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# THE IMPORTANCE OF CORPORATE BRANDS FOR DECISION MAKING IN THE BUSINESS-TO-BUSINESS CONTEXT

## Abstract

The purpose of this paper is to provide a deeper understanding of the importance of the corporate brand for the business-to-business (B2B) context, specifically concerning the buyer and supplier decision-making processes. The paper provides a literature review on tangible and intangible brand attributes, as well as their influence on perceived risks and emotions in decision making. The findings imply that business decision making is not solely rational, and that emotions matter a great deal. The conceptual framework thus presents the process of business decision making in which brand attributes play a focal role for both the buyer and supplier. Research implications include three aspects: the importance of corporate brands and their attributes for reducing a buyer´s perceived risks when choosing a new supplier, the role of corporate brands for strategies that suppliers are using when attracting potential buyers, and the effect of emotions on the mentioned processes. The paper offers a new comprehensive framework for studying decision-making in the B2B context and contributes to corporate branding and decision-making theory development.

**Keywords:** Corporate brands, tangible brand attributes, intangible brand attributes, business decision-making, emotions

## 1. Introduction

Business decision making is a complex and multi objective process. However, it is still often defined by microeconomic theorists as solely rational, assuming that in a competitive environment rational decision making is the best way of survival (Koporčić et al., 2015). The reason for this could be, for instance, the complexity of studying and conceptualizing human behaviour as simple and easy as that of the classical rational economic man (Simon, 1959). As the Nobel Prize winner in Economics from 1978, Dr. Herbert Simon argues: "The sketchiness and incompleteness of the newer proposals has been urged as a compelling reason for clinging to the older theories, however inadequate they are admitted to be" (Simon, 1959: 280).

The purpose of this paper is to study the decision-making processes in a business context, when companies are choosing new business partners. Starting with decision makers, we define them here as individuals or groups of individuals that represent companies and make business decisions on their behalf. Considering that individuals are humans that are dealing with millions of fragmented pieces of information at each moment, they have to select certain problem-solving paths in order to make a decision (Simon, 1959). One path that leads towards minimizing risks and dealing with uncertainty when choosing a new business partner is choosing companies with strong corporate brands (Webster, Keller, 2004), i.e. brands with superior brand attributes.

Although corporate brands have been widely researched and accepted in consumer markets, their importance for business studies are still insufficiently researched (Mudambi, 2002; Bengtsson, Servais, 2005; Sevedghorban et al., 2016). One of the reasons can be a belief that brand attributes and features of corporate brands are closely connected to emotional decision making and consumer purchasing (Bengtsson, Servais, 2005). However, recent studies in psychology, economics and sociology have indicated a growing interest in the connection between risks and emotions in business decision making, and raised the question whether any business action is even possible without addressing emotions (Zinn, 2006). Therefore, the paper furthermore aims to analyse both the buyers' and suppliers' perspectives on decision making, and answer the following: How can suppliers reduce the buyer´s perceived risks and trigger emotions through brand attributes? How can emotions influence the buyers´ decision-making?

The paper firstly presents a literature review on corporate brands and their significance in a business-to-business context. Secondly, it presents tangible and intangible brand attributes, their components and importance for the decision-making process. As a third section, the supplier´s perspective on brand attributes is elaborated, where perceived risks affect emotions from a buyer's side. Accordingly, the next section focuses on buyers and their perspective on brand attributes. The fifth section goes deeper into the understanding of perceived risks and emotions in decision making. The conceptual framework is furthermore developed and presented in section six as a new perspective on understanding decision making in a business context where emotions play an important role. Conclusions follow, together with implications for practitioners and academics. Limitations and future research suggestions are listed in the last section.

## 2. The importance of corporate brands for the business world

The corporate brand and its value for a company and related business actors have not received much attention from academics and practitioners in the past (Lynch, de Chernatony, 2007; Van Riel, de Mortanges, Streukens, 2005). Brands have mainly been studied in the business-to-consumer (B2C) context, with a focus on the product level and the end goal of creating momentous images in consumers' minds (Keller, 1993), with the purpose to influence consumer buying behaviour (Aaker, 1991; Mudambi, 2002). However, by moving from the product to the corporate brand level, brands started to be discussed in industrial markets as well. Corporate branding is thus defined as a set of different activities with a goal to coordinate and adjust various elements of an organization, instead of being focused on individual product offerings (Aaker, 2004; Hatch, Schultz, 2001). In other words, the aim of corporate branding is to brand the whole company, not just its individual products or services. The simplicity of having one brand provides cost control, which leads towards more financial benefits. Corporate branding can also be described as a: "systematically planned and implemented process of creating and maintaining a favourable reputation of the company with its constituent elements, by sending signals to stakeholders using the corporate brand" (Van Riel, 2001: 12). Constituent elements of a corporate brand can furthermore be understood as tangible and intangible brand attributes, which altogether present organizational values that other business actors can relate to (Balmer, 2001).

Suppliers use the corporate brand as a valuable resource of the company that provides a specific reputation in the network and attracts potential business partners (Balmer, Gray, 2003). As Balmer (2005) highlighted, a supplier`s attractiveness on the market is increasing through its corporate brand and specific brand-related offers, such as special product support, unique public profile, visual recognition and successful communication of core values. For buyers, the corporate brand can act as a risk reduction mechanism, especially in decision-making situations of higher risks, such as choosing a new business partner (Kotler, Pfoertsch, 2006; Lynch, de Chernatony, 2007). In these situations, choosing a well-respected supplier can provide legitimacy and improve the buyer's reputation in the market in which he operates, as well as reduce the risk of engaging in a business relationship with the wrong partner (Mudambi, 2002). In order to understand corporate brands as multidimensional entities of a business environment, it is important to understand that their success in a business network also depends on a combination of tangible and intangible brand attributes (Mudambi, 2002; Mudambi et al., 1997). These combinations then have an influence on customer buying behaviour, i.e. the decision-making process, and at the same time on the supplier's reputation in the network of business actors (Harris, de Chernatony, 2001).

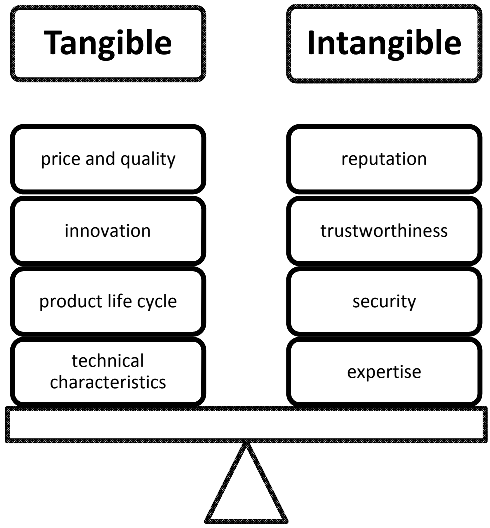
## 2.1 *Tangible and intangible brand attributes*

A lot of research has been done regarding tangible and intangible brand attributes, but their focus had been mostly on product and service branding (Bendixen, et al., 2004; Mudambi et al., 1997). This article focuses on a different, broader area, by analysing those attributes from the corporate brand perspective, which includes products and services, but also the corporation itself.

Academic literature is defining tangible attributes as brand offers that are physically presented and touchable, that can be measured, experienced and seen (Aaker, 1991; Bengtson, Servais, 2005; Mudambi et al., 1997). Tangible attributes include, among others, technical characteristics (Lehmann, O'Shaughnessy, 1974), price and quality (Aaker, 1991; Bengtson, Servais, 2005), reliability (Bendixen et al., 2004; Feldwick, 2002), product life cycle (Bendixen et al., 2004), innovation (Feldwick, 2002) and stability (Bendixen et al., 2004; Mudambi et al., 1997). In simple terms, these tangible elements are physically presented values of a corporate brand (Mudambi et al., 1997). However, in today's market where competition is higher than ever, products and services are constantly being improved. In these situations, tangible attributes of products, such as e.g. product technical specifications can easily be copied by competitors, and alone are no longer sufficient for winning competitive advantage (Lynch, de Chernatony, 2004).

Intangible brand attributes are therefore introduced, as more "elusive or visionary" (Oxford Reference Dictionary, cited in Mudambi et al., 1997: 438). They often hold an emotional element, even in a situation of "rational and systematic decision making" (Mudambi et al., 1997: 438). Components of intangible brand attributes, among others, include reputation (Bendixen et al., 2004; Keller, 1993; Lehmann, O'Shaughnessy, 1974; Low, Blois, 2002), non-product characteristics (Mudambi et al., 1997), ease of ordering, country of origin, pleasantness of personnel, emergency responses (Bendixen et al., 2004), expertise (Mudambi, 2002; Webster, Keller, 2004), security, empowerment (Feldwick, 2002), and trust and trustworthiness (Bendixen et al., 2004; Bengtson et al., 2005; Mudambi, 2002; Webster, Keller, 2004). These intangible attributes are difficult or almost impossible to imitate, and therefore offer a specific competitive advantage on the market.

***Figure 1 Corporate brand attributes***




*Source: Authors*

In order for a supplier to achieve competitiveness on the market, a balance, or a "perfect fit" of tangible and intangible brand attributes should be found (see Figure 1). In that way, the supplier will attract buyers, while investing an adequate amount of financial assets into brand attributes, which will then bring a positive return on investment. At the same time, a buyer will be attracted to a company that provides the best combination of brand attributes that will satisfy the company´s needs. However, it is important to note the interconnections of these attributes. Taking the reputation of a company, as an example of intangible attributes, it has been perceived as an outcome of product quality, which is a tangible attribute (Mudambi et al., 1997). Trustworthiness is furthermore directly connected with the capabilities of a company and its innovations, and so on. To summarize, in order to attract loyal buyers and influence their decision making, a combination of tangible and intangible brand attributes is crucial. However, it is important to note that decision-making processes often embody certain risks, both for buyers and suppliers.

## 3. Perceived risk and emotions in decision making

The perceived risk can be defined as a subjective assumption or expectation of a loss (Stone, Gronhaug, 1993). It can occur both at the organizational and personal level, together with different types of risk for each level (Brooker, 1983). The organizational or non-personal level of perceived risk is divided into financial, performance, physical and time risks (Brooker, 1983). These risks are likely to occur when:

i) the company needs a completely new product whose characteristics have not been tested in its environment by now;

ii) the quality of a service is unknown, or the product's performance is uncertain;

iii) the technology of a new product is complex;

iv) the price is higher than the competitors';

v) the importance of a single purchase is high.

From these examples, as well as from research on business decision-making, it has been demonstrated that risks are directly connected with tangible and intangible brand attributes. For instance, a loss of the company's financial assets appears if the tangible characteristics of a product are non-functional, or the product gets broken and needs to be replaced, repaired or refunded. A loss can also occur when a product is not performing as expected or when intangible brand attributes did not fulfil the buyer's expectations (ibid.).

A personal level of perceived risk consists of psychological and social risks (Brooker, 1983). They are likely to appear when the buyer has little or no experience with product brands, or corporate brand in general, and can result in the risk of losing a job; the risk of getting a poor personal reputation in and outside of a company; or the risk of losing business network connections. For a supplier, similar personal risks appear that are related to the risk of losing a job if inadequate sales have been made, or the risk of a poor reputation, among others.

No matter how formal systems of companies are, or how hard individuals try to act in a rational way, buyers and suppliers will be influenced both by organizational and personal values, as well as perceived risks while making decisions or influencing them (Anderson, Narus, 1999). Furthermore, emotions will shape, handle, improve, defend or dismiss processes and procedures inside of a company (Fineman, 2003). Considering that the future is often times uncertain and unpredictable, it has been argued that business expectations are better defined as the hopes and imagination of the next flow of business events, rather than completely rational calculations (Zinn, 2006). Throughout this, emotions are coming deeper into focus, as an outcome of rational and non-rational brand strategies. Tähtinen and Blois (2011: 907) in their article conclude the same: "… human decision making and actions are embedded in emotions and therefore cannot be meaningfully separated". In fact, recent studies in psychology, economics and sociology have indicated a growing concern in connection between risks and emotions, and raised the question whether any business action is even possible without addressing emotions (Zinn, 2006). Even though emotions in the decision-making process are widely researched in consumer marketing, they have been less accepted in business markets (Lynch, de Chernatony, 2004). One of the reasons lies in the portrait of the rational economic man, illustrated by Bengtsson and Servais (2005: 709): "Oftentimes industrial purchasers are portrayed as rational and profit maximizing who do not let themselves to be seduced by something as fuzzy and un-rational as brand images" (Bengtsson, Servais, 2005: 709). In general, rationality in the decision-making process has often been defined as something positive, while emotions as something completely negative (Zinn, 2006).

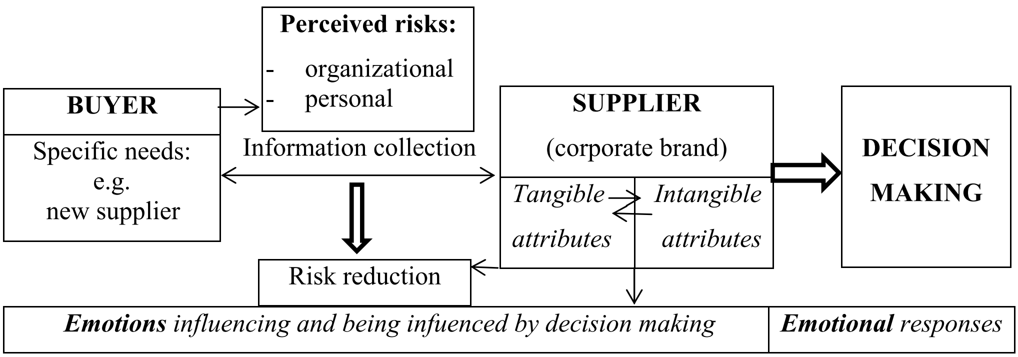
Furthermore, emotions are hard to define and even more difficult to study (Plutchik, 2001). There are more than 90 different definitions and many different theoretical perspectives of emotions suggested, but still little understanding of the concept and its meaning for specific situations (ibid.). Various theories of emotions have emerged over the years (e.g. Stewart et al., 2007): physiological theories of emotion where emotions appear as involuntary biochemical processes (James, 1884); dimensional theories where emotions are simplified and categorised in common dimensions (e.g. Mehrabian, Russel, 1974); theory of facial expressions (Darwin, 1998); attribution theory in which causal factors provoke emotions (e.g. Weiner, 1986); appraisal theory where the focus is on individuals and their reactions on environment (Ekman, Davidson, 1994); and theories of basic emotions, which are focused on discrete emotions natural to all people and expressed subjectively (Plutchik, 1980).

Based on the scope and focus of this article, theories of basic emotions (e.g. Plutchik, 2001) are found as most appropriate for providing a substantial explanation of the phenomenon under investigation. Business literature (e.g. Bagozzi, 2006) however, is using the same set of discrete emotions, namely: joy, anger, fear and sadness, but supplementing them with goal-directed emotions, such as pride, anxiety, frustration, guilt, shame and disappointment. These emotions together present the outcome of achieving or failing to achieve a specific business goal. They are present both before and after a decision has been made. These emotions are natural to all people, but experienced individually based on subjective response patterns (Stewart et al., 2007). As Plutchik (2001: 347) stated: "Emotions are not simply linear events, but rather are feedback processes. The function of emotion is to restore the individual to a state of equilibrium when unexpected or unusual events create disequilibrium." Once again, it is important to be reminded that emotions in business decision-making are results of individual actions, in which human actors are evaluating business events based on their position and role in companies, as well as on personal thoughts and experiences (Bagozzi, 2006; Lynch, de Chernatony, 2004; 2007). In other words, individuals are led by their personal needs and emotions, while at the same time trying to fulfil their company's goals (Webster, Keller, 2004).

## 4. *Conceptualizing decision making in the business-to-business context*

Decision makers are only human, and will continue to act as such even during working hours (McPhee, 2002). The decision-making process (see Figure 2) is therefore a complex situation for both buyers and suppliers. When a buyer has the need for a new supplier, with whom he or she has no previous experience, perceived risks will occur. In order to reduce those risks, decision makers can evaluate potential suppliers based on their tangible and intangible brand attributes. It is important to note that companies which are operating in different industries or markets have different combinations of brand attributes. However, collected information on a specific supplier can serve as a risk and uncertainty reduction mechanism.

***Figure 2 Process of business decision making***




*Source: Authors*

Moreover, while making a decision, buyers will not only be concerned about organizational benefits and the future performance of a company, but they will also focus on their personal reputation and psychological security (Davis et al., 2008; Gomes et al., 2016). "In this sense, industrial buying decisions may be both rational and emotional, as they serve both the organization and the individual´s needs, even if the former takes precedence over the later" (Gomes et al., 2016: 195). We partly agree with Gomes et al. (2016), but would like to highlight that organizational and individual needs are not strictly divided as rational vs. emotional, but instead they are mutually interconnected and influence each other through the decision-making processes.

Additionally, research on business decision making demonstrated the influence of corporate brands and their attributes on emotions (Bengtsson, Servais, 2005). This leads toward the conclusion that in supposedly rational business decisions, emotions are valuable factors which can sometimes play the biggest role in the process (Bennet et al., 2005). Even when a decision is made by organizational buying centres, it is never solely rational, because of different motivation, expectations and levels of experience between individual decision makers (Riezebos, 2003). In a situation where perceived risks are high, emotions such as fear and anxiety will arise, based on consequences both on the company and individual level. However, after a decision has been made, emotions appear as well, such as pride, guilt, shame or anger, as a response to a good or bad business deal. Pride, for example, can be described as a key positive emotion of decision making, and a result of a good business deal. However, if it grows too high, it can have some negative consequences for the working environment. Negative emotions, such as anxiety or shame, on the other hand, can sometimes have a positive influence on the decision maker, in terms of adapting to changing environments and trying harder (Bagozzi, 2006). Guilt furthermore appears after a bad business deal caused by e.g. the wrong evaluation of a business partner, or the lack of suitable information for decision making. Also, anger is often triggered as a result of blaming others for certain negative outcomes. These emotional responses are the outcome of decision-making processes, and at the same time the results of a certain combination of brand attributes. Therefore, it can be concluded that emotions are embedded in and are results of every decision-making process, no matter if it is on a business or consumer level.

### *4.1 The buyers' perspective on decision making*

Literature on industrial buyers and their purchases often indicated that the decision-making process is done by the rational economic man (Doyle, 1998: 1), i.e. rational and objective, well trained professionals. A completely rational process is defined as:

However, it is seldom possible to achieve full rationality, based on the fact that buyers often have access only to limited information, especially in a situation of selecting a new supplier (Glynn, 2012). Other than that, reviewing all possible alternatives is also far from reality, because it would take a lot of time, which often decision makers do not have. Limited resources will therefore allow tangible and intangible brand attributes to function as a substitute. In other words, corporate brands through their attributes will function as a mechanism for reducing an information overload and will lead towards easier decision making (Zablah et al., 2010). Being associated with a respected supplier can furthermore increase the confidence of a buyer, and influence the decision-making process (Low, Blois, 2002; Mudambi, 2002).

A corporate reputation, as an intangible attribute can for instance guarantee against poor product or service performance and reduce a business risk and time that would be spent in selecting alternatives (Balmer, Gray, 2003; Glynn, 2012). Ease of ordering, pleasantness of personnel and emergency responses will have an impact on decision making by providing an additional value, above technical specifications. Even though the price, quality and product life can influence a decision, these tangible attributes are often not enough without the added value of intangible attributes, especially in the situation of a new business task. The new task is defined as the need for a completely new product or service, or a new supplier (De Boer et al., 2001). Considering that there are no previous interactions or experience between the buyer and supplier, the decision-making process comes with a higher level of risks and uncertainty (Wu, Barnes, 2011). Risk is even higher when there is a large financial investment in a product or a new relationship, when the buyer is uncertain of their requirements and when the decision is complex and/or vital to the company's further production. Therefore, when choosing a new business partner, buyers can do certain activities for lowering the risks. Some of the examples include examination of:

a) External information about a supplier. The official web pages of a company and leaflet ads provide tangible brand information, such as the market share of a company, its profitability, capabilities, price and quality of its products and services, as well as technical specifications. Blogs can be included in external information, by providing a mix of tangible and intangible attributes. Certain stories about buyers' experiences can provide insight into corporate and product characteristics and therefore lower risks in decision-making.

b) Third party sources. Financial data, business demographics, social and economic information provide a tangible description of a company. The focus here is on a corporate level, which can make decision making less risky.

c) The supplier's marketing communications. Suppliers are using various strategies to approach buyers from different industries and countries, but the focus is always on a balance between tangible and intangible attributes. They are for instance promoting the quality of their product in connection with their expertise and country of origin specifics. As a result, companies are affecting business buyers on both the rational and emotional level.

d) Word-of-mouth. In a business environment, word-of-mouth comes from companies that are already working with the supplier. These business references are important, especially while choosing a new business partner, because they vouch for the company's characteristics, provide trustworthiness and therefore act as a risk reduction mechanism.

e) Reputation and brand identity. These intangible brand attributes are results of the supplier´s good business relationships and general success on the market. This is associated with the buyer's image of the company, formed through e.g. meetings with company representatives and external tangible information. In other words, the reputation often gives a sign that the company has managed to find a balanced mix of brand attributes and earned its proxy for quality.

After all, it is important to note that the role of intangible attributes is far from being based on irrational behaviour connected with impulsive decision making, as was previously being thought. Instead, in a new task situation, where tangible attributes are mostly unknown based on lack of experience with a supplier, buyers are relying on intangible attributes (Malaval, 2001).

### *4.2 The supplier's perspective on decision making*

Tangible and intangible brand attributes are an important part of the suppliers' business and corporate branding strategies. Having in mind that these attributes play a crucial role in the buyer's decision-making processes, suppliers need to find a way to manage them successfully and position themselves as attractive business partners on the markets where these firms operate (Mudambi et al., 1997). While buyers are using brand attributes to lower the perceived risk of a bad business decision, suppliers are using a mix of these attributes to provide them a very much needed risk reduction mechanism. Therefore, some of the following strategies are used by suppliers (Akaah, Korgaonkar, 1988):

a) Building and constantly rebuilding a reputation of the company in its market. Reputation, as an intangible attribute can be improved by constantly improving tangible brand attributes, such as technical specifications of products, quality of services, and by being an innovative and reliable supplier. Reputation can be found in the top four most important factors of business decision making, especially while choosing a new business partner (Roberts, Merrilees, 2007). Therefore, it can be concluded that business decision makers are more focused on the corporate brand reputation while making a decision, than on a single product reputation.

b) Providing product newness. This can be achieved by being innovative and continually improving tangible brand attributes, such as the quality and specifications of products and services. However, intangible attributes also play a role in this process, through the company's expertise, ambition, or emergency responses to buyers' requests. If a company is innovative and constantly improving its products and services, it gives an impression of a reliable and attractive supplier.

c) Promising a money-back guarantee and free samples for its buyers. Every company can experience problems with tangible brand offers at a certain point in time, but to avoid uncertainty and provide security, companies can offer a money-back guarantee and other related services to its customers.

d) Managing lower product costs. A constant improvement of tangible attributes such as production and product quality, capability and technical specifications can result in lowering product costs over time. Specializing in a certain area of production, providing better expertise or ease of ordering will therefore attract more buyers and provide a higher competitive advantage.

e) Seeking endorsement from a trusted person. As a risk reduction mechanism, a company can use the recommendation or endorsement from a close business partner, with whom it worked for a longer period of time. Endorsement is simultaneously based on the person's business and individual brand experience with a certain company.

f) Building and rebuilding a brand experience. In a business market, building a brand experience and providing a risk reduction mechanism for a buyer can only be successfully achieved by a combination of tangible and intangible brand attributes that are listed and discussed above. Without brand attributes, a company cannot provide a total brand experience, and without brand experience, suppliers will not be attractive on the market.

These strategies present possible business actions that suppliers are using to reduce buyers' perceived risk and to achieve a corporate and product brand loyalty, positive reputation, word-of-mouth, and repeated purchases (Roselius, 1971). As Lynch and de Chernatony (2004: 409) highlighted: "Competitors can match functions and features [tangible brand attributes of a company] but they just cannot easily match the promise and delivery of a personal, emotional and special experience [intangible brand attributes]". We furthermore believe that the right combination of tangible and intangible attributes will finally lead towards the supplier´s superior competitive advantage on the market.

## 5. Conclusions

Business decision-making is a complex process in which buyers are trying to make business decisions which will best influence their companies and them as individuals. Suppliers are trying to affect those decisions by constantly improving the combination of tangible and intangible attributes of their corporate brands. A strong corporate brand will bring a price premium, attract buyers and generate demand, enhance the corporate reputation on the market, and create brand loyalty (Low, Blois, 2002; Glynn, 2012; Gomes et al., 2016). For buyers, brand attributes will serve as a risk reduction mechanism and provide confidence in the decision-making process (Mudambi, 2002; Glynn, 2012; Lynch, de Chernatony, 2004). The more complex the decision making is and the more organizational and personal risks there are, the stronger the influence of the brand attributes.

Business decisions should lead towards beneficial and valuable results for a buying company, but at the same time provide personal growth and success for a decision maker. Therefore, this process is influenced by both basic and goal directed emotions. As Kotler and Pfoertsch (2006: 58) highlight: "While reason does lead us to conclusions, emotions are the ones that lead to action". By analysing the influence of tangible and intangible brand attributes on emotions in decision making and by providing a conceptual framework, this paper contributes to corporate branding and decision-making theory development. Besides that, most research on business brands have been focusing only on the suppliers´ perspective, with a limited number of studies looking at the buyers' side (Gomes, 2016). By conceptually analysing both perspectives, the paper provides a complete picture and broader view on the process at hand.

In managerial terms, the paper provides tools for buyers and suppliers to deal with the complexity of business decision making. It contributes to understanding how and why brand attributes are important for choosing a new supplier, or being chosen as such. Also, the paper provides a novel perspective on emotions, in which they are not conceptualized and understood as impulsive responses based on personal thoughts and feelings. Instead, emotions are a natural part of the business world and they do not need to be avoided or restricted, but understood and managed accordingly.

### 5.1 *Future research suggestions*

The paper has a number of future research suggestions. First, it is important to acknowledge that corporate brands and brand attributes are not equally important for all buyers and in all decision-making situations (Mudambi, 2002). Therefore, empirical research is needed in order to identify the influence of brand attributes on different decision-making situations, based on the types of buyer and supplier companies, as well as different industries in which they operate. This furthermore relates to the size of a company. Based on the research of Zablah et al. (2010), small and medium-sized enterprises (SMEs) often rely more on brand attributes for overcoming their liabilities, such as the lack of resources or business contacts.

Second, it is important to highlight the influence of perceived risks on the decision-making processes. The relevance of brand attributes and emotions is the most expressed and influential in situations of high risks, where for instance no previous experience with the products or the company existed in the past. The opposite situation is presented through a re-buy situation, which then leads towards lower perceived risks, considering that companies are using the same supplier and products that have been previously tested. That usually means that companies are already engaged in a business relationship, in which emotions are interrelated with corporate brands but also with personal bonds and connections between individuals. Therefore, as future research it would be interesting to study re-buy situations and possible correlations as well as transitions of emotions from brand attributes towards personal bonds.

As third, the concept of time and phases of decision making should be mentioned. As discussed by Blomäck and Axelsson (2007), the relevance of brand attributes is different in each phase of decision making. In the study of Gomes et al. (2016) about the brand relevance in a business service purchasing context, the focus was on the last phase of the decision-making process, where delivery and price (tangible attributes) were of the greatest importance. However, opposing results can be found in the study of Huang et al. (2004), where in the last stage of the partner selection process intangible attributes were identified as crucial for decision making. Thus, more research is needed to make a clear contribution on the importance of brand attributes for different phases of decision making.

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# VAŽNOST KORPORACIJSKIH BRENDOVA ZA DONOŠENJE ODLUKA U POSLOVNOM OKRUŽENJU

## Sažetak

Svrha je ovoga rada doprinijeti razumijevanju važnosti korporacijskoga brenda u poslovnome kontekstu, posebno obraćajući pažnju na donošenje odluka od strane kupaca i dobavljača. Rad nudi pregled literature o materijalnim i nematerijalnim atributima brenda, kao i o njihovom utjecaju na potencijalne rizike i emocije vezane uz poslovno odlučivanje. Rezultati istraživanja upućuju na to da poslovni proces donošenja odluka nije u potpunosti racionalan, već su i uključene emocije od iznimne važnosti. Sukladno tome, konceptualni okvir predstavlja proces poslovnoga odlučivanja u kojemu presudnu ulogu i za kupca i dobavljača igraju upravo atributi brendova. Teorijske implikacije ovoga istraživanja upućuju na slijedeća tri gledišta: važnost korporacijskih brendova i njihovih atributa za smanjenje rizika s kojim se suočava kupac prilikom odabira novoga dobavljača, uloga korporacijskih brendova u strategijama koje dobavljači koriste za privlačenje potencijalnih kupaca te utjecaj emocija na spomenute procese. Iznad svega, rad nudi novi sveobuhvatni okvir za proučavanje donošenja odluka u poslovnom kontekstu te doprinosi literaturi o korporacijskom brendingu, kao i razvoju teorija o poslovnom odlučivanju.

**Ključne riječi**: korporacijski brendovi, materijalni atributi brenda, nematerijalni atributi brenda, poslovno odlučivanje, emocije