widely accepted position that branding is used in different contexts, Jevons (2005) looks back critically on the importance of brands in several activities and makes the following point about banking services: In the banking industry, where new product innovations have been copied by the competition in a matter of days, branding is becoming increasingly important as a differentiator (Jevons 2005:118). Furthermore, research by American authors Brady *et al.* (2005) showed that it is in the financial services (investment banking), abounding in credence attributes, that intrinsic brand cues are more important for the purchase of services than for purchases that are more tangible (e.g. hotels and computers).

A number of fundamental changes affecting national, international and global financial services markets, both on the supply and the demand sides, have also influenced changes in the attitude towards the need and usefulness

of applying the marketing business philosophy. Referring to the resulting situation on the U.S. market more than 15 years ago, Berry and Parasuraman (1991) stated how financial institutions had been changing their names at a more feverish pace than any other type of service provider in recent years.

A strong brand with an identity and clear communication to the target market have become valuable sources of differentiation and a tool for gaining and maintaining a competitive edge on the market. Therefore, investments into brand repositioning and management are gaining importance in the banking, financial advisory and insurance industries etc., and reflect the efforts that the companies are making to achieve long-term business success.

4 The Criteria for Service Brand Success

As reported by a group of experts from the U.S., the Zyman Institute of Brand Science from the Emory University (2005), brands are business assets, much like investments in manufacturing infrastructure. Yet, they have greater advantages than standard manufacturing equipment since brands are legally protected and therefore shielded by an isolation mechanism that prevents diffusion throughout the industry. In that respect brands are relatively valuable, rare, imperfectly imitable and non-substitutable.

The importance of a service brand is growing as a valuable company asset and a source of differentiation from the competition. To the customers of a particular service, its brand is increasingly becoming an indicator of the economic, functional and, above all, empirical and symbolic values that they can expect to obtain in the exchange.

Most service companies employ a monolithic brand strategy, which means that, as Berry *et al.* (1988) explains, customers perceive all the mutually different services offered by the company as components of a single brand. For instance, the Croatian insurance brand Croatia and Slovenian Maribor are monolithic brands; customers perceive all the different kinds of insurance services offered by these companies (such as compulsory third-party liability or full comprehensive car insurance, property and household insurance, life insurance etc.) as components of one and the same brand. Such an approach imposes the necessity to recognize the importance of brand consistency management, since the perception of a single, monolithic brand assumes the same customer expectations regarding the level of quality and value for money for any type of service provided. According to results of the research conducted by De Chernatony and Segal-Horn (2003), the consistency of experience customers have with a brand, its clear positioning focused on a limited number of carefully chosen key benefits and the company values that have taken hold amongst all the employees represent three major criteria for successful service brands.

The selection and management of brand elements represents an important area in brand consistency management, as indicated by the monolithic brand approach described above. The brand name and logo, character and/or slogan identifies the brand and serve to

create the brand image. In conjunction with all the other efforts in brand management, they represent important communication constants that give a customer desirable associations, help them form perceptions and help develop long-term relations with the customers who use a particular service. In this way, brand knowledge, which is defined by Keller (2003) as a concept and a model that includes two elements (concepts) – brand awareness and brand image – grows stronger. It is this brand knowledge that represents the source of brand equity. The concept of brand awareness, referring to the strength of the brand in the customer's memory or to the ability of the customer to identify the brand under different circumstances, is essential but not sufficient alone for the development of brand value. Brand image can be defined as the perceptions of a brand reflected by the brand associations held in the consumer memory.

A brand name is among the most fundamental and long-lasting assets of a firm (Martin *et al.* 2005:275). Gale (1994) defines a power brand as a name synonymous with satisfaction, quality and value to the customer. Strong service brands help the customers to visualize, understand, and believe in the service. They reduce the customers' perceived monetary, social or safety risk in buying services that are difficult to evaluate prior to purchase (Berry and Parasuraman 1991:120). Also, Berry *et al.* (1988:29) state that a strong service brand should possess some, if not all, of the following characteristics:

- Distinctiveness – immediately identifying the service supplier and distinguishing it from competitors.
- Relevance – conveying the nature of the service or the service benefit.
- Memorability – it can be understood, used, and recalled with ease.
- Flexibility – broad enough to cover not just the organization's current business but also foreseeable expansion.

Turley and Moore (1995:44-45) define service brand names to include:

- Descriptive brands – the service's name describes a key benefit or aspect associated with the service.
- Person-based brands – where services are identified by the names of owners, partners or key individuals.
- Geographic brand names – the strategy used to create a "local" feel for the service, to provide patriotic appeal or to create an exotic image.
- Alpha-numeric brand names – the combination of letters and numbers (either in numerical form or in script) to describe a service brand.

The intangibility of services is the primary reason it is necessary to devote considerable attention to the symbolic aspects of a brand. One should also keep in mind the very meaning of the word "symbol". Symbol represents a part of the brand (usually the logo) that reflects the personality and some other brand values that are of utmost importance and, as such, determine the corporate design and graphic identity (Kapferer 1992). The symbol (logo, character and/or slogan)

helps a customer to acquire and assimilate new information, to process information and to recall stored information rapidly (Joachimstahler 1994); therefore its significance grows for brand management. Mudie and Cottam (1999) identify the symbol with the logo and emphasize its dual role: it helps consumers form a picture of the company by presenting them with visual clues of the service that is on offer; and it imparts more impact to the company's desire to imprint a memorable picture on the consumer's mind. Cobb-Walgren and Mohr (1998) notes the fact that 75% of the information received by the human senses is visual. They define a symbol as a sensory image so loaded with significance that it is both itself and something else that it richly suggests. They also divide the symbols used in the services sector into the symbols of authority (e.g. uniforms, specialized equipment etc.) and the symbols of the services themselves intended to attract the customers, including service brand symbols. The most comprehensive definition of a symbol is provided by Aaker and Joachimstahler (2000), who say that a symbol can give an identity cohesion and structure, making it easier to achieve recognition and recall. Symbols can be anything that represents the brand: a logo, a tagline, a character, a visual metaphor, a color, a gesture, a musical note, a package or a program.

5 Analysis of Insurance Service Bread Elements on the Croatian Market

There are a total of 27 companies on the insurance market of the Republic of Croatia, of which eight provide non-life insurance services, five provide life insurance, 12 a combination of the two and two offer reinsurance¹. The major insurance groups are²: third-party liability car insurance (32%), life and rent insurance (23.5%), comprehensive car insurance (12%), other types of property insurance (9.5%), accident insurance (6.7%), insurance against fire and other hazards (6.5%) and health insurance (1.9%). There is no major differentiation between the services provided by the companies in the same group (according to the type of insurance services they offer on the market), i.e. the various services in their service portfolio do not differentiate these companies to an extent that might gain them a sustainable competitive advantage. Any improvements to the current service characteristics only represent a short term advantage for the company that implements them, since they spread rapidly within the branch and quickly cease to be an element of differentiation. There are no significant differences in terms of service prices, since the price represents an important criterion (if not the most important of all) applied by final customers especially when deciding on the choice of services. While even very modest CRM is still nascent and the orientation on quality remains erratic, the focus on distribution channels and new sales methods or the management of the sales staff dominates the marketing

¹ According to the Croatian Agency for Supervision of Insurance Services data as of July 27th, 2005, taken from <http://www.dinados.hr> on September 26th, 2005.

² As reported in ... "Hrvatsko tržište osiguranja – Sve bliže Europi" ("Croatian insurance market – Getting closer to Europe"), a special insert on insurance services published in **Globus** weekly magazine on June 24th, 2005, p. 50.

Table 1 – Insurance Service Provider Websites on the Croatian Market

No.	COMPANY	WEBSITE	INSURANCE TYPE
1.	Addenda Insurance Company	www.addenda.hr	non-life
2.	Allianz Zagreb Insurance Company.	www.allianz.hr	composite
3.	Allianz Reinsurance Company.	www.allianz.hr	reinsurance
4.	Aurum Wiener Städtische Insurance Company *	www.kvarner-wiener.hr	composite
5.	Basler Insurance Company	www.basler.hr	non-life
6.	Basler Life Insurance Company	www.basler.hr	life
7.	Cosmopolitan Life Insurance Company	www.cosmopolitanlife.hr	life
8.	Croatia Insurance Company.	www.crosig.hr	composite
9.	Croatia Health Insurance Company.	www.croatia-zdravstveno.hr	non-life
10.	Erste Sparkassen Life Insurance Company	www.s-osiguranje.hr	life
11.	Euroherc Insurance Company	www.euroherc.hr	non-life
12.	Euroherc Life Insurance Company.	www.euroherc.hr	life
13.	Generali Insurance Company	www.generali.hr	non-life
14.	Generali Life Insurance Company	www.generali.hr	life
15.	GRAWE Croatia Insurance Company	www.grawe.hr	composite
16.	Helios Insurance Company	www.helios.hr	composite
17.	HOK Insurance Company	www.odvj-komora.hr	non-life
18.	Jadransko Insurance Company.	www.jadransko.hr	non-life
19.	Kvarner Wiener Städtische Insurance Company	www.kvarner-wiener.hr	composite
20.	Libertas Insurance Company.	www.libertas.hr	composite
21.	Merkur Insurance Company	www.merkur.hr	composite
22.	Sunce Insurance Company	www.sunce.hr	composite
23.	Triglav Insurance Company	www.triglav.hr	composite
24.	Uniqa Insurance Company	www.uniqa.hr	composite
25.	Veritas Insurance Company	no website	non-life
26.	Zagreb Insurance Company	www.osiguranje-zagreb.hr	composite
27.	Croatia Lloyd Reinsurance Company	www.open.hr/com/crolloyd/	reinsurance

* Since merged with Kvarner Wiener Städtische Insurance Company
Source: author's research

efforts by insurance companies on the Croatian market³. The websites of the insurance service providers (where the respective brands can be seen) are shown in Table 1.

All insurance service providers apply monolithic complex brand strategies, with 25 out of the 27 companies applying monolithic complex descriptive brand strategies.

This is especially pronounced in the cases of the Allianz, Basler, Euroherc and Generali brands, each of which embrace two companies (depending on the type of insurance service provided) who share the same brand name and logo, with a single modification to the descriptive part of the brand name referring to the nature of the

³ According to ... "U fokusu: Kako se prodaju osiguranja?" ("In focus: How to sell insurance?"), *Pro pro*, 3(21): 36-49.

service: life insurance and reinsurance. Just two of the 27 providers, Allianz Zagreb and GRAWE Croatia, do not have descriptive brands. Allianz Zagreb may be considered a suggestive brand to some extent while GRAWE Croatia is an example of a brand name that is neither suggestive nor descriptive. Classical brand names derived from Latin are used by five insurance companies, Addenda, Aurum, Libertas, Uniqa and Veritas, and they achieve their suggestiveness by combining the name with the descriptive part of the brand – which is insurance in all the examples. Two brand names are derived from Greek: Cosmopolitan (although the complex brand name Cosmopolitan Life is taken from the English) and Helios, both of which owe their suggestiveness to the addition of a descriptive part, i.e. insurance. Three companies – Generali, Merkur and Sunce – use arbitrary brand names that lack clear reference to the service type when analyzed without the descriptive part of the brand name. The Basler insurance companies use a proper name for a part of their brand name, while HOK Insurance and GRAWE Insurance use their acronym and the abbreviation, respectively. The Euroherc companies use a brand consisting of an unusual combination of two words (without a descriptive part). It is interesting to notice that as many as eight insurance service providers name use geographical places in their brand, which neither refer directly to the service type or are suggestive of the service type or benefits: Aurum Wiener Städtische, Croatia (three companies), Jadransko, Kvarner Wiener Städtische, Triglav and Zagreb, and the two companies that have already been mentioned: Allianz Zagreb and GRAWE Croatia.

In the author's opinion, none of the existing brands can be singled out as strong brands that might optimally meet all four of the success criteria. Most of them enable immediate identification of the service provider, albeit largely thanks to descriptive part of the brand name referring to (re)insurance rather than to a particularly distinctive non-descriptive part of the brand name. Brands based on words that have been derived from Latin or Greek

(Addenda, Allianz, Cosmopolitan, Libertas, Uniqa and Veritas) can be considered generally adequate if analyzed without the descriptive part, but brand names that include geographical places are basically inadequate, even though certain examples (Croatia, Triglav and the brands incorporating Wiener Städtische) reflect a long-standing tradition. Tradition is also the dominant force in the Basler, Generali, GRAWE and Erste Sparkassen brands and that supersedes any strong brand criteria. Moreover, brands that include geographical names are inflexible in terms of market expansion (especially internationalization). The rather awkward Kvarner Wiener Städtische Insurance brand is an excellent example. The memorability of any brand may be undermined if it incorporates foreign names (Aurum Wiener Städtische, Cosmopolitan Life, Erste Sparkassen, Generali, and Kvarner Wiener Städtische).

Certain brand logos reveal the traditional orientation of financial service companies toward symbols that represent protection, strength and security. Stylized eagles (Allianz and Euroherc), lions (Generali, GRAWE and Helios), the umbrella (Merkur and possibly Addenda), the stylized key (Basler), anchor (Jadransko), chain (Libertas) and ship (Croatia Lloyd) are all basically adequate symbols. However, due to the varying quality of graphic design and imagination they can hardly be described as particularly attractive and likeable (except for the example of Basler), or distinctive and memorable symbols (e.g. Allianz, Libertas, GRAWE etc.). Solutions using stylized letters are less adequate in terms of the type of service (as in Croatia, HOK, Uniqa and Triglav) or attempts to implement stylized letters into a chain link (Zagreb Insurance Company). The brand logo that consists of a brand name printed in a specific font (Cosmopolitan Life, Sunce and Veritas) is a very frequent solution and lacks any originality. The Croatia Health, Aurum Wiener Städtische and Kvarner Wiener Städtische Insurance brands stand out as examples of particularly awkward and uninteresting solutions.

Table 2 – The Slogans of Insurance Service Providers on the Croatian Market

No.	COMPANY	SLOGAN	INSURANCE TYPE
1..	Basler Insurance Company	First Swiss insurance in Croatia.	Composite
2.	Cosmopolitan Life Insurance Company	The only whole-life insurance in Croatia.	life
3	Croatia Insurance Company.	Trust and security	composite
4.	Euroherc Insurance Company.	The insurance I trust	composite
5.	Generali Insurance Company	Security under the lion's wings	composite
6.	GRAWE Croatia Insurance Company	Insurance on your side	composite
7.	Helios Insurance Company	Tailored to suit your values	composite
8.	Jadransko Insurance Company	Jadransko insurance – the symbol of your security	non-life
9.	Merkur Insurance Company	Your security	composite
10.	Triglav Insurance Company	Because life needs security	composite
11.	Uniqa Insurance Company	Peaceful life ahead	composite
12.	Zagreb Insurance Company	Trust for a reason	composite

Source: author's research

The slogan is a part of the branding of twelve of the insurance service providers. The slogans are predominantly descriptive, with five out of twelve including the word 'insurance' and another five 'security'. Apart from identifying the type of service, two slogans emphasize characteristics that should achieve distinctiveness: company origin (Basler) and specific service (Cosmopolitan Life). The slogans are given in Table 2.

6 Analysis of Insurance Service Brand Elements on the Slovenian Market

The Republic of Slovenia's insurance market features 21 companies, of which 19 provide insurance and two reinsurance services.⁴ The following analysis includes the brands of 18 companies⁵ that are voluntary members of the Slovenian Insurance Association. Five of these provide non-life insurance, one life insurance alone, eight provide both

life and non-life insurance, two offer reinsurance services while two companies are in fact pension funds, one of which only provides insurance for craftsmen and entrepreneurs. Slovenian Insurance Association analysts⁶ point out that the Slovenian insurance market is exceptionally dynamic, with investment interest from foreign insurance companies continually on the rise, especially since Slovenia's accession to the European Union. The websites of the Slovenian insurance service providers (where the respective brands can be seen) are shown in Table 3.

All the insurance service providers operating on the Slovenian market that are analyzed here also apply the single, monolithic brand strategy to all the types of insurance in their service portfolio. Their brand names also predominantly include common, frequently used generic words and one can hardly expect to meet strong brand criteria through these (especially distinctiveness) or to gain any competitive edge as a result of differentiation. As many as three companies that apply the monolithic complex and descriptive brand strategy incorporate the word Triglav into

Table 3 - Insurance Service Provider Websites on the Slovenian Market

No.	COMPANY	WEBSITE	INSURANCE TYPE
1.	Adriatic Insurance Company*	www.adriatic-slovenica.si	composite
2.	ARAG Legal Expenses Insurance	www.arag.si	non-life (legal expenses)
3.	Fund for Craftsmen and Entrepreneurs	www.sop.si	old-age pension
4.	Generali Insurance Company	www.generali.si	composite
5.	GRAWE Insurance Company	www.grawe.si	composite
6.	Health Insurance Mutual	www.vzajemna.si	non-life (voluntary health)
7.	Maribor Insurance Company	www.zav-mb.si	Composite
8.	Merkur Insurance Company	www.merkur-zav.si	Composite
9.	NLB Vita Life Insurance Company	www.nlbvita.si	life + accident
10.	Pension Fund Management Company	www.kapitalska-druzba.si	old-age pension
11.	Reinsurance Company Sava Limited	www.sava-re.si	Reinsurance
12.	SID – First Credit Insurance Company Inc.	www.sid-pkz.si	non-life (credits insurance)
13.	Slovenica Insurance House*	www.adriatic-slovenica.si	non-life (property insurance)
14.	Slovenica Life Insurance Company	www.slovenica-zivljenje.si	life
15.	Tilia Insurance Company	www.zav-tilia.si	Composite
16.	Triglav Insurance Company	www.triglav.si	Composite
17.	Triglav RE Reinsurance Company	www.triglavre.si	Reinsurance
18.	Triglav Health Insurance Company	www.zdravstvena.net	non-life (voluntary health)

* The Adriatic Insurance Company and Slovenica Insurance House have since merged.

Source: author's research

⁴ According to ... "Statistical Insurance Bulletin 2005", Slovenian Insurance Association, Ljubljana, August 2005, p. 14. Taken from http://www.zav-zdruzenje.si/E_statistika.htm on November 11th, 2005.

⁵ Ibid. p. 14.

⁶ Ibid. p. 13.

their brand name, while the descriptive part of the brand is modified to communicate different types of insurance services provided by each company. Two of these three companies not only share the brand name Triglav, but have a joint brand logo as well (a stylized white letter “t” in a red square). This brand logo, which is smaller in the case of the voluntary health insurance company, is supplemented by another smaller logo representing the human body during exercise. The reinsurance company uses the brand name itself as its logo, with the addition of the syllable “Re” (for reinsurance); these letters are printed in a different, two-color font. This brand strategy cannot be viewed either as adequate or original. The manner in which all the brand element combinations are executed by any of these three companies does not help with meeting strong brand criteria. On the contrary, it makes the brand less memorable and the resulting effect on flexibility is less than positive (assuming that flexibility is what was aimed at, since the Triglav insurance brand has a long-standing tradition). The examples of the Slovenica brand illustrate the descriptive part being used to illustrate the type of insurance offered by each of the two companies. Both use the brand name as a brand logo – it is printed in a specific style, but their colors (blue and grey) do not sufficiently differentiate them. Next to that brand name (printed in a specific color and font) each company has a symbol. The property insurance company uses the outline of a fort while the life insurance company uses a stylized shooting-star on a blue disk. Even though the choice of symbol may be considered adequate in the former case, both Slovenica brands fail to achieve the strong brand characteristics desired.

The international insurance companies, Generali, GRAWE and Merkur, are also among the service providers

on the Slovenian market. All three companies apply the standardization strategy in their internationalization operations. Therefore, the brand names, logos and slogans are the same on all the markets, so anything said about these brands above with respect to the Croatian market also applies to Slovenia. The minimum adjustment consists of translating the descriptive part of the brand (the word ‘insurance’) and the slogan into the language of the local market (Slovenian, Croatian, etc.) and localizing it. ARAG and GRAWE are the insurance companies that use their acronym and an abbreviation respectively as their brand name. The example of ARAG reflects the brand name and logo standardization strategy, with the descriptive part of the brand translated into Slovenian.

Geographical names are also well represented. Besides abovementioned Triglav and Slovenica brands, Adriatic, Maribor and Sava are among the brands incorporating geographical names and, without the descriptive part of the brand, these also lack suggestiveness of both the nature of service and the benefits that may be expected from its use. Unlike the Croatian market, where traditional symbols suggesting protection and security etc. are relatively frequent, their use does not seem to be customary on the Slovenian market (with the exception of the international companies). For instance, the Adriatic brand uses a seagull in its brand logo, the Maribor brand uses the “ZM” initials printed in a specific font while the Sava brand uses a stylized letter “s”, which represents the flow of a river. The brand name printed in a specific font and color is a very frequent strategy on the Slovenian market (e.g. Health Insurance Mutual, Pension Fund Management Company and SID).

The brand name of the NLB Vita company is suggestive to some extent, albeit without the descriptive part referring

Table 4 – Slogans of insurance service providers on the Slovenian market

No.	COMPANY	SLOGAN	INSURANCE TYPE
1.	Adriatic Insurance Company.	Secure, reliable, friendly	Composite
2.	ARAG Legal Expenses Insurance	You're right	non-life (legal expenses)
3.	Generali Insurance Company	Secure under the lion's wings (same as Croatia)	Composite
4.	GRAWE Insurance Company.	Insurance on your side (same as Croatia)	Composite
5.	Pension Fund Management Company	We'll always be here	old-age pension
6.	Maribor Insurance Company	Life goes on and we go with you	Composite
7.	Merkur Insurance Company	My security (same as Croatia)	Composite
8.	Slovenica Insurance House	The right choice	non-life
9.	Slovenica Life Insurance Company	First specialized life insurance company in Slovenia	non - life (property insurance)
10.	Tilia Insurance Company	In the shelter of the lime-tree leaf	Composite
11.	Triglav Insurance Company	Because life needs security	Composite
12.	Triglav Health Insurance Company	Tailored to your needs	non-life (voluntary health)
13.	Vzajemna Health Insurance Mutual	Let the trust linger	non-life (voluntary health)

Source: author's research

to the type of insurance. Regrettably, the brand logo fails to meet the minimum criteria of a strong service brand. It consists of three visually uncoordinated units and the first logo, that of Nova Ljubljanska Banka (one of the main shareholders), suggests a banking service. The letter parts of the logo are inconsistent; they include different scripts and fonts, undermining the memorability of the brand.

Two brands are non-descriptive, those of the Pension Fund Management Company and the Fund for Craftsmen and Entrepreneurs (these are basically pension funds rather than insurance service providers in the usual sense). Both brands can be considered arbitrary, with a brand name meaning that is suggestive to some extent. In both cases the brand logos are neither suggestive, nor do they communicate the nature of the service or characteristics.

In the SID brand name the attention is drawn to the word "first", which is used to achieve differentiation (as was a frequent practice in the development of financial service sectors in the most developed service markets). Finally, although still arbitrary, the Tilia brand stands out as an original solution that achieves distinctiveness and adequacy, both of the brand name and the logo (a lime-tree leaf), through indirect connotations of protection.

A slogan is a part of the branding of thirteen of the insurance service providers. Similarly to the situation on the Croatian market, the slogans are predominantly descriptive and six of them include the words 'insurance' or 'security'. The slogans are shown in Table 4.

7 Conclusion

Service brand management has emerged from the periphery to become an increasingly central issue to market experts. Despite the similarities between the brand management of tangible, material products and intangible services, the direct copying or applying of product branding approaches to services would be inappropriate. The very nature of services and the consumers' expectations themselves call for the development of specific strategies. Carefully planned, developed and implemented service brand management enables the focus to be directed at the purpose and values that a service offers for its customer, while also helping to improve its image and develop moral values among the service company staff (especially those who are directly involved in actual service provision).

Insurance services, as a specific type of financial services, are an example of a highly intangible and complex service with postponed benefit. The motives when deciding to use these services, as well their length of use and significance, very often differs between customers. Current conditions, especially in economies with developed financial service markets where there is a high degree of deregulation and competition, lead to the mergers between the companies providing insurance, banking and brokerage services into complex financial industry service providers, which create confusion among the customers who are no longer able to differentiate or clearly identify the individual product lines (e.g. on the Croatian market, such confusion may be possible in the Erste Sparkassen brand). Expanding and deepening the product range, identifying market niches,

creating strategic alliances and/or mergers and acquisitions have proven useful but are still insufficient for gaining and maintaining a competitive advantage. In such market conditions, the marketing and management of insurance services is very demanding and marketing experts are facing a challenge in reformulating the traditional methods of attracting and keeping customers using significantly different sales techniques. Under such circumstances, the quality of the service provided and the management of the service brand have become matters of growing importance that have considerable unfulfilled potential.

The analysis shows that Croatian and Slovenian insurance service companies employ undifferentiated, monolithic brand management strategies while relying on their often long-running past business operations in their market communications, as well as on experience and size as key elements of brand image building. In other words, from the point of view of the four main characteristics of strong brands (distinctiveness, relevance, memorability and flexibility), the Croatian and Slovenian insurance service brands cannot be called adequate, either as integral solutions or in terms of the specific elements (brand names, logos or slogans). Consequently, one has to conclude that the area of brand management has been neglected, probably due to a lack of knowledge or insight into its potential.

Furthermore, Croatian and Slovenian insurance markets are characterized by growing competition due to mergers and takeovers of companies, which is both hard reality and probability to be expected in the future. As part of brand management, the insurance service providers should therefore not just take into account the elements, communication and image of their service brands, but should also measure the respective brand equity. Brand equity represents an intangible asset to a company that influences the terms of purchase and sale.

For the purpose of this paper, no research has been conducted into the attitude of the customers or into their views on the image and value of insurance brands based on concrete experience with the Croatian and Slovenian insurance service providers. However, it is essential to stress the importance of conducting such research in the future. It may be crucial for deepening knowledge and understanding of customer perceptions of functional, empirical and symbolic brand values, as well as of the brand elements that customers find useful in recognizing the brands' value and differentiating between the growing number of insurance service providers on both these markets.

Insurance service providers in Croatia and Slovenia alike may want to consider redesigning the elements of their brands. They would be well advised to put greater emphasis on the nature of the service itself, as originally and imaginatively as possible and in line with the characteristics of strong brands, as well as on the functional and emotional values that customers expect from insurance services, such as security, reliability, trust, discretion, timeliness, preservation of value, etc. In doing so they should not forget that, apart from awareness building elements, a strong brand should also be characterized by consistent service presentation and provision in each encounter with the customers.

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