MASTER

Corporate branding & CREM
alignment between corporate identity and CRE-strategy

van den Assem, J.

Award date:
2015

Link to publication
CORPORATE BRANDING & CREM
 ALIGNMENT BETWEEN CORPORATE IDENTITY AND CRE-STRATEGY

Master’s Thesis - Report
Jason van den Assem

Faculty of Built Environment - Department of Real Estate Management & Development
Eindhoven University of Technology
April 2015
COLOPHON

CORPORATE BRANDIGN & CREM - Alignment between Corporate Identity and CRE-Strategy

Master’s Thesis - Report

April 16th 2015

Written by:

Ing. J. (Jason) van den Assem - 0829574
Eindhoven, The Netherlands
jasonvandenassem@hotmail.com

Eindhoven University of Technology
Faculty of Built Environment
Department of Real Estate Management & Development

Supervisory Team:

Ir. H.A.J.A. (Rianne) Appel-Meulenbroek
Department of Real Estate Management & Development
Faculty of Built Environment
Eindhoven University of Technology

Dr. W.J.M. (Wim) Heijs
Department of Real Estate Management & Development
Faculty of Built Environment
Eindhoven University of Technology

Ing. W.J. (Wouter) Dreimüller MA
Consultant “Onderwijs & Gezondheid”
Arcadis
PREFACE

About a year ago I started my Graduation Phase, not knowing when and where it would end. Now, one year later, it is time to end this special, memorable and especially useful period. Writing a master thesis has by far been the most interesting period during my time as a master student at the Eindhoven University of Technology. It gave me more than just a high amount of knowledge about corporate branding and corporate real estate management. This process has been a unique experience that contributed to improving my abilities and competences. That is why this document is more than just a report. It is a memory to a special period during my study and the prove that I succeeded in finishing a master study, which is an achievement to be proud of.

During my master “Real Estate Management & Development” and my side program “Technisch Management Certificaat” there were two courses that particularly got my attention. The course “Corporate Real Estate Strategy” showed me a new way to look at real estate. I realized that corporate real estate management is not just about keeping the costs low, but also about supporting the corporate activities. I learned that corporate property can add value to an organization in many ways and I saw possibilities to improve the current way-of-working. The other course that gave me inspiration was “New Product Marketing”. To me marketing has always been an interesting topic, although it was not an important part of my study programs. In my master thesis I was finally able to pay attention to marketing. That is why I choose to combine the domains marketing and real estate and to focus on corporate branding and corporate real estate management as my research subject.

The specific aim of this study came forward from my own vision on the real estate market. In my opinion organizations focus too much on objective criteria in their search for the right property. Key performance indicators mostly consist of costs, areas and distances, because organizations only look at rental prices, workplace areas and the distance between their location and other facilities. I think that finding corporate property that fits with the expression of an organization is just as important. The match between organization and real estate is difficult to judge, because it seems to rely on the opinions of different people. However, I am sure it is possible to judge whether corporate property fits with the organization when the argumentation behind these opinions is clear. Then other people are able to understand why someone thinks organization and real estate do or do not match.

Here I would like to take the opportunity to thank the people that helped me during my research. First of all, the people that were part of my supervisory team; Rianne Appel-Meulenbroek and Wim Heijs from the Eindhoven University of Technology and Wouter Dreimüller from Arcadis. All supervisors helped me to improve the level of my master thesis through critical, positive and high-quality feedback. In particular, Rianne guided me when I had troubles finding the right specific research subject and Wim helped me with choosing the composition of the right research plan. Wouter was not only a pleasant external supervisor, but during my internship at Arcadis he and his colleagues were very positive about my ideas and were always able to help me with my research.

Also I am grateful for the people that provided the input for my study. I would like to thank Dave Havermans, Emanta Leenen, Theo van der Voordt, Henri Verploegh and Paul Dunn for being part of my expert group. With their extensive and diverse input and feedback I was able to create a qualitative and useful framework. Finally I would like to thank the employees of a.s.r. Utrecht and the Radboud University of Nijmegen that allowed me to use their corporate property for my case studies. Because of these two organizations I was able to improve my framework even further. I do not have the possibility to mention all other persons that helped me with my master thesis specifically. That is why I would like to end my Preface with a special thanks to all people that assisted me during my research.
SUMMARY

INTRODUCTION

Since the idea arose that the CRE-strategy should align with the corporate strategy, many theories about this alignment process are formed. CREM should focus on multiple added values through CRE, such as flexibility, sustainability and innovation. Based on the output from these alignment processes CREM forms the CRE-strategy, so that CRE supports the corporate activities in the best way. The alignment of the CRE-strategy with the corporate identity is one of these alignment processes. Sufficient alignment between CRE and corporate identity contributes to supporting CRE with the corporate brand. However, at the moment there are still a lot of questions and ambiguities about this alignment process. Also the exact link between corporate branding and CREM remains unclear. In practice CREM should be able to judge whether CRE matches with the corporate identity. In other words, organizations should be able to verify whether their CRE is in line with the corporate identity. More specific, CREM should be able to notice why CRE does or does not fit with the corporate brand, so that it can make adjustments or improvements. CREM should be able to find this mismatch with the use of a framework that focuses on the alignment of the CRE-strategy with the corporate strategy.

RESEARCH OBJECTIVE AND RESEARCH QUESTIONS

The following Research Objective became clear from the Problem Definition:

Explore how corporate real estate can align with the corporate identity and develop a framework that assists corporate real estate managers in verifying whether their corporate real estate aligns with their corporate identity.

The following Research Questions became clear from the Problem Definition:

How can corporate real estate managers verify whether their corporate real estate supports their corporate brand?

1. What is a corporate brand, what is a corporate identity and how can corporate aspects align with the corporate identity?

2. What is corporate real estate, what is corporate real estate management and how can the corporate real estate strategy align with the corporate strategy?

3. In which way can corporate real estate be used to support the corporate brand and how can the corporate real estate strategy align with the corporate identity?

4. Which aspects of the alignment process between corporate real estate and the corporate identity need to be integrated in a framework that verifies whether corporate real estate aligns with the corporate identity?

5. How can a framework that verifies whether corporate real estate aligns with the corporate identity be applied in practice?

RESEARCH APPROACH

In this study an applied scientific research is carried out. The first part of this research was a literature study that focused on both marketing as well as real estate literature. The findings from the literature were used as input for the framework that focuses on the alignment between corporate identity and CRE. The second part of this research consisted of expert interviews, feedback sessions and two case studies. First the experts gave their opinion about the input from the literature for the framework. Based on the input from both the literature as well as the experts a conceptual framework is created. The same group of experts gave feedback on this concept
version, while this version of the framework is also applied in two different case studies. The improvements that came forward from the experts and the case studies were integrated in the final version of the framework. In this way an applicable framework is created that is both theoretically as well as practically relevant.

**FINDINGS**

**CORPORATE BRANDING**

Branding is a marketing technique that guides organizations in distinguishing their product- or service offering from the competition. Organizations try to create associations around their product(s) or service(s) that ease the purchase decision for consumers. The brand itself is the mechanism for achieving competitive advantages for firms through differentiation. A good brand differentiates itself from the competition and provides satisfaction and benefits towards the customer. This can be accomplished by designing the actual and augmented product in a specific way. The aspects of the product or service that cause the differentiation, satisfaction or benefits are called brand values. The challenge is to match these brand values with the preferences of the customer. Then the brand identity, the added values of the product or the service, corresponds with the brand image, the way how the consumer experiences the product or service. A successful product- or service brand has a brand identity and brand image that match.

Corporate branding can be seen as the evolution of product- and service branding. The biggest differences with previous marketing orientations are that all corporate aspects are part of the marketing strategy instead of just the corporate offering and that a corporate branding strategy aims for all corporate stakeholders instead of just the target groups. A corporate brand is the sum of the organization’s marketing efforts to present a controlled representation of the organization’s value system and identity. Similar to product- or service branding the corporate brand values should match with the customer preferences as well. The set of corporate brand values is a mix of values of founders, corporate values and sub-culture values. These corporate brand values should be integrated in each component of the organization. The composition of the corporate brand is similar to the composition of the product- or service brand. Where the product- or service brand exists of a brand identity and brand image, the corporate brand exists of the corporate visual identity and the corporate image. Just as in product- and service marketing the goal is to match the corporate brand values with the expectations of all corporate stakeholders.

The corporate identity is the foundation of the corporate brand. It shows who the organization is, what it is, what is does, how it does this and where it wants to go. The corporate identity consists of the corporate organizational identity and the corporate visible identity (See Figure 0.1.). The corporate organizational identity is invisible to the outside world and contains the corporate culture, corporate strategy, corporate structure and corporate behaviour. The corporate visual identity is visible to the outside world and consists of corporate behaviour, corporate design and corporate communication. All six components are influenced externally by characteristics of partners, characteristics of the sector or industry in which the organization operates and macro factors. In a corporate branding strategy all corporate aspects must align with the corporate identity. Corporate aspects can align with the corporate identity by integrating the corporate brand values into all corporate aspects.

**CORPORATE REAL ESTATE MANAGEMENT**

CRE is real estate that is owned by an organization and accommodates the organization, its employees and its activities. It can be seen as the fifth corporate resource. CREM is the management of the real estate portfolio of an organization by aligning the portfolio and the services to the needs of the core business, in order to obtain maximum added value for the business and to contribute optimally to the overall performance of the organization. CREM has always been seen as a high and necessary cost for each organization. However, at the moment more and more organizations try to support the corporate strategy with the corporate property. CREM focuses on profitability instead of reducing costs. It can stimulate effectivity, effectiveness, productivity, flexibility
and creativity within the corporate activities. Specifically CREM can add value in asset value, marketing and sales, flexibility, cost reduction, productivity, employee satisfaction, innovation and sustainability. The challenge is to find out how CRE can support the primary business processes in the best possible way.

CREM should coordinate and cooperate with other corporate resources, so that the added value of the corporate resources to the organization can be maximized. That is why CREM has to be a strategic and multidisciplinary corporate activity. This means that CRE provides input to the whole organization and considers input from lower organizational levels. A maximum added value through CRE asks for alignment between the corporate strategy and the CRE-strategy. Then CREM can be used for reaching the corporate objectives. Unfortunately too many organizations are not convinced of the advantages that CREM has to offer. A large group does not want to make CREM a strategic and multidisciplinary activity within the organization. CREM is facing a credibility problem. One of the causes is that the direct and indirect impact of CREM are difficult to measure. This makes it hard to convince the senior management of the benefits of CREM.

The CRE-strategy is a pattern of decisions related to acquiring and managing property and related services to support the overall corporate competitive strategy. It is important to emphasize that there is no uniform successful CRE-strategy that is applicable to all organizations, because both organization as well as corporate real estate portfolio is unique. The CRE-strategy can align with the corporate strategy by creating a CRE-strategy that supports the primary business processes of the organization in the best possible way. The formation of this CRE-strategy takes place in an alignment process between corporate strategy and CRE-strategy. A complete alignment process consist of a strategic thinking phase, strategic planning phase and strategic momentum phase. The strategic planning phase consists of the situational analysis, the strategy formulation and planning the implementation. In the end this alignment process leads to the implementation of a CRE-strategy that improves the alignment between corporate strategy and CRE-strategy.
CRE has an influence on how consumers categorize and differentiate an organization. In a corporate branding strategy all corporate aspects are part of the corporate communication mix, so CRE is a way to communicate between organization and outside world. The organization forms its CRE in a certain way, so that it expresses a certain message (See Figure 0.2.). At the same time the outside world experiences this message through CRE. Consumers link this experience through CRE with their overall opinion of the organization. This means that CRE can be used to support the corporate brand. It can help the organization in distinguishing itself from the competition and using the corporate property as an advertisement. Then CRE can provide multiple specific advantages, such as attracting employees, creating awareness of the offering and reducing marketing costs. In the end supporting the corporate brand through CRE boosts the corporate image and corporate reputation.

![Figure 0.2. CRE as a Way to Communicate](image)

CRE communicates characteristics of the corporate identity. In a corporate branding strategy all corporate aspects must align with the corporate identity. This means that the CRE-strategy should be in line with the corporate identity as well. CRE that is in line with corporate identity does not only provide specific advantages. It also prevents organizations from a mismatch between organization and CRE, which can negatively influence the corporate image and corporate reputation. The characteristics of the corporate identity that CRE should communicate are the corporate brand values. In a corporate branding strategy the corporate identity must be integrated in all corporate aspects, so that all corporate aspects express the same set of corporate brand values. This means that CRE must express these corporate brand values as well. The corporate brand values mainly come forward from the corporate organizational identity, while the characteristics of partners, characteristics of the industry or sector in which the organization operates and macro-factors are external influences (See Figure 0.3.). Based on these sources each organization is able to determine its set of corporate brand values.

![Figure 0.3. Sources of Corporate Brand Values](image)
Particular CRE-aspects can be used to communicate these corporate brand values. People experience their environment holistic, which means that the physical environment contains many CRE-aspects that can influence the thoughts and behaviour of people. An important goal of using CRE to support the corporate brand is creating recognizability. This can succeed by creating CRE that distinguishes itself in the direct environment or creating familiar CRE that is recognized directly by consumers. The CRE-aspects that can express corporate brand values are visible, accessible and recognizable for the outside world (See Table 0.1.). This means that outsiders are able to see them, access them and recognize them. For instance, consumers are not able to enter the workplaces of some organizations, while everybody can see the façade of a building. These CRE-aspects are divided over the categories structural, installation and location. Finding the right combinations between corporate brand value and CRE-aspect is difficult, because not every CRE-aspect can express each corporate brand value. Also the interpretation differs per consumer, so it is difficult to match the expression through CRE with the experience of consumers. Organizations should consider multiple scenarios with combinations of CRE-aspects and corporate brand values, so that the best possible CRE-strategy becomes clear.

<table>
<thead>
<tr>
<th>Category</th>
<th>CRE-aspect</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structural</td>
<td>Building height and volume</td>
<td>The height and the size of the building.</td>
</tr>
<tr>
<td></td>
<td>Building form</td>
<td>The form of the building, which consists of its representativeness and its aesthetics.</td>
</tr>
<tr>
<td></td>
<td>Building layout</td>
<td>The layout and total amount of square meters of the building.</td>
</tr>
<tr>
<td></td>
<td>Façade</td>
<td>The exterior or skin of the building.</td>
</tr>
<tr>
<td></td>
<td>Entrance</td>
<td>The place(s) where people can enter the building.</td>
</tr>
<tr>
<td></td>
<td>Standardization of elements</td>
<td>The standardization of the building attributes and the special attributes</td>
</tr>
<tr>
<td></td>
<td>Materials, forms and colours</td>
<td>The materials, forms and colours that are used in the building.</td>
</tr>
<tr>
<td></td>
<td>Environmental characteristics</td>
<td>The ambient conditions or comfort in the building, which consist of aspects such as light, smell, noise and temperature.</td>
</tr>
<tr>
<td></td>
<td>Floor layout</td>
<td>The floor layout within the building.</td>
</tr>
<tr>
<td></td>
<td>Room/workplace layout</td>
<td>The type of room or workplace(s) within the building.</td>
</tr>
<tr>
<td></td>
<td>Furnishing</td>
<td>The furnishing within the building, which consist of aspects such as the décor, the equipment and the placement.</td>
</tr>
<tr>
<td>Installation</td>
<td>Capacity</td>
<td>The energy conservation of the building.</td>
</tr>
<tr>
<td>Location</td>
<td>Parties</td>
<td>The proximity of collaborating parties in the direct environment of the location, such as the labour market, selling market, suppliers and sources, and the presence of supporting facilities, such as restaurants, super markets and other nearby amenities.</td>
</tr>
<tr>
<td></td>
<td>Accessibility</td>
<td>The way in which multiple types of transportation can access the location, combined with logistic facilities such as parking facilities.</td>
</tr>
<tr>
<td></td>
<td>Environmental influences</td>
<td>The characteristics of the direct environment of the location, such as the landscaping, the sources of noise, and the reputation or character of the location.</td>
</tr>
</tbody>
</table>

Table 0.1. CRE-Aspects that can express Corporate Brand Values

A complete alignment between corporate identity and CRE takes place in the Strategic Planning Phase, which is part of the Strategic Thinking Map (See Figure 0.4.). It influences the whole institution and provides input to all lower organizational levels. The alignment between corporate identity and CRE is a strategic and multidisciplinary process. It is unidirectional and contains multiple feedback moments. In the Situational Analysis the set of corporate brand values becomes clear from both internal as well as external analyses. The internal analysis focuses on the corporate identity, while one of the external analyses is a PESTEL-analysis that identifies the macro factors that influence the organization. Also it becomes clear which CRE-aspects are visible, accessible and recognizable, which CRE-aspects can express which corporate brand value and which CRE-aspects can be adjusted. Then Strategy formulation focuses on the current alignment between CRE-aspects and corporate brand values can improve. The alignment ends with the planning of the implementation of a CRE-strategy that is in line with the corporate identity or a CRE-strategy that improves the current alignment.
FRAMEWORK

A framework that verifies whether CRE is in line with the corporate identity is developed. It is an expert framework, which means that only an expert on corporate branding and CREM can apply it (See Figure 0.5. and the Manual “Alignment between CRE-strategy and Corporate Identity”). The expert collects input during multiple phases of the process. Based on this input he or she is able to fill in the different frames of the framework. The framework starts with the Demarcation, which determines whether it is interesting for the organization to use its CRE to support the corporate brand. Then the corporate brand values that the organization should express become clear in a Corporate Identity Analysis. In the next step the CRE-Aspects Identification shows which CRE-aspects can express these corporate brand values. The Current CRE Audit reveals the current alignment of these CRE-aspects with the corporate brand values and the Desired CRE Audit shows how the CRE-aspects could align with the corporate brand values. The results from these two CRE Audits form the input for the Performance Evaluation, which identifies the gaps between the current and the desired alignment. Based on these gaps multiple adjustments that can improve the alignment between the CRE-strategy and the corporate identity are created in the CRE-Interventions Identification. The framework ends with Scenario Planning, where combinations of different CRE-interventions are compared in order to find the best possible implementation. This final step considers input from multiple alignment processes too, so that the maximum added value of CRE can be found.

CONCLUSION

CRE can align with the corporate identity by expressing corporate brand values through CRE-aspects. This needs an alignment process between corporate identity and CRE-strategy. With the framework in the Manual “Alignment between CRE-strategy and Corporate Identity” CREM is able to verify whether CRE aligns with the corporate identity and thus whether CRE supports the corporate brand. As tested in two case studies, the framework not only shows whether CRE matches with the corporate identity, it also identifies which specific combinations between corporate brand values and CRE-aspects are not in line. The framework helps in determining CRE-interventions that improve the alignment between corporate identity and CRE too. In this way it does not only become clear which CRE-aspects are not in line with the corporate brand values, but the framework also assists CREM in planning an implementation that improves the overall alignment.
Alignment between Corporate Identity and CRE-Strategy

RECOMMENDATIONS

This study creates more clarity in how CRE can support the corporate brand and describes some specific new findings about corporate branding and CREM. It explains the role of CRE as a communication channel and the interaction between corporate identity, corporate image and corporate reputation through CRE. Specific new findings are the sources of corporate brand values, the new list of CRE-aspects that can express corporate brand values and new guidelines in which organizations should use CRE to support the corporate brand. Besides that, placing the aspects of complete alignment in the Strategic Thinking model can be a starting point for more alignment studies. In practice this study shows that expression can be an important characteristic of CRE and that CRE can be an important part of the marketing strategy. The findings and especially the framework can help organizations in aligning the CRE-strategy with the corporate identity or finding property that matches the corporate identity. Overall this study contributes to the awareness of expression of corporate property.

Some aspects of the research methodology can improve, while recommendations for new research become clear as well. The organization of the expert interviews, feedback sessions and case studies needs improvement, because the participants of these parts of the research were not totally prepared. In this way they were not able to provide input in the best possible way. Furthermore, the framework can still improve by collecting feedback through interviews and case studies. In this study the group of experts is rather small and the framework is only applied in two case studies. It would also be interesting to let someone with a marketing background focus on the role of corporate property in the marketing strategy. Some aspects of this study ask for a new research. For instance, it should be possible to determine whether an organization should use CRE to support the corporate brand, without consulting an expert. Also the framework can help in identifying how similar sectors, industries or types of organizations communicate common used corporate brand values. Finally this study ends with input for scenario planning, while it is unclear how the output of multiple alignment processes should be compared. This asks for a new instrument that helps in finding the maximum added value through CRE.
## CONTENT

Colophon .................................................................................................................. 2
Preface ....................................................................................................................... 4
Summary .................................................................................................................... 6
Content ...................................................................................................................... 14

1. Introduction ........................................................................................................... 20
   1.1. Background .................................................................................................... 20
       1.1.1. Corporate branding ........................................................................... 20
       1.1.2. Corporate real estate management ............................................... 20
       1.1.3. Using CRE to support the corporate brand ...................................... 21
   1.2. Problem Outline .......................................................................................... 23
       1.2.1. Problem definition ........................................................................... 23
       1.2.2. Research objective .......................................................................... 23
       1.2.3. Research questions ......................................................................... 23
   1.3. Relevance ..................................................................................................... 24
       1.3.1. Theoretical relevance ....................................................................... 24
       1.3.2. Practical relevance .......................................................................... 24
   1.4. Research Approach ...................................................................................... 25
       1.4.1. Theoretical research ....................................................................... 25
       1.4.2. Practical research ............................................................................. 25
       1.4.3. Internship .......................................................................................... 27
   1.5 Reading Guide ............................................................................................... 27

2. Corporate Branding ............................................................................................. 30
   2.1 Branding ......................................................................................................... 30
       2.1.1. Definitions of branding ................................................................. 30
       2.1.2. Way-of-working of product- and service branding ...................... 30
   2.1. Corporate Branding Strategy ....................................................................... 32
       2.2.1. Definitions of corporate branding ................................................ 32
       2.2.2. Way-of-working of the corporate branding strategy .................... 33
       2.2.3. Composition of the corporate brand ............................................ 34
   2.3. Corporate Identity ......................................................................................... 35
       2.3.1. Definition and composition of the corporate identity ..................... 35
       2.3.2. Corporate organizational identity .................................................. 36
       2.3.3. Corporate visual identity ................................................................. 37
       2.3.4. External factors of the corporate identity ......................................... 37
   2.4. Conclusion .................................................................................................... 39
2.4.1. Answer(s) to research question(s) ................................................................. 39
2.4.2. Type of organization and type of real estate .............................................. 39
3. Corporate Real Estate Management .................................................................. 42
3.1. The Added Value of CREM ............................................................................. 42
3.1.1. Definitions of CRE and CREM ................................................................. 42
3.1.2. From cost reduction to yield-thinking ....................................................... 43
3.1.3 Ways to add value through CRE ................................................................. 44
3.2. Strategic CREM ............................................................................................. 45
3.2.1. Way-of-working of strategic CREM ........................................................ 45
3.2.2. Credibility problem of strategic CREM .................................................... 47
3.3. Aligning the CRE-strategy with the corporate strategy ................................. 47
3.3.1 Definition of the CRE-strategy ................................................................. 47
3.3.2. Alignment theories between corporate strategy and CRE-strategy .......... 48
3.3.3. Complete alignment between corporate strategy and CRE-strategy ......... 51
3.4. Conclusion .................................................................................................... 52
3.4.1. Answer(s) to research question(s) ............................................................. 52
3.4.2. Type of organization and type of real estate ............................................ 52
4. Using CRE to Support the Corporate Brand ....................................................... 54
4.1. CRE as a Part of the Corporate Brand .......................................................... 54
4.1.1. The relationship between building and consumer ................................... 54
4.1.2. Strategic and multidisciplinary corporate branding and CREM ............... 55
4.1.3. Advantages of supporting the corporate brand through CRE ............... 56
4.1.4. CRE in the corporate branding model ...................................................... 57
4.2. Expressing Corporate Brand Values through CRE ........................................ 58
4.2.1. Aligning the CRE-strategy with the corporate identity ......................... 58
4.2.2. Organizations that should consider corporate branding through CRE ....... 58
4.2.3. Expression of CRE in the corporate branding model ............................. 60
4.2.4. Expression of CRE in the corporate identity model ............................... 61
4.3. CRE-Aspects that Express Corporate Brand Values ........................................ 63
4.3.1. Direct and indirect influence through CRE .............................................. 63
4.3.2. Corporate brand values through CRE-aspects ........................................ 64
4.3.3. CRE-aspects that can express corporate brand values ............................ 65
4.3.4. Linking corporate brand values with CRE-aspects ................................. 66
4.4. Aligning the CRE-strategy with the corporate identity .................................. 67
4.4.1. Input from the alignment between corporate strategy and CRE-strategy.... 67
4.4.2. The Strategic Planning phase ................................................................. 68
4.4.3. The Situational Analysis phase ............................................................... 68
7. Conclusion and Recommendations ........................................................................................................ 96
  7.1 Conclusion .................................................................................................................................. 96
  7.2 Recommendations .......................................................................................................................... 98
  7.2.1. Discussion and reflection on literature and practice ................................................................. 98
  7.2.2. Reflection on research methodologies ...................................................................................... 99
  7.2.3. Recommendations for further research ..................................................................................... 99
References .......................................................................................................................................... 102
1. INTRODUCTION

Chapter 1 starts with the Background, which introduces the combined research subject corporate branding and CREM. The Background ends with the specific niche this study focuses on. The Problem Outline gives a more extensive description of this niche with the Problem Definition, the Research Objective and the Research Questions of this study. The Relevance explains why this study is both theoretically as well as practically useful and the Research Approach illustrates the research plan of this study. The Introduction ends with a Reading Guide that displays which part of this study can be found where.

1.1. BACKGROUND

1.1.1. CORPORATE BRANDING

Corporate branding is a form of marketing, which makes marketing an important domain of this study. Many studies consider marketing as an essential component of the current business economy (e.g., Balmer & Gray, 2000; Bendixen et al., 2004; Hatch & Schultz, 2003; McDonalds et al., 2001; Xie & Boggs, 2006). Especially branding techniques have a strong impact on the product- and service market. Branding creates associations around a product or service that might influence the purchase decision of customers (Jobber & Fahy, 2009). It is no longer just a product or service that consumers buy, but a whole experience. Once consumers mention the name of a brand, certain associations evoke. Large brand names, such as Apple, Coca-Cola and McDonalds, cannot remain unnoticed by consumers. More and more organizations realize that branding can be an added value in their industry or sector as well. One of these sectors is the real estate sector. For instance, Buhrs et al. (2010) show how cities, neighbourhoods and other locations become a separate brand, while Roodbol (2013) explains how an empty building can be a brand on its own. In this way branding slowly takes its position within the real estate sector.

Corporate branding is the most recent marketing trend and an evolved form of product- and service branding. Many studies describe a switch from product- and service branding to corporate branding (e.g., Balmer, 2009; 2011; Foster et al., 2010; Harris & De Chernatony, 2001; Knox, 2004). Nowadays organizations understand that the corporate reputation is formed by all corporate stakeholders. These stakeholders base the corporate reputation on all corporate aspects. That is why organizations no longer focus their branding strategies on just their products and service. They use all corporate aspects, such as names, logos and slogans, in the branding strategy. At the same time these organizations focus their corporate branding strategy on all corporate stakeholders instead of just their customers. In this way it is not the product or service that distinguishes itself in a corporate branding strategy, but the whole organization. Another condition of corporate branding is that all corporate aspects are aligned with the corporate identity, which is the description of who and what the organization is (Balmer & Gray, 2003). In this way all corporate aspects are founded in the same characteristics, so that the whole organization is in line. The focus on all corporate aspects, all corporate stakeholders and the alignment between all corporate aspects and the corporate identity makes corporate branding a comprehensive and difficult process.

1.1.2. CORPORATE REAL ESTATE MANAGEMENT

The second domain of this study is corporate real estate management, also known as CREM. Corporate real estate, or CRE, is real estate that accommodates both employees as well as corporate activities (Appel-Meulenbroek et al., 2010). According to Dewulf et al. (2000) the real estate portfolio must align with the services and needs of the core business. In this way the organization can obtain maximum added value for the business and contribute optimally to the overall corporate performance. This makes CREM a more complex corporate activity than just maintaining corporate property. As Appel-Meulenbroek & Feijts (2007) describe, CRE no longer is just a shell that only accommodates the daily activities and processes. A lot of studies describe a switch from a cost-orientation to yield-thinking in CREM around the nineties (e.g., Appel-Meulenbroek, 2010; Dalderup, 2014; Gibler et al., 2002; Krumm, 2001; Lindholm & Leväinen, 2006). CREM has always been seen as a high and
necessary cost that any organization had to deal with in the past. Organizations only focused on reducing the costs of their CRE, but did not realize that corporate property has many opportunities and possibilities to offer. The idea arose that CRE could support the primary business process. CRE should be seen as a corporate resource that supports the corporate activities.

Seeing CRE as a corporate resource that supports the primary business processes makes CREM a strategic corporate activity. For instance, according to Appel-Meulenbroek & Feijts (2007) CRE is a capital asset that can be used to reach long-term organizational goals. Multiple studies explain how to perform CREM from a strategic organizational level (e.g. Gbler & Lindholm, 2012; Heywood & Kenley, 2008; Krumm & De Vries, 2003; Menger, 2010; Scheffer et al., 2006). Generally it becomes clear that CREM is a multidisciplinary corporate activity that has its influence on the whole organization. As a strategic corporate activity CREM can add value in many ways, such as in flexibility, productivity and innovation. (e.g., De Vries et al., 2008; Krumm et al., 2000; Lindholm et al., 2006; Nourse & Roulaç, 1993; Osgood Jr., 2004). In order to maximize these added values the CRE-strategy must be in line with the corporate strategy. Recently many studies focused on how to align the CRE-strategy with the corporate strategy (e.g., Acoba & Foster, 2003; Appel-Meulenbroek & Haynes, 2014; Heywood, 2011; Ramakers, 2008; Too et al., 2010). The challenge is to find out how to maximize the overall added value through CRE by applying different alignment processes. Overall the perfect match between organization and CRE needs a strategic and multidisciplinary alignment process that has its influence on the whole organization.

1.1.3. USING CRE TO SUPPORT THE CORPORATE BRAND

One of the added values of CRE is that it can be used to promote the corporate marketing and sales. Different marketing and real estate studies describe this added value of CRE (e.g., Appel-Meulenbroek, 2014; De Vries, 2007; Jensen, 2009; Lindholm & Nenonen, 2006; Nourse & Roulaç, 1993). However, not many studies specifically focus on the link between the corporate brand and CREM. For instance, Van Kempen (2008) explains that if corporate branding considers all corporate aspects in the marketing strategy, CRE becomes part of this corporate branding strategy too. This means that CRE should be in line with the corporate identity, just like all other corporate aspects. In this way the organization communicates the corporate identity towards the outside world through CRE. A strong corporate identity contributes to a powerful corporate brand, so CRE can be used to support this corporate brand. More studies show that corporate property can support the corporate brand by expressing (characteristics of) the corporate identity (e.g., Drake, 2002; Jensen, 2009; Manning, 1991; Osgood Jr., 2004; Singer et al., 2007) through corporate property. For example, Manning (1991) thinks that the design of the building can express the beliefs and core values of an organization and Bitner (1992) has the opinion that real estate is a visual metaphor for an organization its total offering. Together these studies imply that CRE can support the corporate brand when it is in line with the corporate identity.

Three studies specifically focus on how to use CRE to support the corporate brand. Van Kempen (2010) shows that organizations can communicate with the outside world through CRE. More specific, this study contains a list of CRE-aspects that are important in this communication process, such as accessibility, location typology and recognizability. Zoetemelk (2011) adds that an organization should not only focus on the corporate identity, but also on the corporate image. He explains that the corporate identity is what the organization is or would like to be, while the corporate image is how consumers see the organization. Zoetemelk proves that there is a difference between the corporate identity and corporate image through CRE. The CRE-aspects that matter to the organization are not the same as the CRE-aspects that are important to consumers. Khanna (2012) shows how to translate the corporate brand into a CRE-strategy. She thinks that an organization can communicate the corporate brand through location, building, workplace and portfolio management. She also shows how multinationals express often used corporate values through CRE, such as sustainability, reliability and transparency. Although the focus of each of these three studies is a little different, all of them contain useful content on how to use CRE to support the corporate brand.
The little attention for corporate branding and CREM leaves many possibilities for new research. Since the idea arose that the CRE-strategy should be in line with the corporate strategy many theories about this alignment process are formed. CREM should focus on multiple alignment processes, such as flexibility, sustainability and innovation. Based on the output from these alignment processes CREM forms the CRE-strategy, so that CRE supports the corporate activities in the best way. The alignment of CRE with the corporate identity is one of these alignment processes. Sufficient alignment between CRE and corporate identity contributes to supporting CRE with the corporate brand. However, at the moment there are still a lot of questions and ambiguities about this alignment process. Also the exact link between corporate branding and CREM remains unclear. This study will initially try to provide more clarity on how CRE can support the corporate brand. The main missing thing in the current literature is a way to judge whether CRE supports the corporate brand. In other words, organizations should be able to verify whether their CRE is in line with the corporate identity. More specific, CREM should be able to notice why CRE does or does not fit with the corporate brand, so that it can make adjustments or improvements. CREM should be able to find this mismatch with the use of a framework that focuses on the alignment of the CRE-strategy with the corporate strategy.
1.2. PROBLEM OUTLINE

1.2.1. PROBLEM DEFINITION

The Background introduced the combined research subject corporate branding and CREM. This research specifically focuses on how to use CRE to support the corporate brand and the alignment of the CRE-strategy with the corporate identity. In the final paragraph of the Background a short description of the niche within this research subject is given. The problem definition gives a more specific description of this niche:

In a corporate branding strategy all corporate aspects are part of the corporate brand. This means that corporate real estate is part of the corporate brand and that it can be used to support the corporate brand. In order to support the corporate brand, all corporate aspects should be in line with the corporate identity. This means that corporate real estate should align with the corporate identity as well. However, it is difficult for corporate real estate managers to verify whether their corporate real estate is in line with the corporate identity and thus to verify whether their corporate real estate supports the corporate brand.

1.2.2. RESEARCH OBJECTIVE

The problem definition explains that corporate real estate managers should be able to verify whether their CRE is in line with the corporate brand. A framework could provide assistance in verifying the alignment between CRE and the corporate identity. Based on these findings the following research objective is formulated:

Explore how corporate real estate can align with the corporate identity and develop a framework that assists corporate real estate managers in verifying whether their corporate real estate aligns with their corporate identity.

1.2.3. RESEARCH QUESTIONS

How can corporate real estate managers verify whether their corporate real estate supports their corporate brand?

This main research question raises questions that need to be answered first. In order to be able to answer to the main research question these sub-questions need to be answered:

1. What is a corporate brand, what is a corporate identity and how can corporate aspects align with the corporate identity?
2. What is corporate real estate, what is corporate real estate management and how can the corporate real estate strategy align with the corporate strategy?
3. In which way can corporate real estate be used to support the corporate brand and how can the corporate real estate strategy align with the corporate identity?
4. Which aspects of the alignment process between corporate real estate and the corporate identity need to be integrated in a framework that verifies whether corporate real estate aligns with the corporate identity?
5. How can a framework that verifies whether corporate real estate aligns with the corporate identity be applied in practice?
1.3. RELEVANCE

1.3.1. THEORETICAL RELEVANCE

This section explains why this study is relevant, starting with the theoretical relevance. Not many studies focus on corporate branding and CREM, although this subject is gaining attention recently. (e.g., Bakker et al., 2013; Drake, 2003; Jensen et al., 2013; Remøy & Van Der Voordt, 2014; Van Meel & Vos, 2001). As mentioned three studies have a very similar research subject. Van Kempen (2008) interviewed the employees of nineteen multinationals, architectural firms, broker firms and law firms to gain insight in their usage of CRE to support their corporate brand. After comparing the results she formed a list of CRE-aspects that are important in supporting the corporate brand through CRE. Zoetemelk (2011) interviewed the employees of four banking firms about their experiences with their CRE. At the same time he carried out a survey among the customers of the same banking firms to discover how they experience CRE. After comparing the results he identified that different CRE-aspects are important in the experience of the corporate identity and the corporate image. Khanna (2012) used case studies to show how multinationals translate their corporate values into a CRE-strategy. By comparing these results Khanna was able to show how often used corporate brand values are integrated in CRE-strategies.

She discovered that these corporate brand values are integrated in the location strategy, building strategy, workplace strategy and portfolio management. All three studies have a similar research subject, but they contain a different scope, research objective and research approach.

Now that the content of similar studies is clear, it is possible to describe the theoretical relevance of the specific niche of this study. Van Kempen (2008), Zoetemelk (2011) and Khanna (2012) all agree on the fact that CRE is a part of the corporate brand and that it should be in line with the corporate identity. They all focused on the use of CRE to support the corporate brand, but none of them discovered how CREM can verify whether CRE is in line with the corporate identity. In addition, this study answers to some of the recommendations from these three studies as well. Van Kempen and Khanna ask for a framework or a decision-making model that shows how to use CRE to support the corporate brand. CREM could use this framework or decision-making model to make judgments about the alignment between the corporate identity and CRE. The research objective of this study is to create a framework that verifies whether CRE is in line with the corporate identity, which answers to this recommendation. Besides that, all three studies suggest that future research should focus on more or different types of CRE. Previous studies focused on specific types of real estate, so the results might only be valid for a specific sector or industry. That is why this study tries to create a framework that is applicable for different types of CRE. By focusing on a way to verify whether CRE is in line with the corporate identity and answering to recommendations from previous studies this study is theoretically relevant.

1.3.2. PRACTICAL RELEVANCE

Now that the theoretical relevance is clear, the practical relevance is explained as well. In practice organizations search for real estate that fits with their primary business processes. They use multiple criteria to find real estate that meets with their demands, such as the accessibility of the location, the amount of square meters or the rental price. One of these criteria is that CRE fits with the corporate identity. In comparison with the other requirements this criterion is difficult to judge. Distances, areas and prices are all measurable in a quite objective way, because the input consists of hard data, such as amounts, distances and areas. The match between corporate identity and CRE asks for a more subjective judgment, because the opinion about the match between corporate identity and CRE might differ per person. By only focusing on the measurable and objective criteria, the organization might forget to look at the more subjective aspects of CREM. This study provides assistance in verifying whether CRE fits with the corporate identity. In this way organizations are able to show whether CRE does or does not fit with the corporate identity.
Being able to make a judgment of the alignment between CRE and corporate identity might be interesting for different types of organizations in the real estate sector. Especially real estate consultants can use the content of this study in their advice on the accommodation of organizations, the formulation of CRE-strategies, portfolio management and other CREM-activities. CRE-owners, asset managers and other functions within the real estate sector may also want to know more about the use of CRE to support the corporate brand. They should realize that the expression of a building is an important factor in real estate management. At the same time marketers can gain insight in the use of CRE in their marketing strategies. Marketers must understand the function of corporate property in a corporate branding strategy. Finally the output of an alignment process can be important content for a program of requirements. That is why architects, concept developers or other related functions might be interested too. A way to judge the match between corporate identity and CRE and the large and diverse group of people that might be interested in this research subject makes this study practically relevant.

1.4. RESEARCH APPROACH

1.4.1. THEORETICAL RESEARCH

Now that the problem definition and the relevance of this study are clear, this section describes the research approach. First of all, this is a qualitative study, because a part of the information is interpretable and subjective. The research type is an applied scientific research. This means that this study consists of both theoretical as well as practical questions that need both theoretical as well as practical answers. The main research question is exploratory. Figure 1.1. shows the research plan of this study. The steps of this process are placed vertically, so that it is clear in which order these steps take place. The left side of this figure shows that this research consist of four phases. The right side of the research plan shows the content of each of these phases. A phase contains one or more research questions that can only be answered with information that is found during this specific phase. The arrows show which output forms the input for the next step in the research process. In the end it is possible to answer the main research question, based on the input from all earlier steps in the process. Overall this research plan makes it possible to answer all research questions and to meet with the research objective.

The theoretical part of this research consists of the theoretical framing and the theoretical research. The theoretical framing shows what this research specifically is about and becomes clear from the first chapter of this study, the Introduction. Once it is clear where this research specifically focuses on, the theoretical research phase starts. The first four sub-questions can be answered with findings from the literature about marketing and real estate. That is why the theoretical research is a literature research that focuses on corporate branding, CREM and using CRE to support the corporate brand. The first sub-question needs information from marketing literature about corporate branding, while the second question can be answered with findings from real estate literature that focuses on CREM. As the research plan shows these two sub-questions are answered separately. This is a conscious choice, because the two main topics corporate branding and CREM must be clear first before the information of both domains can be combined. Once the answers to these two sub-questions are clear, it is possible to answer the third and the fourth sub-question. The findings from the first two sub-questions form the input, together with more information from literature about using CRE to support the corporate brand. The theoretical research phase ends when the first four sub-questions are answered.

1.4.2. PRACTICAL RESEARCH

After answering the first four sub-question the practical research phase starts. There is no guarantee that the findings from the literature are valid in practice as well. That is why a group of marketing- and real estate experts is interviewed in order to find out whether the input from the literature corresponds with their practical experiences. Verifying the theoretical input through expert interviews makes this study practically more relevant. Most other studies on corporate branding and CREM chose to conduct a survey, but it is difficult to compose the right questions about this research subject. Corporate branding and CREM need a lot of explanation to make the
Figure 1.1. Research Plan

**Introduction**
- Background
- Problem Outline
- Theoretical- and Practical Relevance
- Research Approach

**Theoretical Framing**

1. **Corporate Branding**
   - What is a corporate brand, what is a corporate identity and how can corporate aspects align with the corporate identity?

2. **CREM**
   - What is corporate real estate, what is corporate real estate management and how can the corporate real estate strategy align with the corporate strategy?

**Theoretical Research**

3. **Using CRE to support the corporate brand**
   - In which way can CRE be used to support the corporate brand and how can the corporate real estate strategy align with the corporate identity?

**Framework Input**

4. **Framework Development**
   - Which aspects of the alignment process between corporate real estate and the corporate identity need to be integrated in a framework that verifies whether corporate real estate aligns with the corporate identity?

**Input from Expert Interviews**

**Practical Research**

5. **Framework Development**
   - How can a framework that verifies whether corporate real estate aligns with the corporate identity be applied in practice?

**Feedback from Experts**

**Feedback from Case Studies**

**Conclusion**

**Conclusion and Recommendations**

- How can corporate real estate managers verify whether their corporate real estate supports their corporate brand?
- Explore how corporate real estate can align with the corporate identity and develop a framework that assists corporate real estate managers in verifying whether their corporate real estate aligns with their corporate identity.
respondents understand what this study is exactly about. This may lead to unreliable answers, because the respondents do not have enough expertise on the research subject. Interviews with experts provide more useful input, because these experts exactly understand the combined subject corporate branding and CREM. Once the input from the expert interviews is used to verify the findings from the literature, it is possible to complete and improve the answers to the third and the fourth research sub-question.

Once the literature input and the expert input is clear, the development of the framework can start. Based on this input it is possible to create a concept version of a framework that focuses on the alignment between the corporate identity and CRE. This concept framework gains feedback in two ways. First, the same group of experts as in the expert interviews gives feedback on this concept version. With feedback from the same group of experts the research approach stays consistent and this study becomes practically more relevant. Second, the concept version of the framework is applied in two case studies as well. These case studies give feedback on whether the concept framework is applicable in practice. Only two case studies are performed, because this part of the practical research is a way to test the concept framework in practice. The output of the case studies is mainly important for the specific organizations in these two cases. The framework is applied in two totally different cases, because carrying out just one case study might insinuate that the framework only works in this specific situation. The feedback from the experts and the feedback from the case studies is integrated in the final version of the framework. This final version of the framework is the answer to the research objective, which makes it possible to answer the main research question and to form recommendations in the last phase of the research plan.

1.4.3. INTERNSHIP

An important aspect of this study is the internship at ARCADIS. ARCADIS is a global leading consultancy in the built environment (Arcadis, 2013; 2015a; 2015b). Its main markets are infrastructure, water, environment and buildings. Within this last market ARCADIS tries to help its clients in matching their real estate portfolio with their (future) needs. Also ARCADIS tries to support organizations with protecting or improving the value of their real estate assets or to assist these organizations in an efficient way to manage their real estate. ARCADIS sees CRE as an added value to the organization that should support the primary business processes. The organization not only identifies savings and improvements within the real estate portfolios of its clients, but also recommends, manages or even carries out specific CRE-interventions that come forward from these savings or improvements. In this way ARCADIS is able to guide its clients in the whole life cycle process of their property.

1.5 READING GUIDE

The last section of the Introduction is the Reading Guide. It explains which parts of the research can be found in which chapter (See Table 1.1.). Each chapter, besides the Introduction and the Fieldwork Approach, focuses on one or more research question(s). The content of each chapter makes it possible to answer these research question(s) and to describe the type of organization and type of real estate that is interesting for using CRE to support the corporate brand. All seven chapters start with a short reading guide that describes what this chapter is about and which findings can be found in which part of the chapter. The content describes the information that is necessary to answer the research question(s). At the end of each chapter a short conclusion is given. This conclusion consists of the answer(s) to the research question(s) and the guidelines for the type of organisation and the type of real estate. The study ends with the conclusions and recommendations, where the main research question and the research objective are answered and the recommendations for further research are described.
<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title and Research Question(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
</tr>
<tr>
<td>2</td>
<td>Corporate Branding</td>
</tr>
<tr>
<td>3</td>
<td>Corporate Real Estate Management</td>
</tr>
<tr>
<td>4</td>
<td>Using CRE to Support the Corporate Brand</td>
</tr>
<tr>
<td>5</td>
<td>Fieldwork Approach and Framework Input</td>
</tr>
<tr>
<td>6</td>
<td>Framework Development</td>
</tr>
<tr>
<td>7</td>
<td>Conclusions and Recommendations</td>
</tr>
</tbody>
</table>

1. What is a corporate brand, what is a corporate identity and how can corporate aspects align with the corporate identity?

2. What is corporate real estate, what is corporate real estate management and how can the corporate real estate strategy align with the corporate strategy?

3. In which way can CRE be used to support the corporate brand and how can the corporate real estate strategy align with the corporate strategy?

4. Which aspects of the alignment process between corporate real estate and the corporate identity need to be integrated in a framework that verifies whether corporate real estate aligns with the corporate identity?

5. How can a framework that verifies whether corporate real estate aligns with the corporate identity be applied in practice?

6. How can corporate real estate managers verify whether their corporate real estate supports their corporate brand?

7. Explore how corporate real estate can align with the corporate identity and develop a framework that assists corporate real estate managers in verifying whether their corporate real estate aligns with their corporate identity.

Table 1.1. Reading Guide
2. CORPORATE BRANDING

Chapter 2 focuses on the concept of corporate branding, which is based on marketing literature. This chapter starts with an explanation of branding. This section specifically pays attention to the product- and service market, because the ideas about corporate branding come forward from product- and service branding techniques. Once the theories about product- and service branding are clear, it is possible to describe the way-of-working of the corporate branding strategy. Here it becomes clear that the corporate identity is the main component of the corporate brand. That is why the next section illustrates the definition and the composition of the corporate identity. The findings from this chapter make it possible to answer the first research question “What is a corporate brand, what is a corporate identity and how can corporate aspects align with the corporate identity?” and to create guidelines about the type of organization and the type of real estate.

2.1 BRANDING

2.1.1. DEFINITIONS OF BRANDING

In order to gain insight in the concept of corporate branding, the term branding must be clear first. Marketing studies contain multiple definitions of branding. For example, in an early study Kapferer (1997) defines branding as “Using a symbol that serves in distinguishing a product or a service from others” (p. 24). Another way to define branding is “The process by which companies distinguish their product- or service offering from the competition” (Jobber & Fahy, 2009, p. 133). After comparing multiple definitions of branding some similarities become clear. The majority of the marketing studies shows that branding is about being different than other products or services, so that the product or service distinguishes itself from the competition (e.g. Balmer, 2002; Grace & O’Cass, 2002; Kay, 2006; Knox, 2004; Wood, 2000). Also creating associations that ease the purchase is an often used characteristic of branding. Although the comparison of the definitions of branding shows some differences, it can be concluded that distinguishing from the competition and creating associations are the main characteristics of branding.

Similar to the definition of branding there are multiple ideas about the right definition of a brand. Originally branding is a marketing technique that only focuses on the offer of products or services, so-called product- or service brands. An early definition of a product- or service brand of The American Marketing Association (1960) is “A name, term, symbol or design (or a combination of those concepts) that is intended to identify the goods or services of one seller or a group of sellers, and to differentiate them from the competition” (Wood, 2000; p. 664). Many studies base their idea of a brand on this definition. For instance, Ambler (1992) calls a brand “a promise of the bundles of attributes that someone buys, which provides satisfaction towards the customer” (Wood, 2000; p. 664), while Wood (2000) describes a brand as “A mechanism for achieving competitive advantages for firms through differentiation” (p. 666). He adds that the attributes that differentiate a brand provide the customer satisfaction and benefits for which they are willing to pay. Overall the definitions show that a brand should create differentiation from the competition and should provide satisfaction and benefits to its customers.

2.1.2. WAY-OF-WORKING OF PRODUCT- AND SERVICE BRANDING

The attributes that cause customer satisfaction and benefits can be part of multiple aspects of the product or service. Jobber & Fahy (2009) describe the way-of-working of product- and service branding. They distinguish three different levels in each product (See Figure 2.1.). The centre shows the core product (1), which is the core benefit of a product. For example, the core benefit of a ballpoint is that it can write. The actual product (2) consists of the aspects styling, features, quality and packaging. These aspects complement the product, but are not the core benefit. For example, a ballpoint has a special colour or is made of a specific material. The third product level is the augmented product (3), which is the invisible additional bundle of elements. It consist of the aspects installation, guarantees, delivery and additional service. For instance, customers can repair the ballpoint for free or get their money back when the ballpoint is damaged. Examples of powerful product brands are the
Sony Playstation, the Volkswagen Golf and the Apple iPod. A service does not exist of these three product levels, because it has no visible aspects. The challenge is to create aspects that distinguish themselves from the competition and create satisfaction and benefits among customers. These distinguishing aspects are called brand values. Once these corporate brand values match with the preferences of the customer, the product might become very popular and wanted.

![Diagram of Product- and Service Branding Model](image)

An important question is how to create a match between corporate brand values and the preferences of the customer. Many studies explain that a brand can be approached from two sides (e.g., Balmer, 2002; Grace & O’Cass, 2002; Kay, 2006; Noble, 2006; Wood, 2000). On the organizational side the producer creates a particular brand identity with its products or services, while the customer experiences a certain brand image on the consumer side. This brand identity expresses what the added values of a product or service are. It shows in what way the product or service is different from the competition and makes it possible for the target group to identify itself with the corporate offering. Jobber & Fahy (2009) and Kay (2006) think that a strong brand must have a name that evokes positive associations, is easy to remember, suggests product or service benefits and is distinctive. According to multiple studies a strong brand can deliver the organization value, consumer preference and loyalty, a barrier to the competition, high profits and a base for brand extension (Ambler, 1992; Jobber & Fahy, 2009; Kay, 2006; Urde, 2003; 2009). On the other side the brand image is how the consumer experiences the brand identity. Besides identification brands can offer the consumer recognition of quality, reduction of experienced and noticed risks and reduction of search time to a needed product or service (e.g., Balmer, 2000; Grace & O’Cass, 2002; Jobber & Fahy, 2009; Knox, 2004; Urde, 2003). If the brand identity of the organization matches with the brand image of the consumer, the corporate offering matches with the expectations of the target groups.

A good way to explain the switch from product- and service branding to corporate branding is to describe the different marketing orientations through time. Centuries ago it was difficult to compare products and services
(Jobber & Fahy, 2009). There were no ideas about quality, competition or differences between similar products or services. The idea of branding arose when producers wanted to guarantee their customers that a product completed a particular production process. Producers linked their products to pictures, so that customers could see that products were produced by a specific organization. Balmer and Greyser (2006) add layers of added value around the core benefit of the product or service through time (See Table 2.1.). Product- and service branding evolved from nothing more than producing and manufacturing into a corporate-level marketing orientation. No longer organizations produce as much as they can without considering the consequences. Commercial goods changed into cohesive frameworks of stakeholders and organizations look further than what they can make or what they can sell. At the moment the understanding is that organizations should have meaningful, positive and profitable bilateral on-going relationships with customers, other stakeholder groups and communities. This current marketing orientation is called corporate branding.

<table>
<thead>
<tr>
<th>Time</th>
<th>Orientation</th>
<th>Brand</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Past</td>
<td>Production and manufacturing orientation</td>
<td>Commercial good</td>
<td>Can we make it?</td>
</tr>
<tr>
<td></td>
<td>Sales orientation</td>
<td>Product</td>
<td>Can we sell what we make?</td>
</tr>
<tr>
<td></td>
<td>Marketing orientation</td>
<td>Experience</td>
<td>Can we determine what consumers, or a group of consumers, want that we can make and sell profitably within our zones?</td>
</tr>
<tr>
<td></td>
<td>Relationship marketing orientation</td>
<td>Relation</td>
<td>Can we generate continuing business (loyalty purchasing) via consumer/customer satisfaction with what, and how, we make, sell and service?</td>
</tr>
<tr>
<td>Now</td>
<td>Corporate-level marketing orientation</td>
<td>Cohesive framework of stakeholders</td>
<td>Can we, as an institution, have meaningful, positive and profitable bilateral on-going relationships with customers, and other stakeholder groups and communities?</td>
</tr>
</tbody>
</table>

Table 2.1. Marketing Orientations (Balmer & Greyser, 2006)

### 2.1. CORPORATE BRANDING STRATEGY

#### 2.2.1. DEFINITIONS OF CORPORATE BRANDING

Now that the concept of branding is clear, this section can focus on corporate branding. Similar to the definitions of branding the marketing literature contains multiple definitions of corporate branding. The majority of these studies thinks that the biggest change from product- or service branding to corporate branding is that the organization uses all corporate aspects in its marketing strategy instead of only its product(s) or service(s) (e.g., Balmer, 2011; Foster et al., 2010; Harris & De Chernatony, 2001; Leitch & Richardson, 2003; Xie & Boggs, 2006). Next to the products and services, all other corporate aspects, such as slogans, architecture and artefacts, become part of the corporate branding strategy. The second big change that is mentioned in many studies is that a corporate branding strategy aims for all corporate stakeholders (e.g., Balmer, 2008; 2011; Bendixen et al., 2004; Foster et al., 2010, Harris & De Chernatony, 2001). This is in contrast with product- or service branding, where an organization only focuses the marketing strategy on its target groups. These two changes show that a corporate branding strategy considers all corporate aspects and aims for all corporate stakeholders.

The term “corporate brand” is defined in many different ways as well. Knox & Bickerton (2003) call a corporate brand “The visual, verbal and behavioural expression of an organization its unique business model” (p. 1013). This unique business model shows how the organization structures the corporate activities. Another often used definition is “The sum of the corporation its marketing efforts to present a controlled representation of the corporation its value system and identity” (Ind, 1997, p. 37). Both definitions of a corporate brand correspond with the description of corporate branding. The expression of an organization its unique business model and the controlled representation of the corporation its value system and identity point at a marketing strategy where all corporate aspects are integrated. At the same time a representation of the total organization affects multiple
stakeholders. These two characteristics are similar to the two main changes from a product- and service branding to corporate branding. This illustrates that the most important characteristics of a corporate brand are the expression of the total organization and the focus on multiple stakeholders.

2.2.2. WAY-OF-WORKING OF THE CORPORATE BRANDING STRATEGY

Corporate branding is a result from multiple large-scale developments in the marketing environment. Most studies have the opinion that the shift from product- and service branding is, for the most part, a result of the globalization of the business market (e.g., Balmer & Soenen, 1999; Harris & De Chernatony, 2001; Kay, 2006; Knox, 2004; Wood, 2000). Increasing technical and digital possibilities make maintaining product differentiation difficult. Competitors can imitate products and services easily, market segments get fragmented and the total market is homogenized. This makes the market more complex, because differentiating from the competition is difficult. Many studies explain that this circumstance is the main reason why managers decide to focus more on differentiating their brands, based on emotional characteristics rather than functional characteristics (e.g., Balmer, 2009; 2012; Harris & De Chernatony, 2001; Hatch & Schultz, 2003: McDonald et al., 2001). It is more important to create a distinguishing brand than a distinguishing product or service, because a brand is more difficult to copy or imitate. The focus on the role of the organization in the branding process increases, because the organization can be a strategic tool that generates and supports value. Instead of creating product- or service brands, the organization should form one corporate brand that expresses the complete organization.

The switch from product- or service branding to corporate branding reveals what the essential differences between a product- or service brand and a corporate brand are. These differences come forward from different studies on corporate branding (e.g., Balmer & Gray, 2003; Hatch & Schultz, 2001; Ind, 1997; Knox & Bickerton, 2003; Xie & Boggs, 2006) (See Table 2.2.). The two biggest differences already became clear in the previous sections. In a corporate branding strategy the communications mix consists of all corporate aspects and it is orientated on multiple stakeholders. But there are other important differences as well. For instance, product- or service brands have their roots in marketing only, while corporate branding is a multidisciplinary process. It is a strategic corporate activity, which asks for corporate responsibility that is spread out over the whole organization. The values of the corporate brand are real. It is a collection of founders’, corporate and sub-culture values, while in product- or service branding organizations mainly base their values on the preferences of the customer. Overall a corporate brand is more complex than a product- or service brand, which makes a corporate brand more difficult to manage.

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Product Brand</th>
<th>Corporate Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications mix</td>
<td>Marketing communications</td>
<td>Total corporate communications</td>
</tr>
<tr>
<td>Orientation</td>
<td>Customer</td>
<td>Multiple stakeholders</td>
</tr>
<tr>
<td>Disciplinary roots</td>
<td>Marketing</td>
<td>Multidisciplinary</td>
</tr>
<tr>
<td>Importance to company</td>
<td>Functional</td>
<td>Strategic</td>
</tr>
<tr>
<td>General responsibility</td>
<td>Marketing personnel</td>
<td>All personnel</td>
</tr>
<tr>
<td>Management responsibility</td>
<td>Middle manager</td>
<td>Chief executive</td>
</tr>
<tr>
<td>Functional responsibility</td>
<td>Marketing</td>
<td>Most/all departments</td>
</tr>
<tr>
<td>Values</td>
<td>Contrived</td>
<td>Real</td>
</tr>
<tr>
<td>Values based on</td>
<td>Mainly customer</td>
<td>Founder(s) + mix of corporate + other sub-cultures</td>
</tr>
<tr>
<td>Time horizon</td>
<td>Short (life of product)</td>
<td>Long (life of company)</td>
</tr>
<tr>
<td>Aim</td>
<td>Making profit</td>
<td>Create value</td>
</tr>
<tr>
<td>Influence of succes or disappointment</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Complexity</td>
<td>Low</td>
<td>High</td>
</tr>
</tbody>
</table>

Table 2.2. Differences between Product- or Service Brands and Corporate Brands
The differences between product- or service branding and corporate branding ask for a different way-of-working. A corporate brand cannot use product- or service brand values as its foundation. Many studies explain that it is grounded in the core values of the organization (e.g., Balmer, 2001; 2008; Foster et al., 2010; Urde, 2003; 2009). Once these corporate values are implemented in the corporate brand they become corporate brand values. According to Balmer (2001) these corporate brand values underpin the organizational efforts to communicate, differentiate and enhance the corporate brand. Because the corporate brand has its orientation on multiple stakeholders the corporate brand values should fit with the preferences of all these different stakeholders to become a strong and established corporate brand. At the same time this set of corporate brand values should come back in each aspect of the organization. This complex task shows why the corporate brand values really must be corporate values, because it would be impossible to integrate values in the corporate brand that are not really part of the organization. Switching from a product- or service brand to a corporate brand needs a different implementation that is more comprehensive and therefore more complex.

2.2.3. COMPOSITION OF THE CORPORATE BRAND

Studies on corporate branding show different opinions on which composition of the corporate brand is correct (e.g., Abratt & Kleyn, 2012; Balmer, 2001, De Chernatony, 2001; Hatch & Schultz, 2003; Ind, 1997 ;). This makes it difficult to find the right theory. Abratt & Kleyn (2012) base their corporate branding model on the majority of these studies. It contains all mentioned components and shows how these components relate with each other (See Figure 2.2.). Still this model contains terms that are known differently in the marketing literature as well. These terms are adjusted, so that only similar terms are used in this study. Here the original term is placed in parentheses. The way-of-working of this model is similar to the explanation of product- and service branding. It contains an organizational and a consumer dimension. From the perspective of the organization the corporate visual identity (2) is the way how the organization presents itself. It consists of all visual aspects of the organization, such as logos, slogans and architecture. On the consumer side people experience the corporate image (3). They notice these visual corporate aspects and experience the organization through the brand-experiences, relationships and communities. Based on these aspects consumers form a certain image, the so-called corporate image. Together the corporate visual identity and the corporate image form the corporate brand (C). This means that, similar to a product- and service brand, a corporate brand is an interplay between identity and image.
Figure 2.2. shows that there are other important components in corporate branding as well. Each organization deals with a corporate reputation (B), which is an overall evaluation of an organization by its stakeholders. It describes how the organization is known by the outside world. Stakeholders base this corporate reputation on aspects that the outside world can notice, so-called corporate reputation dimensions (4). In other words, the stakeholders judge the reputation dimensions and create a certain opinion of the organization. The model also shows that the corporate visual identity and the corporate organizational identity (1) together form the corporate identity (A). The corporate organizational identity consists of multiple organizational concepts, such as the corporate strategy, mission and vision. Unlike the concepts that are part of the corporate visual identity, these concepts are invisible. The majority of the studies on corporate branding thinks that a corporate brand should always come forward from a corporate identity (e.g., Balmer & Soenen, 1999; Christiansen & Askegaard, 2001; Melewar, 2006; Van Den Bosch et al., 2005; Wescott Alessandri, 2001). The corporate identity should come back in each aspect of the corporate branding strategy. This makes the corporate identity the foundation of the corporate brand.

2.3. CORPORATE IDENTITY

2.3.1. DEFINITION AND COMPOSITION OF THE CORPORATE IDENTITY

As the foundation of the corporate brand the corporate identity must become clear too. Similar to the sections about branding and corporate branding, the corporate identity needs a clear definition first. Marketing studies give different explanations of what the corporate identity is (e.g., Balmer & Soenen, 1999; Christiansen & Askegaard, 2001; Melewar & Jenkins, 2002; Van Den Bosch et al., 2005; Wescott Alessandri, 2001). For example, Balmer and Gray (2003) define the corporate identity as “Who and what the organization is” (p. 380), while Balmer and He (2007) call the corporate identity “The characteristics of an organization” (p. 769). Schultz et al. (2000) add that corporate identity is “The way how an organization acts and differentiates itself from the competition” (p. 31). They agree that the corporate identity shows who and what the organization is, but add that the corporate identity also shows what the organization does, how it does this and where it wants to go. Other definitions more focus on the composition of the corporate identity. For instance, Balmer (1998) calls the corporate identity “a summary of an organization’s ethos, aims and values” (p. 970) and Melewar (2003) thinks that the corporate identity is “A strategic manifestation of the vision and mission, which is brought together in multiple strategies” (p. 198). All definitions point to a certain collection of organizational characteristics that are established deeply in the organization, but there is not one composition that clearly stands out.

In order to gain insight in the composition of the corporate identity, the Corporate Identity Model is used (See Figure 2.3.). Melewar & Karaosmanoglu (2006) created the first version of this model, after which Van Kempen (2008) and Zoetemelk (2011) made an improved version. Figure 2.3. shows an even further improved version of this model. The frames show the components of the corporate identity and the arrows show which components influence each other. The grey boxes and arrows are new, compared to the most recent version of the Corporate Identity Model. The Corporate Identity Model consists of two dimensions that are illustrated as two dashed fields. These fields show that the corporate identity consist of a corporate organizational identity and a corporate visual identity. This corresponds with the composition of the Corporate Branding Model (See Figure 2.2.). If the corporate identity shows who and what the organization is (Balmer & Gray, 2003), then the “who” represents the corporate organizational identity and the “what” is the corporate visual identity. The organizational dimension and the visual dimension form the corporate identity, but both dimensions consist of more specific components.
2.3.2. CORPORATE ORGANIZATIONAL IDENTITY

The organizational dimension contains the corporate culture, strategy, structure and behaviour. The most important component is the corporate culture (1), which consists of the corporate mission, vision, norms and values (Melewar & Karaosmanoglu, 2006). The corporate culture mainly comes forward from the history, the founder(s), the nationality and the sub-cultures of the organization. According to Balmer (2008) it forms the foundation of the corporate identity. This becomes clear from the model as well. The corporate culture is the centre component of the model. It influences all other components directly or indirectly, so all other components of the corporate organizational identity and the corporate visual identity find their roots in the corporate culture. This makes the corporate culture the most important component of the Corporate Identity Model.

The second component of the corporate organizational identity is the corporate strategy (2). This strategy describes how the organization tries to reach its objectives (Melewar & Karaosmanoglu, 2006). The corporate strategy consists of two sub-strategies. The positioning-strategy describes how the organization wants to distinguish itself from the competition and the differentiation-strategy shows how the organization uses its strengths to compete in the market. The goals of the corporate strategy come forward from the corporate mission and the corporate vision, while the norms and values form the corporate strategy too. That is why the corporate culture influences the corporate strategy. At the same time the corporate strategy influences the corporate structure, design and communication. That is why the corporate strategy an essential part of the corporate identity.

The third component of the corporate organizational identity is the corporate structure (3). This structure is the network of the organization that shows the place and function of each employee (Melewar & Karaosmanoglu, 2006). The corporate structure should be the perfect circumstance for the implementation of the corporate strategy. That is why the corporate strategy is its only direct influence in the Corporate Branding Model. The corporate structure consists of an organizational structure and a brand structure. The organizational structure focuses on the hierarchy, the lines of communication and the responsibilities of an organization, while the brand
structure shows how the brand should be built in order to create maximum competitive advantage. Similar to the corporate strategy the corporate structure influences the corporate communication and the corporate design. That makes the corporate structure an important influence of the corporate visual identity.

The fourth and last component of the corporate organizational identity is the corporate behaviour (4). Corporate behaviour is a summary of the actions of an organization (Melewar & Karaosmanoglu, 2006). It consists of the ways how the organization itself, its management and its employees behave. The corporate culture forms the foundation for this behaviour, because especially the norms and values are an important influence on the corporate behaviour. Zoetemelk (2011) explains that this component is part of both the corporate organizational identity as well as the corporate visual identity, because it is not only about behaviour between colleagues, but also about behaviour between organization and outside world. The first type of corporate behaviour is invisible to the outside world, but the second type of corporate behaviour is visible. That is why corporate behaviour is part of both dimensions of the Corporate Identity Model.

### 2.3.3. CORPORATE VISUAL IDENTITY

The corporate visual identity consists of three components. It already became clear that corporate behaviour is part of both the corporate organizational identity as well as the corporate visual identity. The second component of the corporate visual identity is the corporate design (5), which contains the visual corporate cues that the outside world can notice (Melewar & Karaosmanoglu, 2006). It consists of visual corporate aspects, such as logos, slogans and buildings. All components of the corporate organizational identity influence the corporate design, while the corporate design has an influence on the corporate behaviour and the corporate communication. Van Kempen (2008) explains that the corporate design influences corporate behaviour, because many studies prove that the physical environment has an impact on the ideas and behaviour of consumers (e.g., Bitner, 1992; Drake, 2002; Manning, 1991; Rafaeli & Vilnai-Yavetz, 2004; Vilnai-Yavetz, et al., 2005). That is why the corporate design influences all other components of the corporate visual identity.

The last component of the Corporate Identity Model is the corporate communication (6). The corporate communication considers all ways in which the organization communicates with its stakeholders (Melewar & Karaosmanoglu, 2006). This means it consists of all messages, everything it produces and all corporate activities that corporate stakeholders can mention. Many studies warn organizations about the content of the corporate communication, because the majority still thinks that organizations only communicate through products and services (e.g., Balmer, 1998; Bendixen et al., 2004; Hatch & Schultz, 2003). All other components of the Corporate Identity Model have a direct or indirect influence on the corporate communication. This makes the corporate communications mix difficult to manage, because its content is extensive, differentiated and complex.

### 2.3.4. EXTERNAL FACTORS OF THE CORPORATE IDENTITY

The six components of the corporate organizational identity and the corporate visual identity form the corporate identity, but there are external factors that have an influence as well. A new component within the Corporate Identity Model is Partners (7). Leitch & Richardson (2003) explain that organizations should not only focus on their own characteristics, but add that sufficient collaborations are necessary as well. The right collaborations can form a stronger corporate identity, because characteristics of partners can have an influence on the composition of the corporate identity. For example, if an organization starts a collaboration with an organization that aims for a different market segment, this market segment becomes interesting for the organization as well. As a reaction the organization might change its corporate strategy, corporate structure or corporate communication. This means that characteristics of partners is an external factor that can have an influence on components of both the corporate organizational identity as well as the corporate visual identity.

Another new external component in this model is the Sector or Industry (8) in which the organization operates. Melewar & Karaosmanoglu (2006) already mentioned this component in their study, but Van Kempen (2008) did
not integrate this component in her version of the Corporate Identity Model. The characteristics of a sector or an industry influence the corporate identity of one single organization too. Balmer (1998) explains that competitiveness, size and rates of change influence the corporate identity directly. This is an influence that is formed by the industry or sector, it does not come forward from the corporate organizational identity or corporate visual identity. Also developments in one specific sector or industry may force organizations to change their corporate identity. For example, if the media reveal that organizations in the financial sector are in a vulnerable economic position at the moment, the idea might rise that all banking companies have to deal with this development. Although this might not be the case, the corporate reputation and corporate image of this banking company will change. Then the banking company should respond to these changes with adjustments in its corporate identity. This shows that the characteristics of the sector or industry in which the organization operates can have an influence on the composition of the corporate identity.

Finally the Environment (9) influences all internal and external components of the Corporate Identity Model. This influence consists of macro factors, which are global developments that an organization must respond to (Melewar & Karaosmanoglu, 2006). These developments come forward from different categories that can be summarized within the initials DESTEP. These DESTEP-factors can influence multiple components of the Corporate Identity Model. For instance, the government decides that an innovative way of producing chemicals becomes legal. An organization might want to adjust its corporate strategy because of this development. At the same time this development has an influence on the corporate strategies of partners as well. In fact, this change has an impact on the whole chemical sector or industry, because all organizations that work with these chemicals might want to change their strategies. Global developments do not only influence the corporate organizational identity and the corporate visual identity, but also on the characteristics of partners and the characteristics of the sector or the industry in which an organization operates.
2.4. CONCLUSION

2.4.1. ANSWER(S) TO RESEARCH QUESTION(S)

Based on the findings from Chapter 2 the first research question can be answered:

1. What is a corporate brand, what is a corporate identity and how can corporate aspects align with the corporate identity?

The corporate brand is the sum of the organization its marketing efforts to present a controlled representation of the organization its value system and identity. It is expressed by all corporate aspects and affects all corporate stakeholders. The corporate brand consists of the corporate visual identity and the corporate image.

The corporate identity is the foundation of the corporate brand. It is a description of who the organization is, what it is, what it does, how it does this and where it wants to go. The corporate identity consists of the corporate organizational identity (which consists of corporate culture, corporate strategy, corporate structure and corporate behaviour) and the corporate visual identity (which consists of corporate behaviour, corporate design and corporate communication). The corporate organizational identity and the corporate visual identity are influenced by the external factors characteristics of partners, characteristics of the sector or industry in which the organization operates and macro factors.

The corporate aspects can align with the corporate identity by integrating the organization its corporate brand values into all corporate aspects. These corporate brand values are core values that are established deeply within the organization. The set of corporate brand values is a mix of values of founders, corporate values and sub-culture values. Once this set is integrated in all corporate aspects, all corporate aspects are in line with the corporate identity.

2.4.2. TYPE OF ORGANIZATION AND TYPE OF REAL ESTATE

The findings from Chapter 2 make it possible to create guidelines about the type of organization and the type of real estate. This chapter shows that an organization must carry out a corporate brand strategy. However, organizations might have their own ideas about how to perform a corporate branding strategy. Their way-of-working might not correspond with the findings from the literature. That is why the findings from the literature are used as guidelines for the right way to perform a corporate branding strategy. In order to carry out a corporate branding strategy an organization must meet with the following requirements:

- The corporate branding process is strategic.
- The corporate branding process is multidisciplinary.
- The corporate branding strategy focuses on multiple stakeholders.
- The corporate communications mix consists of all corporate aspects.
3. CORPORATE REAL ESTATE MANAGEMENT

Chapter 3 pays attention to corporate real estate management, which is described as CREM in this study. The input is based on findings from the real estate literature. The first section of this chapter explains that CRE can be an added value to the organization instead of just a high and necessary cost. One of the findings from this section is that CREM needs strategic attention from the organization in order to support the corporate strategy. That is why the next section shows what it means to perform CREM from a strategic organizational level. A complete alignment process between corporate strategy and CRE-strategy is necessary when an organization wants to maximize the added value through CRE. The next section describes multiple alignment theories between corporate strategy and CRE. With the findings from this chapter it is possible to answer the second research question “What is corporate real estate, what is corporate real estate management and how can the corporate real estate strategy align with the corporate strategy?” and to describe guidelines about the type of organization and the type of real estate in the conclusion.

3.1. THE ADDED VALUE OF CREM

3.1.1. DEFINITIONS OF CRE AND CREM

Before CRE and CREM can be explored, their definitions must be clear first. Real estate studies contain multiple descriptions of CRE but Kooymans (2000) gives the most complete definition. He defines CRE as “Real estate that is owned by an organization, whether it is for investment or not. This includes freehold and leasehold real estate that is used by an organization for its own productive purposes, whether or not the corporation also considers the same real estate to as an investment.” (p. 19). Appel-Meulenbroek et al. (2010) add that the most important task of CRE is to accommodate employees and activities. Whether CRE is rented or in ownership is less important. In the current business environment still many organizations see CRE as a large and necessary cost, while the real estate literature explains that CRE can support the primary business process (e.g., Dalderup, 2014; Lindholm, 2008; Menger, 2010; Nourse & Rouac, 1993; Singh, 2010). For instance, Joroff et al. (1993) call CRE the fifth corporate resource (See Figure 3.1.). They explain that organizations should focus on maximizing the cooperation and coordination between these five corporate resources, so that they can support the corporate activities. In short, CRE is the fifth corporate resource that accommodates both employees as well as corporate activities.

![Figure 3.1. Corporate Resources (Joroff et al., 1993)](image-url)
It is too simplistic to just state that CREM is nothing more than the management of CRE. While real estate management, or REM, only focuses on the owner of real estate, CREM focuses on the user as well (Appel-Meulenbroek et al., 2010). The real estate literature contains more extensive definitions of CREM. For instance, according to Krumm (1999) CREM is “The management of all real estate of an organization that is needed to accommodate its core activities. This management considers the whole course and includes planning, acquisition, management and disposition.” (p. 34). Dewulf et al. (2000) define CREM as “The management of the real estate portfolio of an organization by aligning the portfolio and services to the needs of the core business, in order to obtain maximum added value for the business and to contribute optimally to the overall performance of the organization” (p. 17). Later, De Vries et al. (2008) add that CREM “should not only focus on the match between organizations and real estate, but also on the connection between strategic and operational level” (p. 209). The definitions show that CREM not only focuses on accommodating employees and corporate activities, but that CREM is also about obtaining the maximum added value for the business. The challenge for CREM is to find out how CRE can contribute to the best possible organizational performance.

3.1.2. FROM COST REDUCTION TO YIELD-THINKING

In the past thirty years the vision on CREM radically changed. In the eighties most organizations saw CRE as a high and necessary cost (e.g., Gibler et al., 2002; Krumm, 2001; Schuddebeurs, 2013; Singh, 2010; Weggeman et al., 2000). CREM was nothing more than accommodating the corporate activities and keeping the costs low. In the nineties the competition between different organizations and the rate of innovation increased. As Krumm et al. (2000) explain, the costs and the quality of the products and services were no longer a guarantee for success. A common response of the business economy was cost reduction. With CRE as a large cost most managers tried to reduce the costs of their property. However, in the beginning of the new millennium organizations began to understand that CRE could add value to the primary business process (e.g., Joroff et al., 1993; Krumm et al., 1998; Lindholm et al., 2006; Roulac, 2001; Van Hasselt, 2005). The cost- or transaction attitude switched to a yield- or profitability attitude. As Dalderup (2014) explains, CRE-interventions can have a direct as well as an indirect impact on the corporate performance. For example, by changing the workplace design the efficiency might increase. The adjustment of the workplace is a direct cost, but in the long-term it leads to a better corporate performance. According to Weggeman et al. (2000) CRE can have an indirect influence in corporate effectiveness, efficiency, productivity, flexibility and creativity. This switch in CREM-thinking caused that currently CREM focuses on profits instead of costs.

The added value of CRE partly depends on the viewpoint of the organization. Joroff et al. (1993) distinguish five stages, based on the evolution of CREM (See Figure 3.2.). Multiple studies use this theory to explain the differences in CREM-orientation (e.g., Appel-Meulenbroek, 2014; Dalderup, 2014, Lindholm; 2008; Menger, 2010; Van Hasselt, 2005). Each stage consists of a viewpoint, a function and a CREM-activity. The model is additive, which means that each function should deal with the CREM-activities that lie before the other stage. For example, the dealmaker should also focus on the activities of the controller and the taskmaster. Each organization has its own viewpoint, based on the type of organization, type of business or type of property. For instance, an owner of a small bakery sees himself as a taskmaster, while a large banking company thinks that business strategists should perform CREM. Although this model gives a clear view of the different viewpoints, it is already a little out of date. Currently organizations deal with new global trends, such as strategic alignment, globalization, real estate procurement, sustainability, workplace transformation, multi-generational workforce, management changes and ICT possibilities (e.g., Khanna et al., 2013; Krumm et al., 1998; Lindholm et al., 2006; Nunnnington & Haynes, 2011; Singh, 2010). Probably the circumstances are different at the moment, but still the essence is that CREM-activities are different within each organization.
3.1.3 WAYS TO ADD VALUE THROUGH CRE

CRE can support the organization in many ways. A lot of real estate studies describe ways to add value through CRE (e.g., De Vries et al., 2008; Jensen et al., 2013; Lindholm, 2008; O’Mara, 1999; Singer et al., 2007). More specific, some studies even contain a list of added values through CRE. For instance, Nourse & Roulac (1993) composed a list of eight alternative real estate strategies that can add value to an organization. They based this list on a survey that they held among managers. De Jonge (2002), De Vries et al. (2008) and Lindholm (2008) all formed an improved list through extensive literature research or further practical research (Table 3.1). Similar added values stand next to each other, while other added values are placed separately. This table shows that increasing the value of assets, increasing flexibility, reducing costs, promoting marketing and sales and increasing productivity are added values that all four studies mention. The remaining added values contain similarities, but are not exactly the same. This study uses the added values of Lindholm (2008), because her list is very complete and based on a combination of theoretical and practical research. Besides that, the majority of the studies on CREM refers to the real estate strategy levels of Lindholm. (e.g., Appel-Meulenbroek, 2014; Jensen, 2009; Khanna, 2012; Ramakers, 2008; Van Kempen, 2008). The added value support sustainability, which is recently added by Gibler & Lindholm (2012), is integrated as well. This means that this study distinguishes eight different ways to add value through CREM.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capture the real estate value creating of business</td>
<td>Value</td>
<td>Possibilities to finance</td>
<td>Increase value of assets</td>
</tr>
<tr>
<td>Flexibility</td>
<td>Flexibility</td>
<td>Flexibility</td>
<td>Increase flexibility</td>
</tr>
<tr>
<td>Occupancy cost minimization</td>
<td>Costs</td>
<td>Cost</td>
<td>Reduce cost</td>
</tr>
<tr>
<td>Promote marketing message</td>
<td>PR and marketing</td>
<td>Image</td>
<td>Promote marketing and sales</td>
</tr>
<tr>
<td>Promote sales and selling process</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promote human resources objectives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facilitate and control production, operations, service delivery</td>
<td>Productivity</td>
<td>Production</td>
<td>Increase productivity</td>
</tr>
<tr>
<td></td>
<td>Satisfaction</td>
<td>Increase employee satisfaction</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Innovation</td>
<td>Increase innovation</td>
<td></td>
</tr>
<tr>
<td>Facilitate managerial process and knowledge work</td>
<td>Risk</td>
<td>Risk control</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Culture</td>
<td>Culture</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Support sustainability *</td>
</tr>
</tbody>
</table>

Table 3.1. The Added Values of CRE (* Support sustainability is added by Gibler & Lindholm (2012))
Lindholm (2008) and Gibler & Lindholm (2012) describe these eight real estate strategy levels, which are ways to add value to the organization through CRE:

- **Increase value of assets.** CRE should be as valuable as possible. CREM should try to raise the value of the corporate property.
- **Promote marketing and sales.** CRE can function as advertisement by using its design to influence corporate stakeholders. The building can influence the opinion that consumers, partners and other parties have about an organization.
- **Increase flexibility.** CRE should be just as flexible as the organization itself. CREM considers physical, functional and financial flexibility by selecting, for instance, a specific building method, a multifunctional floor plan or a special way to collaborate with other stakeholders.
- **Reduce cost.** CRE should reduce the organizational costs. For example, organizations can select cheap locations, try to save money in their workplace designs or arrange beneficial collaborations with other organizations.
- **Increase productivity.** CRE should support the corporate business processes, so that the productivity will increase. For example, the corporate productivity can improve with the right localization, a sufficient workplace design or high-quality interior.
- **Increase employee satisfaction.** CRE should contribute to the satisfaction of its employees. By selecting the right location, design or workplace CRE can be an important factor in increasing the satisfaction among employees.
- **Increase innovation.** CRE could stimulate knowledge sharing and innovative thinking. This can be accomplished by, for example, choosing a specific type of floor plan, designing a unique type of workplace or placing the right departments close to each other.
- **Support sustainability.** CRE can be used to support environmental sustainability. Sustainable CRE can reduce the corporate costs, which will lead to a higher profitability. Besides that a sustainable building can boost the corporate image.

### 3.2. STRATEGIC CREM

#### 3.2.1. WAY-OF-WORKING OF STRATEGIC CREM

Seeing CRE as a corporate resource that adds value to the primary business process makes CREM an important corporate activity within the organization. A lot of studies explain that CREM should take place at a strategic level instead of a tactical or an operational level (e.g., Gibler et al., 2002; Heywood & Kenley, 2008; Krumm & De Vries, 2003; Nunnington & Haynes, 2011; Van Hasselt, 2005). For example, Nourse & Roulac (1993) explain that CRE-decisions will be effective if they support the overall corporate business objectives, while Lindholm et al. (2006) add that the strategic management of the real estate portfolio must derive from and support the overarching corporate strategy. In this way CREM has an effective contribution to the whole organization. The optimal result can be achieved by the explicit consideration of how CRE supports the corporate strategy and the sub-strategies. Van Kempen (2008) thinks that CRE will be managed in a more efficient and effective way as a strategic element, because than it can be linked with the corporate strategy. In other words, CREM should be performed from a strategic level if it wants to support the corporate in an effective and efficient way.

Strategic CREM links CRE-actions with the strategic goals of the organization. Figure 3.3. shows how to manage CRE in a strategic way (Van Driel, 2003). Menger (2010) and Van Hasselt (2005) explain the way-of-working of strategic CREM by using this figure. CREM distinguishes a strategic, tactical and operational organizational level. In each level CREM creates guidelines for the lower levels, while the employees in the lower levels create feedback for the higher levels. On strategic level CREM builds a strategy for the whole real estate portfolio of the organization, based on the overall corporate strategy. Asset managers receive guidelines for their CREM on tactical level. For instance, asset managers determine whether new property is necessary or which property
should be sold. On tactical level CREM creates guidelines for the operational level. Here CREM considers specific buildings, such as property management or facility management. This way-of-working adds value on a strategic, tactical and operational CREM-level. All sub-strategies on lower organizational levels come forward from the guidelines on strategic level. In this way strategic CREM can support the primary business processes of the organization.

![Diagram of Corporate Real Estate Management Levels](image)

*Figure 3.3. Corporate Real Estate Management Levels (Van Driel, 2003)*

Strategic CREM is a complex process, because in the end all CRE-actions should contribute to the overall corporate performance. One of the difficulties is that CRE can add value from different corporate perspectives. For example, when a facility manager thinks that a building needs a new workplace design, an asset manager might have the opinion that this adjustment is not worth the investment. It depends on the CREM-perspective, the point of view of CREM. Dewulf *et al.* (2000) distinguish four different CREM-perspectives, based on organizational level and type of management focus (See Figure 3.4.). Many other studies describe these CREM-perspectives too (*e.g.*, Appel-Meulenbroek, 2014; Khanna, 2012; Krumm, 2001; Schuddebeurs, 2013; Van Hasselt, 2005). The general management is responsible for the overall corporate strategy. It uses this strategy as the guidelines for CREM. Asset management focuses on optimizing the different assets of the real estate portfolio. Most decisions that take place at a strategic level are financial or juridical. Facility management looks at the maintenance of the property and concerns adjustments that come forward from guidelines on higher organizational levels. Finally the cost control focuses on the costs, organization, time, information and quality of the property. The challenge for CREM is to consider each perspective, so that the overall added value through CRE can be maximized. This not only makes CREM a strategic process, but also a multidisciplinary corporate activity.

![Diagram of Corporate Real Estate Management Perspectives](image)

*Figure 3.4. Corporate Real Estate Management Perspectives (Dewulf *et al.*, 2000)*
3.2.2. CREDIBILITY PROBLEM OF STRATEGIC CREM

The theory implies that CREM should take place at a strategic level, but unfortunately not every organization is convinced. Many studies claim that CREM does not receive the management attention that it should (e.g., Bouri et al., 2008; Krumm & De Vries, 2003; Olakadun, 2010; Then, 2005; Thysen, 2011). Still a lot of organizations only focus on reducing costs with their CRE. They take short-term decisions that are not based on the overall corporate strategy. Omar & Heywood (2010) know there is enough proof on the added value of CREM, but there is a lack of understanding from the senior management. Besides that, they think CREM is positioned poorly within organizations. Employees do not have the opportunity to learn about the advantages CRE has to offer, which leaves CREM with a credibility problem. Fortunately there are positive signs too, because there are studies that claim that the attention on CREM is increasing rapidly (e.g., Appel-Meelenbroek & Feijts, 2007; Joroff et al., 1993; Krumm, 2001, Menger, 2010; Singh, 2010). For instance, Singh (2010) claims that using CREM as a strategic element is widely accepted by the top management of firms, while Krumm (2001) thinks that there is a growing attention within non-real estate organizations for managing the real estate portfolio. Although the attention for strategic CREM increases, still too much organizations are not convinced about the opportunities of CREM.

Still it is difficult to convince managers of the added value of strategic CREM. One of the main reasons is that the impact of some CRE-actions is difficult to measure (e.g., Appel-Meelenbroek & Feijts, 2007; Krumm & De Vries; 2003; Lindholm & Leväinen, 2006; Nourse & Roulac, 1993; Thysen, 2011). Normally performance measurement of CRE consist of (mostly financial) inputs only, but in order to measure profits and yields output is necessary as well. Some studies explain why these measurements are difficult to carry out (e.g., De Vries et al., 2008; Lindholm & Nenonen, 2006; Menger, 2010, Nourse & Roulac, 1993; Van Kempen, 2008). For instance, Menger (2010) thinks that both organization as well as building are very complex, which makes it difficult to clarify what the essential differences are. Maybe some CRE-actions are only interesting for particular kinds of organizations or specific types of buildings. At the same time CREM cannot always be sure that an improvement is really caused by a specific CREM-action. For example, after an adjustment in the floor plan the efficiency is higher than before. However, this output can be a result of another CRE-action, or maybe a combination of different CRE-actions. Recent studies still provide and ask for new CREM-related measurement methods (e.g., Khanna, 2012; Menger, 2010; Singh, 2011; Van Kempen, 2008; Zoetemelk, 2011). Despite the difficulties more and more decision-making models, frameworks and methods appear that provide assistance in strategic CREM measurements.

3.3. ALIGNING THE CRE-STRATEGY WITH THE CORPORATE STRATEGY

3.3.1 DEFINITION OF THE CRE-STRATEGY

Strategic CREM guides organizations in taking CRE-related decisions. They form a strategy that describes how they manage their CRE, a so-called CRE-strategy. Edwards and Ellison (2004) define a CRE-strategy as “The appliance of management strategies to the property portfolio of an organization, to achieve its operational objectives efficiently” (p. 25), while Lindholm and Gibler (2006) think that the CRE-strategy should be defined as “The ways for the alignment of CRE to corporate strategy in order to maximize shareholder value” (p. 39). In a later study Gibler and Lindholm (2012) add that the CRE-strategy is “A pattern of decisions related to acquiring and managing property and related services to support the overall corporate competitive strategy” (p. 240). Apparently the CRE-strategy describes how organizations should manage CRE in order to support the corporate processes. The formation of this CRE-strategy takes place in a strategic process. Many studies think that the alignment of the CRE-strategy with the overall corporate strategy is the most important aspect of this process (e.g., Acoba & Foster, 2003; Appel-Meelenbroek, 2010; Heywood, 2011; Nourse & Roulac, 1993; Scheffer et al., 2006). This alignment process guides CREM in finding the right CRE-strategy. According to Dalderup (2014) there is no overall perfect CRE-strategy, because each organization, its corporate strategy and its real estate portfolio is unique. That is why each organization needs a unique CRE-strategy that maximizes the contribution of CRE to the primary business processes.
3.3.2. ALIGNMENT THEORIES BETWEEN CORPORATE STRATEGY AND CRE-STRATEGY

Although each organization needs a unique CRE-strategy, there are alignment theories that provide guidelines in the alignment process (e.g., Nourse & Roulac, 1993; O’Mara, 1999; Osgood Jr., 2004; Roulac, 2001; Singer et al., 2007). All studies have their own ideas on how the CRE-strategy should align with the corporate strategy, but according to Ramakers (2008), Heywood (2011) and Appel-Meulenbroek & Haynes (2014) there are some important shortcomings. Ramakers compares eight alignment models and focuses on the corporate strategy and the CRE-strategy as the two main components. She concludes that it is hard to prove the added value through alignment, because the alignment process mainly depends on expert knowledge that is not always available. Besides that, the list of added values of CREM is not always the same and is not always based on earlier research. Heywood compares ten alignment models and calls the alignment between corporate strategy and CRE-strategy a uni-directional process. This means that the CRE-strategy only adapts to the corporate strategy instead of working both ways. Finally Appel-Meulenbroek and Haynes compare multiple alignment studies. They think that these studies only focus on a specific phase within the alignment process instead of the whole process. They also mention that the current models on alignment have difficulties in their applicability in practice. These shortcomings prove there is no sufficient overall method for aligning the CRE-strategy with the corporate strategy.

The shortcomings in the studies on alignment cause a need for an overall alignment model that considers the whole process instead of just a specific part. Ramakers (2008) suggests to place the alignment of the CRE-strategy with the corporate strategy in the Strategic Thinking Map of Swayne et al. (2006) (See Figure 3.5. and for a more specific explanation Appendix I). The goal of the Strategic Thinking map is to stimulate both strategic thinking as well as strategic planning and to include new thinking and new planning when this is required. The map consists of three phases. During the Strategic Thinking (A) phase ideas about adjustments of the strategy are formed through, for example, external orientation and data analyses. These ideas form the input for the next phase, the Strategic Planning (B). This second phase consists of three different steps. In the first step, the Situational Analysis (1), the current situation is analysed. Based on this situational analysis the new strategy is created in the Strategy Formulation (2). Once the strategy is clear the implementation of this strategy is formed in Planning The Implementation (3). The specific CRE-interventions that become clear in planning the implementation form the input for the Strategic Momentum (C). In the strategic momentum the CRE-interventions are carried out and an evaluation of the process takes place. Then the whole process starts again, because the feedback from the strategic momentum phase is the input for a new strategic thinking process. In this way strategic thinking is a continuing process that includes new thinking and new planning when it is required.

![Figure 3.5. Strategic Thinking Map (Swayne et al., 2006)](image-url)
Heywood (2011) describes a list of fifteen components that should be present in a strategic alignment model:

1. **Strategic triggers** are changes in the environment of the organization that cause adjustments in the corporate strategy. Organizations must respond to environmental changes in order to improve the organizational performance. The aspects of the corporate strategy that adapt to these environmental changes (or strategic drivers) are the strategic triggers.

2. **Corporate strategy (formation)** is the overall corporate strategy that the organization follows.

3. **Business market data** is data that becomes clear from the business market environment. It can be used to form information about the industry or sector in which the organization operates. Business market information can be part of the input for the alignment process.

4. **External business factors** are external factors in the business environment that influence the organization. Strategic triggers are part of these external factors. These external factors come forward from external analyses, such as a PESTEL-analysis or a Porter 5-forces analysis.

5. **Strategic drivers with known CRE consequences** are aspects of the corporate strategy that should be adjusted in order to respond to the strategic triggers that come forward from external factors. These strategic drivers have an influence on the CRE-strategy.

6. **Other (not CRE) strategic drivers** are aspects of the corporate strategy that should be adjusted in order to respond to strategic triggers that come forward from external factors. These aspects influence the corporate strategy, but do not cause adjustments in CRE-strategy.

7. **Audit of existing real estate** is an analysis of the performance of the current real estate portfolio. It shows what the strengths and weaknesses of current real estate portfolio are.

8. **Performance evaluation** is an analysis that identifies the gaps between current real estate and the required statuses of real estate. The audit of the existing real estate portfolio is compared with the desired performance of the real estate portfolio, which reveals the gaps between the current and the desired performance. These gaps form the input for specific CRE-interventions.

9. **Real estate market data/information** is data or information that can be found in analyses of the real estate market. This real estate market data or information can be used as input for the alignment process between corporate strategy and CRE-strategy.

10. **CRE-strategy formation** is the formation of a strategy that specifically focuses on CRE.

11. **Strategy integration** is the integration between the overall corporate strategy and the CRE-strategy that the organization follows.

12. **Integration with other corporate functions** is making other corporate functions part of the alignment process, so that other corporate functions can provide input in the alignment process instead of only CREM.

13. **Real estate operating decisions** are the specific CRE-interventions that come forward from the alignment process.

14. **Directionality** is the bi-directionality of the alignment, which means that the alignment process provides feedback from the corporate strategy to the CRE-strategy and vice versa. Most times only input from the corporate strategy is used for the CRE-strategy, while the CRE-strategy should also provide input for the overall corporate strategy.

15. **Feedback** is the set of remarks that comes forward from the evaluation of the alignment process. It shows whether the alignment process still focuses on the right aspects and can be used to improve the alignment process.
Appel-Meulenbroek & Haynes (2014) describe a step-by-step plan that considers the complete alignment process. Some of these steps describe a previous study in which a specific step of the alignment process is carried out (See Appendix II for a more specific explanation of these steps). Appel-Meulenbroek & Haynes create clarity and hierarchy in the previous studies on alignment. This step-by-step plan consist of twelve steps that are divided over the three phases of the Strategic Thinking Map:

1. Situational Analysis
   a. **PESTEL-analysis** is an external analysis that focuses on identifying the key drivers in the environment that affect the organization.
   b. **Significant key issues** is the conversion of the key drivers that come forward from the PESTEL-analysis to a list of the most significant key drivers. In other words, these are the key drivers that specifically influence the corporate strategy or the CRE-strategy.
   c. **Key issues portfolio** is mapping all strengths and weaknesses of the current real estate portfolio. Finding these key issues takes place in a real estate audit.
   d. **SWOT-analysis** is identifying which key environmental issues can influence the strengths and weaknesses of the real estate portfolio. In this way it becomes clear how the environment influences the real estate portfolio.
   e. **Scenario planning** is considering different scenarios with the input that comes forward from the SWOT-analysis. In other words, the organization should form different sets of internal and external factors that might occur.

2. Strategy Formulation
   a. **Driving forces** is transforming the situational analysis into driving forces (See Appendix II.I). Driving forces are corporate characteristics that show in which way the organization distinguishes itself from the competition (Nourse & Roulac, 1993).
   b. **CRE-strategy levels** is determining which CRE-strategy levels are important for the organization (See Appendix II.II). This becomes clear from the driving forces of the organization, because some CRE-strategy levels are more important for organizations that have specific driving forces (Nourse & Roulac, 1993).

3. Planning the Implementation
   a. **CRE-actions** is identifying and discussing the CRE-actions that are interesting for the organization (See Appendix II.III). These CRE-actions specifically fit with the CRE-strategy levels that come forward from the strategy formulation (Lindholm, 2008).
   b. **CRE-aspects** is identifying and discussing the CRE-aspects where the organization should focus on (See Appendix II.IV). These CRE-aspects come forward from the identification of the CRE-actions (Appel-Meulenbroek & Feijts, 2007)
   c. **Portfolio evaluation** is comparing the CRE-aspects of the current real estate portfolio with the CRE-aspects that come forward from the previous step. In this way the gaps between the current and desired CRE-aspects become clear.
   d. **CRE department** is the reconsideration of the setup of the CRE department. This reconsideration comes forward from new CRE-interventions that need to take place, because maybe the new set-up is a better match with the new CRE-strategy.
   e. **Competitor analysis** is an analysis of how the client receives CREM in the best way. This analysis compares multiple offers, so that the best option becomes clear.
3.3.3. COMPLETE ALIGNMENT BETWEEN CORPORATE STRATEGY AND CRE-STRATEGY

The studies of Ramakers (2008), Heywood (2011) and Appel-Meulenbroek & Haynes (2014) describe how a complete alignment process should look like in their own way. Appel-Meulenbroek & Haynes recognize that placing the alignment of the CRE-strategy with the corporate strategy in the Strategic Thinking Map of Ramakers covers all fifteen components of Heywood. However, they do not specifically show this finding in their study. That is why these three studies are combined in Figure 3.6., so that it becomes clear which aspect or which step is placed in which part of the total alignment process. Each aspect of the model has a specific colour. This shows which part of the alignment model comes forward from which study. Most of the aspects of Heywood cover the whole strategic planning phase, while all other aspects are part of one specific step of the step-by-step plan of Appel-Meulenbroek & Haynes. Of course all steps of the step-by-step plan of Appel-Meulenbroek & Haynes are already part of the strategic planning phase. In this way the three studies cover all aspects of a complete alignment process, which makes Figure 3.6. a starting point for a complete alignment model.

**Figure 3.6. Combined Alignment Model**

**Strategic Thinking**
- External orientation
- Analyse data
- Question assumptions
- Generate new ideas

**Strategic Planning**
- Corporate strategy formation
- Strategy integration
- Integration with other corporate functions
- Directionality
- Feedback

**Situational Analysis**
- PESTEL analysis
  - External business factors
  - Business market data
  - Real estate market data/information
- Significant key issues
  - Strategic triggers
  - Key Issues portfolio
  - Other (not CRE) strategic drivers
  - Strategic drivers with known CRE consequences
  - Audit of existing real estate
- SWOT analysis
  - Scenario planning

**Strategy Formulation**
- Driving Forces
- CRE-strategy levels
  - CRE-strategy formation

**Planning the Implementation**
- CRE-Actions
- CRE-Aspects
- Portfolio evaluation
  - Performance evaluation
  - Real estate operating decisions
- CRE department
- Competitor analysis

**Strategic Momentum**
- Managerial action
- Strategy evaluation
- Emergent learning
- Re-initiate strategic thinking

Ramakers (2008)
Heywood (2011)
Appel-Meulenbroek & Haynes (2014)
3.4. CONCLUSION

3.4.1. ANSWER(S) TO RESEARCH QUESTION(S)

Based on the findings from Chapter 3 the second research question can be answered:

2. What is corporate real estate, what is corporate real estate management and how can the corporate real estate strategy align with the corporate strategy?

CRE is real estate that is owned by an organization and accommodates the organization its employees and its activities. It is the fifth corporate resource, next to employees, capital, technology and knowledge. As the fifth corporate resource CRE should be used to support the primary business processes. It can stimulate the effectiveness, efficiency, productivity, flexibility and creativity of the corporate activities.

CREM is the management of the real estate portfolio that focuses on aligning the real estate portfolio and the services to the needs of the core business, in order to obtain maximum added value for the business and to contribute optimally to the overall performance of the organization. CREM is a multidisciplinary process that takes place at a strategic organizational level. It provides guidelines to the whole organization and considers feedback from both tactical as well as operational organizational level.

The CRE-strategy can align with the corporate strategy by creating a unique CRE that supports the primary business processes of the organization in the best possible way. The formation of this CRE-strategy takes place in an alignment process between corporate strategy and CRE-strategy. A complete alignment process consist of a strategic thinking phase, strategic planning phase and strategic momentum phase. The strategic planning phase consists of the situational analysis, the strategy formulation and planning the implementation. In the end this alignment process leads to the implementation of a CRE-strategy that improves the alignment between corporate strategy and CRE-strategy.

3.4.2. TYPE OF ORGANIZATION AND TYPE OF REAL ESTATE

The findings from Chapter 3 make it possible to create guidelines about the type of organization and the type of real estate. This chapter shows that an organization should manage its CRE in a specific way. However, organizations might have their own ideas about how to manage the corporate property. Their way-of-working might not correspond with the findings from the literature. That is why the findings from the literature are used as guidelines for the right management of CRE. In order to perform CREM in the right way an organization must meet with the following requirements:

- CRE is an added value to the organization.
- CRE supports the primary business processes of the organization.
- CREM is a strategic corporate activity.
- CREM provides guidelines to the whole organization.
- CREM considers feedback from both tactical as well as operational organizational level.
- CREM is a multidisciplinary process.
4. USING CRE TO SUPPORT THE CORPORATE BRAND

The findings from the previous two chapters come together in Chapter 4, which focuses on using CRE to support the corporate brand. More findings from the literature about corporate branding and CREM complement the input for this chapter. This chapter starts with a description of how CRE can function as a communication channel between organization and outside world. What CRE should communicate becomes clear in the next section. This part explains that organizations can transmit corporate brand values through their CRE. The following question that raises is how CRE can express these corporate brand values. The next part shows which CRE-aspects can be used to express corporate brand values. Communicating corporate brand values through CRE asks for a complete alignment process between corporate identity and CRE, so the next section shows what is necessary for a complete alignment process. The conclusion describes guidelines for the type of organization and type of real estate and gives the answers to the research questions “In which way can CRE be used to support the corporate brand and how can the corporate real estate strategy align with the corporate identity?” and “Which aspects of the alignment process between corporate real estate and the corporate identity need to be integrated in a framework that verifies whether corporate real estate aligns with the corporate identity?”, based on the findings from the literature.

4.1. CRE AS A PART OF THE CORPORATE BRAND

4.1.1. THE RELATIONSHIP BETWEEN BUILDING AND CONSUMER

Now that corporate branding and CREM are described extensively in the previous chapters, it is possible to explain how CRE can support the corporate brand. In order to introduce the combined topic corporate branding and CREM, this section first focuses on the relationship between a person and a building. Multiple studies show that if a person or an organization has a certain relationship with its physical environment, the impression of this physical environment has an influence on the public opinion about this person or organization (e.g., Bakker et al., 2013; Drake, 2002; Nguyen & Leblanc, 2002; Van der Voordt et al., 2003; Van Kempen, 2008). For instance, Bitner (1992) explains that a positive (or negative) perception, emotion or response of/to a physical environment can lead to positive (or negative) beliefs, feelings and attributions associated with the organization, its people and its products and services. This perception, emotion or response also influences how people categorize the organization and differentiate it from other organizations. She also shows that the influence of the physical environment is larger when people are not familiar with the organization. CRE can be an eye-catching part of this physical environment, which means that CRE has an influence on how people categorize or differentiate the organization.

The theory that CRE has an impact on the categorization or differentiation of an organization brings the two main subjects corporate branding and CREM together. Multiple studies mention the influence that CRE can have on the opinion about an organization or a person (e.g., Drake, 2003; Nguyen & Leblanc, 2002; Mentink, 2014; Van Der Zwart & Van der Voordt, 2013; Van Kempen, 2008). For example, Van der Voordt et al. (2003) think that CRE not only has a user- or economic function, but a symbolic function as well. Nguyen and Leblanc (2002) believe that the physical environment is, together with contact with employees, the most crucial element that determines the success of an organization its service delivery. Although these studies insinuate a certain relationship between corporate branding and CREM, the specific link does not become clear. Van Kempen (2008) does show in what way the two main subjects corporate branding and CREM relate. She points out that multiple studies think that a corporate branding considers all corporate aspects (e.g., Foster et al., 2010; Ind, 1997; Harris & De Chernatony, 2001; Leitch & Richardson, 2003; Xie & Boggs, 2006). Based on this finding she states that if each corporate aspect is a part of a corporate branding strategy, CRE is part of the corporate branding strategy too. This means that CRE is part of the corporate brand.
Considering CRE as a part of the corporate brand creates a new function for CREM. Organizations use a communication mix to interact with their customers. Balmer (2001) shows in its comparison between product- or service brands and corporate brands that the communication mix of a corporate branding strategy consists of all corporate aspects instead of just marketing communication. This means that CRE is part of the corporate communication mix. This theory is in line with the findings of Khanna (2012), who sees CRE as a way to communicate between the organization and the outside world. Khanna calls CRE a secondary communication channel, which means it belongs to the same group as advertising, sales promotion and the visual identification system (symbols, logos, slogans, typography and colours). Figure 4.1 is an impression of this way to communicate through CRE. Organizations choose, design or form their CRE in a specific way, so that the corporate property fits with the corporate identity. Consumers notice this property and create a particular opinion about the buildings of the organization. The opinion about corporate property has an influence on the public opinion of the organization, because the overall judgment is formed based on all corporate aspects. This means that the organization can influence the public opinion about the organization through CRE.

![Figure 4.1. CRE as a Way to Communicate](image)

4.1.2. STRATEGIC AND MULTIDISCIPLINARY CORPORATE BRANDING AND CREM

Using CRE to support the corporate brand is a corporate activity that must be carried out on a high organizational level. A lot of marketing studies conclude that corporate branding should be performed from a strategic level, because then it considers all corporate aspects instead of just the products and services of the organization (e.g., Foster et al., 2010; Harris & De Chernatony, 2001; Ind, 1997; Leitch & Richardson, 2003; Xie & Boggs, 2006). At the same time many CREM studies think that CREM must take place at a strategic level, because then the CRE-strategy can align with the overall corporate strategy (e.g., Appel-Meulenbroek, 2014; Gibler et al., 2002; Krumm & De Vries, 2003; Lindholm & Leväinen, 2006; Nourse and Roulac, 1993). Besides that, these studies think that both corporate branding as well as CREM are multidisciplinary processes. For instance, Balmer (1999) emphasizes that corporate branding is a multidisciplinary process instead of just a marketing activity. It should consider input from other domains as well. At the same time Heywood (2011) states that the alignment process of the CRE-strategy with the corporate strategy needs integration with other corporate functions. This process does not only consider input from CREM. Together this implies that using CRE to support the corporate brand is a strategic activity that concerns multiple disciplines.

Considering CRE to support the corporate brand as a strategic and multidisciplinary corporate activity makes guidelines for strategic CREM also valid for using CRE to support the corporate brand. It is possible to place supporting the corporate brand through CRE as a corporate activity in the CREM Levels model (See Figure 3.3.) and the CREM Perspectives model (See Figure 3.4.). Using CRE to support the corporate brand takes place in the top layer of the pyramid. It has an influence on the whole real estate portfolio, because strategic guidelines provide input to the tactical and operational levels. At the same time using CRE to support the corporate brand receives feedback from the lower organizational levels. Based on the CREM Perspectives Model supporting the
Alignment between Corporate Identity and CRE-Strategy

corporate brand through CRE considers multiple disciplines and should be performed from a general management perspective. The focus is on the whole institution and the organizational level is strategic. This means that using CRE to support the corporate brand is a corporate activity that is part of the overall corporate strategy and has an influence on both the marketing strategy as well as the CRE-strategy. If an organization sees using CRE to support the corporate brand as a strategic and multidisciplinary corporate activity, it has an influence on the whole institution, provides input to all lower organizational levels and receives feedback from lower organizational levels.

4.1.3. ADVANTAGES OF SUPPORTING THE CORPORATE BRAND THROUGH CRE

Using CRE to support the corporate brand can provide specific advantages. It connects with the added value Promote Marketing and Sales of Lindholm (2008) and the comparable added values from other studies (See Table 3.1.). Although each study describes this added value a little different, there are two main functions that come forward. CRE can help in distinguishing the organization from the competition and it is a form of advertisement. In the first function the building shows why CRE is different than other buildings. This contributes to showing the differences between the organization and its competition. The second function is a representation of what the organization is and what it has to offer. These two functions of CRE correspond with the two main characteristics of branding, which are distinguishing from the competition and creating associations among consumers. As a way to distinguish, CRE can invite and retain customers or attract different types of skilled employees, such as talented students, outstanding employees or the best knowledge workers. As an advertisement CRE can attract attention for the corporate offering, reduce the marketing costs and promote the corporate culture. Khanna (2012) thinks that real estate, in contrast to products or services, is hard to imitate, substitute or trade. This makes CRE a unique way to boost the marketing strategy, especially in the current hypercompetitive market.

The specific advantages of using CRE to support the corporate brand become even more clear with practical examples. The first function of supporting the organization through CRE is distinguishing from the competition. Organizations can use their CRE in many ways to show a difference between the organization and its competitors. For example, if the corporate property contains special workplaces or unique facilities that other companies cannot offer CRE distinguishes itself from other working environments. If this workplace or this facility meets with the preferences and needs of skilled employees, these people might decide to start working at this particular organization. At the same time people that already work at the organization might become more loyal and might decide to stay for a longer period. The hyper modern office of Google is a good practical example of using CRE to distinguish (See Figure 4.2.). Google invites employees with a special workplace design and eye-catching interior. One of the intentions of Google is to attract skilled employees with this unique working environment. The property of Google really helps in distinguishing the organization from the competition, which makes it a useful practical example.

Figure 4.2. The distinguishing Interior and Design of Google (© Google)
Other advantages of using CRE to support the corporate brand come forward from the advertisement function of CRE. For instance, the façade of the property of an organization is the same in the whole real estate portfolio. Also the design of the façade is remarkable, which comes back in each building of the organization. This remarkable exterior creates recognizability when it is repeatedly used, so that the consumer is able to link the property with the offering of the organization. Bram Ladage and Pizza-Hut are two good practical examples of organizations that directly attract customers through their recognizable CRE (See Figure 4.3.). The form of the building of Bram Ladage and the design of the roof of the Pizza-Hut contribute to the recognizability of the organization towards its consumers. That is why these CRE-aspects are the same in each of the buildings of Bram Ladage and Pizza-Hut. In this way consumers are always able to link the property of the organization with the food it has to offer. In fact, the organization attracts the customers by using CRE that creates associations among the consumer. In the end the property of Bram Ladage and Pizza-Hut is an important factor within their marketing and sales strategies.

![Figure 4.3. The Recognizable Exterior of Bram Ladage and Pizza-Hut (© Bram Ladage, © Pizza-Hut)](image)

### 4.1.4. CRE IN THE CORPORATE BRANDING MODEL

The relationship between organization, CRE and outside world becomes clear after placing CRE in the Corporate Branding Model (See Figure 2.2.). According to Van Kempen (2008) CRE is part of the corporate visual identity, while Khanna (2012) calls CRE a way to communicate between organization and outside world. Based on these findings CRE becomes part of multiple frames within the Corporate Branding Model (See Figure 4.4.). CRE is a way to communicate, which makes it part of the corporate visual identity. Van Kempen calls the corporate visual identity the embodiment of the corporate brand. People look for clues that give an impression of the capacity and the quality of an organization. CRE is one of the visual corporate aspects that give these clues. If CRE is a way to communicate to the organization, it is part of the brand experience too. While the organization sees CRE as a part of the corporate visual identity, the outside world experiences CRE as a part of the brand experience. This means that CRE is one of the corporate reputation dimensions. The outside world forms its opinion on all corporate reputation dimensions. CRE is one of these dimensions, because CRE can influence the thoughts and categorization of the organization. This is in line with the findings of Van Loon et al. (2006) and Van Meel & Vos (2001), who think that CRE can be used to influence the corporate image and the corporate reputation. It can be concluded that supporting the corporate brand through CRE can boost the corporate image and the corporate reputation.
4.2. EXPRESSING CORPORATE BRAND VALUES THROUGH CRE

4.2.1. ALIGNING THE CRE-STRATEGY WITH THE CORPORATE IDENTITY

The previous section shows that CRE can function as communication channel. The content of this communication is not clear. The Corporate Branding Model (See Figure 4.4.) shows that CRE can boost the corporate image and the corporate reputation. An important factor of the Corporate Branding Model is the corporate identity. Many studies have the opinion that CRE should communicate the corporate identity (e.g., Khanna, 2012; Mentink, 2014; Van Kempen, 2008; Van Loon et al., 2006; Zoetemelk, 2011). For example, Van Kempen (2008) explains that the corporate identity should be integrated in CRE and Zoetemelk (2011) thinks that CRE is a part of the corporate identity that the organization communicates. Khanna (2012) assumes that communicating the corporate identity through CRE needs a specific alignment process. She thinks that the CRE-strategy must be in line with the corporate identity. Khanna bases this theory on the ideas of Balmer (1999), who thinks that all corporate aspect must be in line with the corporate identity. Khanna thinks that CRE must be in line with the corporate identity, so that CRE expresses the corporate identity to the consumers. Khanna calls the alignment between corporate identity and CRE a difficult process. The corporate identity is a complicated concept and real estate is a very complex object. This makes aligning the CRE-strategy with the corporate identity a challenging task.

4.2.2. ORGANIZATIONS THAT SHOULD CONSIDER CORPORATE BRANDING THROUGH CRE

It is difficult to explain which organizations should use their CRE to support the corporate brand. Some studies describe a categorization of which organizations should or should not be interested (e.g., Bitner, 1992; Davis, 1984; Menger, 2010; Van Kempen, 2008; Zoetemelk, 2011). For example, Van Kempen (2008) thinks that organizations that are very sensitive for their status, urban specialists and extravert trendsetters should use their CRE to support the corporate brand, while Davis (1984) has the opinion that creative people, such as writers, architects and artist, need creative offices. However, this categorization is still very abstract. Terms such as branding, marketing and sales insinuate that using CRE to support the corporate brand is only interesting for commercial organizations. However, Menger (2010) explains that every organization wants to add value through CRE in every possible way. He thinks that it does not matter whether an organization wants to make profit or not, because non-profit organizations have to deal with an image and a reputation as well. Although multiple...
studies try to explain which organization should use its CRE to support the corporate brand, the specific guidelines do not become completely clear from the literature.

Aligning the CRE-strategy with the corporate identity is not only necessary when an organization wants to use its CRE to support the corporate brand. Organizations should always try to prevent a mismatch between corporate identity and CRE. Many studies think that a mismatch between corporate identity and CRE has a negative influence on the corporate image or the corporate reputation (e.g. Davis, 1984; Roulac, 2001; Van Meel & Vos, 2001; Van Kempen et al., 2010; Zoetemelk, 2010). In this case the corporate identity that the organization communicates through CRE does not match with the actual corporate identity. A good practical example of a mismatch between organization and CRE is the Shell office in Rotterdam (See Figure 4.5.). This office is built in the Rotterdam city centre in the beginning of the seventies, which was a difficult time for the Dutch economy. The remarkable height and the simplified design caused many negative reactions among the citizens. The intention was to express the corporate power of Shell through an impressive building, but the inhabitants of Rotterdam did not like the realization of a large and expensive building during an economic crisis. The media even called this office “The erection of the Middle East”, which illustrates the public opinion. This mismatch had a negative influence on the corporate reputation of Shell.

Another good practical example of a misfit between organization and CRE is the municipal energy organization Stedin that operates from the Blaak 8 in Rotterdam (See Figure 4.6.). Most municipal organizations are centralized in one specific area in Rotterdam. In this way it is not only easier to collaborate with other municipal organization, but the organizations also save a lot of money by operating from the same property at a quite cheap location. Stedin chose to operate from the ground floor of the Blaak 8. This building is known for its high quality and its expensive location. The selection of this high-quality property by a municipal organization leads to many negative reactions from the citizens of Rotterdam. They see this localization as a waste of public money, because Stedin can operate from a cheaper location and a more simplified accommodation too. Maybe this decision is the best option for Stedin, but that is irrelevant for the outside world that forms its opinion about the organization. The choice of Stedin to operate from a more expensive building then other organizations causes a negative influence on the corporate image and corporate reputation.
4.2.3. EXPRESSION OF CRE IN THE CORPORATE BRANDING MODEL

CRE can communicate aspects of the corporate identity, but which specific aspects still remains unclear. In order to identify these aspects the descriptions of what an organization should express through CRE are collected. Appendix III shows which study mentions which description. It gives a good impression of what CRE should communicate, because it creates a certain hierarchy of the mentioned descriptions and makes it possible to go further into the communication process. In order to gain more insight in what CRE should communicate, the most mentioned descriptions in Appendix III are placed in the Corporate Branding Model (See Figure 4.7.). Here CRE is part of the corporate visual identity, because communicating through CRE takes place from a corporate perspective and not from a consumer perspective. Figure 4.7. shows how many studies mention one description specifically, but also how often aspects that are part of this description are mentioned. The specific descriptions are the corporate identity (11), the corporate brand (6) and the corporate image (5), but all studies describe one or more aspects that are part of the corporate organizational identity (20). Appendix III shows that the more early studies think that CRE can communicate aspects of the corporate brand or the corporate image (e.g., Bitner, 1992; Drake, 2002; Krumm & De Vries, 2003; Manning, 1991; O’Mara, 1999), while the more recent studies have the opinion that CRE should communicate aspects of the corporate identity (e.g., Khanna, 2012, Singer et al., 2007; Van Kempen, 2010; Van Loon, 2005; Zoetemelk, 2011). Based on these findings it becomes clear that CRE should communicate aspects that are part of the corporate organizational identity.

Figure 4.7. The Expression of CRE in the Corporate Branding Model (adjustment of Abratt & Kleyn, 2012)

Figure 4.7. provides even more clarity in the expression of CRE. It shows why CRE cannot communicate the corporate image and the corporate brand. The corporate visual identity is part of the organization, while the corporate image and the corporate brand are partly formed by consumers. It is the organization itself that communicates with these outsiders, so it is not possible that the organization communicates something that is partly formed by the outside world. Many studies think that CRE should express values (11), but they mention many different types of values (e.g., De Vries et al., 2008; Jensen, 2010; Khanna, 2012; Lindholm 2008; Van Loon, 2005). The most recent study of Khanna et al. (2013) provides clarity in which type of values the organization should communicate. Normally marketing strategies focus on communicating brand values through products and services. In a corporate branding strategy these brand values are corporate brand values that come forward from the corporate organizational identity. These corporate brand values must be integrated in all corporate aspects. If all corporate aspects are part of the corporate branding strategy, CRE must communicate corporate brand values as well.
4.2.4. EXPRESSION OF CRE IN THE CORPORATE IDENTITY MODEL

The sources of the corporate brand values become more clear after placing the descriptions from Appendix III in the Corporate Identity Model (See Figure 4.8.). According to Van Kempen (2008) CRE is part of the corporate design. In some studies it looks like the corporate design and the corporate visual identity are the same components, but Figure 4.8. proves that there is a difference. Figure 4.8. shows how many studies refer to one description, but also how often aspects that are part of this description are mentioned. Most of the studies mention descriptions that are part of the corporate culture (16), while a lot of them mention a certain type of values (11). These are the corporate brand values, which are the core values that come forward from the corporate organizational identity. As Balmer (2003) describes, the values of the corporate brand are real and a collection of founders’, corporate and sub-culture values. Each corporate identity is complex and unique, so for each organization the aspects of the corporate organizational identity that contain corporate brand values can be different. What can be concluded is that corporate brand values come forward from the corporate organizational identity.

Figure 4.8. The Expression of CRE in the Corporate Identity Model (adjustment of Zoetemelk, 2011)
Corporate brand values come forward from the corporate organizational identity, but Figure 4.8. shows there are three external influences as well. The first external influence is the characteristics of partners. It might be possible that a partner contains corporate brand values that the organization must express as well, so-called shared values (Balmer, 1999). For example, the organization starts a collaboration with a very sustainable organization. This causes attention for sustainability in the business policy. Another external influence is the industry characteristics. The industry in which an organization operates can provide values that are valid for the whole industry, so-called industry values (Lindholm, 2008). For instance, a governmental organization might want to express a certain soberness, because it is part of the public sector and not because soberness is a core value of the organization. Finally the environment influences the corporate organizational identity, the characteristics of partners and the industry identity (Melewar & Karaosmanoglu, 2006). As an illustration, not too long ago banks expressed stature, power and prestige, but after the recent negative economic developments banks focused on expressing trust and safety. Figure 4.9. shows an overview of the sources of the corporate brand values. In fact it is a simplified Corporate Identity Model that shows how the corporate organizational identity, corporate visual identity and the external factors influence each other. As a part of the corporate visual identity, CRE is influenced by values from the corporate organizational identity, characteristics of partners, characteristics of the sector or industry in which the organization operates and macro factors. Based on these sources each organization can form its unique set of corporate brand values.

Figure 4.9. Sources of Corporate Brand Values
4.3. CRE-ASPECTS THAT EXPRESS CORPORATE BRAND VALUES

4.3.1. DIRECT AND INDIRECT INFLUENCE THROUGH CRE

The previous section shows that CRE can communicate corporate brand values, but how CRE can express these corporate brand values remains unclear. Van Kempen (2008) distinguishes a direct and an indirect influence through CRE. Based on the Corporate Identity Model with CRE as a part of the corporate design (See Figure 4.8.) she forms a new model that shows both types of influences (Figure 4.10.). This model consists of all components of the corporate organizational identity and the corporate visual identity. The arrows show which components influence each other. Figure 4.10. reveals two different types of influences through CRE. CRE has a direct influence, because there is a direct link between the corporate design and the corporate identity. But CRE also has an indirect influence, because it has an indirect link with the corporate identity through corporate behaviour. First, CRE influences the corporate behaviour internally by expressing corporate brand values towards the employees. Then, when the employees come in contact with extern people, they transmit these corporate brand values through corporate behaviour. In short, the organization can directly express corporate brand values through CRE and can indirectly express corporate brand values through CRE and corporate behaviour.

![Diagram of Direct and Indirect Influence of CRE](Van Kempen, 2008)
4.3.2. CORPORATE BRAND VALUES THROUGH CRE-ASPECTS

The communication of corporate brand values goes through specific parts of the physical environment. People experience their environment holistic, which means they see their environment as one whole surrounding instead of separate parts (Van Kempen, 2008). Still this holistic environment contains many physical aspects that can influence the thoughts and behaviour of consumers. Multiple studies describe building characteristics that can express corporate brand values (e.g., Appel-Meulenbroek & Feijts, 2007; Bitner, 1992; Davis, 1984; Rafaeli & Vilnai-Yavetz, 2004; Vilnai-Yavetz et al., 2005). For example, Davis (1984) explains that thoughts and behaviour can be influenced through physical structure, physical stimuli and symbolic artefacts, while Bitner (1992) distinguishes the dimensions ambiance, space and signs, symbols and artefacts. Van Kempen (2008) presents a list of CRE-aspects that are important in the communication between organization and consumer, such as the façade, the main entrance and the quality of the furnishing. However, her respondents think that just a couple of these CRE-aspects are important. Later Zoetemelk (2011) shows that banking companies and its customers give different answers on which CRE-aspects are important in communicating through CRE. This means there is a difference between expressing and experiencing through CRE. Although previous studies provide insight in which parts of CRE can express corporate brand values, a list of CRE-aspects is still missing.

Practical examples give a good impression of CRE-aspects that express corporate brand values. Here using CRE to support the corporate brand is about creating associations and distinguishing the organization from the competition. Good practical examples are the Stichting Aluminium Centrum in Houten (See Figure 4.11a.) and the office of Rijkswaterstaat in Terneuzen (See Figure 4.11b.). The Stichting Aluminium Centrum supports the use of aluminium constructions. The organization sees aluminium as a strong and light building material. It expresses these characteristics through CRE. The office “Het Aluminium Bos” represents a small forest of aluminium pillars that carries the organization its headquarters. In this way the organization shows the power and the light use of aluminium. In the second practical example the office of Rijkswaterstaat in Terneuzen is illustrated. Sustainability is a value that is very important to Rijkswaterstaat. This building contains green roofs and façades, a lot of wood in the workplace design and many plants in the interior. In this way Rijkswaterstaat uses its CRE to communicate that sustainability is one of its corporate brand values. Both examples show that multiple CRE-aspects can express corporate brand values.

![Figure 4.11a. The Aluminium Bos of De Stichting Aluminium Centrum in Houten (©) and (b.) the Office of Rijkswaterstaat in Terneuzen (©)](image)

But CRE can express corporate brand values in a different way as well. Van Loon (2005) explains that organizations can create recognizability with their property. Then the corporate brand values evoke once people recognize the organization through its CRE. This recognizability can be created by designing CRE that distinguishes itself in the environment. A good practical example of distinguishing CRE is the ING House in Amsterdam (See Figure 4.12a.). ING wanted to create CRE that distinguishes itself from other buildings in the direct environment. Around the same time ABN AMRO already developed the highest possible building near this location, so distinguishing in height was not an option. ING decided to be distinctive in form instead of height. The result was a unique office building that consumers directly associate with ING. Once people see this building, the corporate brand values of ING might evoke. But organizations can also create recognizability with a standard CRE-design.

Jason van den Assem
that they repeatedly use. In this way the outside world recognizes the organization its CRE because it looks familiar. Then the corporate brand values automatically evoke. A good practical example of this familiar recognizability is IKEA (see Figure 4.12b). The blue and yellow colours, the large simplified façade and the large parking space make people directly think about IKEA and its offering. Both practical examples show that recognizability through CRE can evoke the brand values indirectly.

Figure 4.12a. The Distinguishing Office of ING in Amsterdam (©) and (b.) the Recognizable Property of IKEA in Delft (©)

4.3.3. CRE-ASPECTS THAT CAN EXPRESS CORPORATE BRAND VALUES

The practical examples give a good impression of the CRE-aspects that can express corporate brand values, but a complete list of CRE-aspects is still missing. In order to compose a complete list of CRE-aspects a similar approach as in the previous section is applied. The literature mentions many CRE-aspects that can express corporate brand values. Appendix IV shows an overview of which study mentions which CRE-aspects, based on the list of CRE-aspects of Appel-Meulenbroek & Feijts (2007). Table 4.1 shows a simplified version of Appendix IV. It contains the list of all CRE-aspects that are mentioned in the literature, together with a description of what this CRE-aspect exactly means in a corporate branding context.

<table>
<thead>
<tr>
<th>Category</th>
<th>CRE-aspect</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structural</td>
<td>Building height and volume</td>
<td>The height and the size of the building.</td>
</tr>
<tr>
<td></td>
<td>Building form</td>
<td>The form of the building, which consists of its representativeness and its aesthetics.</td>
</tr>
<tr>
<td></td>
<td>Building layout</td>
<td>The layout and total amount of square meters of the building.</td>
</tr>
<tr>
<td></td>
<td>Façade</td>
<td>The exterior or skin of the building.</td>
</tr>
<tr>
<td></td>
<td>Entrance</td>
<td>The place(s) where people can enter the building.</td>
</tr>
<tr>
<td></td>
<td>Standardization of elements</td>
<td>The standardization of the building attributes and the special attributes</td>
</tr>
<tr>
<td></td>
<td>Materials, forms and colours</td>
<td>The materials, forms and colours that are used in the building.</td>
</tr>
<tr>
<td></td>
<td>Environmental characteristics</td>
<td>The ambient conditions or comfort in the building, which consist of aspects such as light, smell, noise and temperature.</td>
</tr>
<tr>
<td></td>
<td>Floor layout</td>
<td>The floor layout within the building.</td>
</tr>
<tr>
<td></td>
<td>Room/workplace layout</td>
<td>The type of room or workplace(s) within the building.</td>
</tr>
<tr>
<td></td>
<td>Furnishing</td>
<td>The furnishing within the building, which consist of aspects such as the décor, the equipment and the placement.</td>
</tr>
<tr>
<td>Installation</td>
<td>Capacity</td>
<td>The energy conservation of the building.</td>
</tr>
<tr>
<td>Location</td>
<td>Parties</td>
<td>The proximity of collaborating parties in the direct environment of the location, such as the labour market, selling market, suppliers and sources, and the presence of supporting facilities, such as restaurants, super markets and other nearby amenities.</td>
</tr>
<tr>
<td></td>
<td>Accessibility</td>
<td>The way in which multiple types of transportation can access the location, combined with logistic facilities such as parking facilities.</td>
</tr>
<tr>
<td></td>
<td>Environmental influences</td>
<td>The characteristics of the direct environment of the location, such as the landscaping, the sources of noise, and the reputation or character of the location.</td>
</tr>
</tbody>
</table>

Table 4.1. CRE-Aspects that can express Corporate Brand Values
Multiple structural CRE-aspects can express corporate brand values (See Table 4.1. and Appendix IV). The CRE-aspects that are mentioned the most are the building form (12), building layout (12), materials, forms and colours (11), floor layout (9), room and workplace layout (9) and furnishing (13). Less mentioned structural aspects are the building height and volume (3), façade (4), entrance (3), standardization of elements (3) and control of environment characteristics (6). The lists show there is a difference between visible and invisible CRE-aspects. For example, structural aspects such as building age, construction type and flexible elements cannot express corporate brand values. This is because these CRE-aspects are not visible to the outside world. Still there is a difference between visibility on the inside and on the outside of the building. For instance, outsiders can notice the façade, while not all organizations show their floor layout to everyone. It depends on the organization which structural CRE-aspects are accessible. This partly determines which CRE-aspects can express corporate brand values.

Table 4.1. and Appendix IV show the installation- and location CRE-aspects as well. The capacity of the installation is the only mentioned installation CRE-aspect in the literature (4). Installation CRE-aspects are not that important in the expression of corporate brand values, because most of them are not visible. For example, the technical condition of installations and the connection of installation elements are part of the list of Appel-Meulenkoek & Feijts (2007), but are not mentioned as CRE-aspects that can express corporate brand values. The only installation CRE-aspect that can communicate is the energy conservation of the building, although it is still difficult to make this performance visible. Location CRE-aspects are mentioned much more. Especially accessibility (7) and environmental influences (9) are important CRE-aspects. Accessibility concerns multiple transportation methods and the environmental influences consist of characteristics of the direct environment, such as landscaping and the reputation of the location. Parties is a less mentioned location CRE-aspect (5). It focuses on the presence of facilities in the direct environment and the proximity of collaborating organizations. Location CRE-aspects are not specifically visible, but still outsiders are able to recognize them. In general people know the reputation of a location or have experiences with it. That is why these installation CRE-aspects and location CRE-aspects can express corporate brand values too.

4.3.4. LINKING CORPORATE BRAND VALUES WITH CRE-ASPECTS

Once it is clear which CRE-aspects can express corporate brand values, the challenge is to decide which CRE-aspect expresses which corporate brand value. If the corporate brand values that the organization wants to express are clear, they can be linked with visible CRE-aspects. The studies of Manning (1991), Van Loon (2005) and Khanna (2012) focus on translating values into building input. Khanna explains that managers should ask themselves whether it is possible to express a specific corporate brand value through a specific CRE-aspect. As an illustration, when transparency is one of the corporate brand values, it might be more easy to express transparency through the façade than through the installation capacity. Van Loon explains that values differ per person, which makes it difficult to match corporate brand values with consumers’ preferences. People can interpret expression in different ways, so a good argumentation is necessary. Manning thinks that organizations should consider multiple scenarios of values and CRE-aspects, so that the best combinations become clear. In the end there are multiple combinations of corporate brand values and CRE-aspects possible, but the challenge is to find out which list of combinations is the best way to support the corporate brand.
4.4. ALIGNING THE CRE-STRATEGY WITH THE CORPORATE IDENTITY

4.4.1. INPUT FROM THE ALIGNMENT BETWEEN CORPORATE STRATEGY AND CRE-STRATEGY

The optimal alignment between corporate identity and CRE asks for a complete alignment process. The alignment process between the corporate strategy and the CRE-strategy (See Section 3.3.) provides input on which steps are necessary for a complete alignment process between corporate identity and CRE. The alignment of the corporate strategy with the CRE-strategy is an overall process that consist of multiple smaller alignment processes. These smaller alignment processes focus on other added values of CRE, such as flexibility, sustainability and productivity (See Section 3.1.). One of these added values is promote marketing and sales, so aligning the CRE-strategy with the corporate identity is one of these smaller alignment processes. This means that the alignment between corporate identity and CRE probably needs a process that is similar to the alignment between corporate strategy and the CRE-strategy. Figure 3.6. shows what is necessary for a complete alignment between corporate strategy and CRE-strategy. Figure 4.13. illustrates a simplified Strategic Thinking Map that focuses on the alignment between corporate identity and CRE. The alignment between corporate identity and CRE uses Figure 4.13. as its starting point, but each step needs a different interpretation.

The overall alignment process between corporate strategy and CRE-strategy consists of all three phases of the Strategic Thinking Map, but the alignment between corporate identity and CRE only takes place in one of the three phases. The idea that the alignment of the CRE-strategy with the corporate identity should improve becomes clear from the Strategic Thinking Phase. It is a corporate activity that comes forward from market analyses or generating new ideas. The specific CRE-strategy that improves the alignment of the CRE-strategy with the corporate identity is formed in the Strategic Planning Phase. The steps within this phase guide CREM in forming the right CRE-strategy. The implementation and evaluation of this CRE-strategy takes place in the Strategic Momentum Phase. Here CREM carries out the CRE-strategy, evaluates its performance and provides feedback to the previous phases. The specific alignment between corporate identity and CRE only takes place in the Strategic Planning Phase, which means the alignment between CRE-strategy and corporate identity only considers input from the Strategic Planning Phase of the alignment between corporate strategy and CRE-strategy.
4.4.2. THE STRATEGIC PLANNING PHASE

The Strategic Planning Phase is multidisciplinary and needs a certain integration with the corporate strategy. This means that different types of employees must be able to provide input during different steps of the process. Feedback moments are part of the process too, because then organizations can check whether the process is still focusing on aligning the CRE-strategy with the corporate identity. The corporate strategy is integrated with the alignment process in two different ways. First, the corporate strategy is one of the sources of corporate brand values, because it is part of the corporate organizational identity. Second, this alignment process takes place at a strategic level, which means the results have an influence on the whole institution and provide input to all lower organizational levels. With this setup the alignment process between corporate identity and CRE-strategy is multidisciplinary, while it is also integrated with the corporate strategy.

4.4.3. THE SITUATIONAL ANALYSIS PHASE

The Situational Analysis provides much input on the alignment process between corporate identity and CRE. It starts with an external analysis that identifies significant key issues from the environment. Partners, the sector or industry in which the organization operates and macro factors are external factors that influence the set of corporate brand values. This means that an external analysis can be used to identify the macro factors that affect the organization, the shared values of partners and the values of the sector or industry in which the organization operates. At the same time an internal analysis can identify the corporate brand values that come forward from the corporate organizational identity. The next step is to find out whether the external factors influence the internal corporate brand values. In this way it is possible to determine the definitive set of corporate brand values. Although this way-of-working is not a specific SWOT-analysis, still this part of the process integrates both key internal as well as key external factors in the alignment process.

Another part of the Situational Analysis is identifying the portfolio key issues. A real estate audit can reveal whether CRE expresses the corporate brand values. Each combination of a corporate brand value and a CRE-aspect needs a separate analysis. Then the audit describes whether each CRE-aspect is or is not in line with the corporate brand values. Scenario planning can be applied once the CRE-interventions that improve the alignment are formed. It assists in finding the best implementation through comparing multiple scenarios with different CRE-interventions. Both steps of the Strategy Formulation in Figure 4.13. are not part of the alignment process between corporate identity and CRE. In the alignment process between corporate strategy and CRE-strategy organizations determine which added values of CRE are interesting, based on their driving forces. However, this study specifically focuses on the added value Promote Marketing and Sales. That is why linking driving forces with the added values of CRE is not necessary. In short this part of the process identifies which CRE-aspects are not in line, after which scenarios with CRE-interventions that improve these shortcomings are compared.

4.4.4. PLANNING THE IMPLEMENTATION PHASE

Some of the aspects of Planning the Implementation are part of this alignment process. The CRE-actions are not part of the alignment process, because here is determined which CRE-actions are interesting for the organization, based on the added values of CRE. This alignment process only focuses on the CRE-action using CRE to support the corporate brand, so this step is not necessary. The CRE-aspects that this alignment process focuses on are the visible and accessible parts of a building. A performance evaluation can identify how the alignment can improve. Besides an audit of the current real estate a desired real estate audit must take place too. This desired real estate audit shows how CRE could be used to express the corporate brand values. Then the current and the desired situation are compared, which reveals the gaps between the current and the desired alignment. Finally the reconsideration of the CRE department and the competitor analysis are not integrated in this alignment process. These decisions are based on the input from the overall alignment process and do not only come forward from the alignment between corporate identity and CRE. Overall a lot of steps of the alignment between the corporate strategy and the CRE-strategy are part of the alignment between the corporate identity and CRE.
4.5. CONCLUSION

4.5.1. ANSWER(S) TO RESEARCH QUESTION(S)

Based on the findings from Chapter 4 the third and fourth research question can be answered:

3. In which way can CRE be used to support the corporate brand and how can the corporate real estate strategy align with the corporate identity?

CRE can support the corporate brand by promoting the corporate marketing and sales. The physical environment has an influence on how people categorize or differentiate an organization. That is why CRE can function as a communication channel between the organization and the outside world. It can help the organization in distinguishing itself from the competition and forming an advertisement of the corporate offering. More specific, using CRE to support the corporate brand can provide multiple advantages, such as attracting skilled employees or reducing marketing costs. In the end CRE can boost the corporate image and the corporate reputation.

The CRE-strategy can align with the corporate identity by expressing corporate brand values through CRE-aspects. These corporate brand values come forward from the corporate organizational identity, the characteristics of partners and the characteristics of the sector or industry in which the organization operates. Also macro-factors can have an external influence on the set of corporate brand values. The CRE-aspects that can communicate corporate brand values are visible, accessible and recognizable. Finding the right combinations between corporate brand values and CRE-aspects asks for a complete alignment process between corporate identity and CRE.

4. Which aspects of the alignment process between corporate real estate and the corporate identity need to be integrated in a framework that verifies whether corporate real estate aligns with the corporate identity?

The framework that focuses on the alignment process between the CRE-strategy and the corporate identity must contain an analysis that identifies the corporate brand values that the organization should express through CRE. This analysis considers input from both internal as well as external analyses. A performance evaluation that reveals the gaps between the current alignment and the desired alignment of CRE must be part of the framework too. A real estate audit provides the input for this performance evaluation. Scenario planning should be part of the framework as well. The CRE-interventions that improve the alignment between corporate identity and CRE form the input for this scenario planning. By comparing multiple combinations of CRE-interventions the best option becomes clear. The framework must also have multiple feedback moments. At these moments the organization is able to check whether the process still focuses on aligning the CRE-strategy with the corporate identity.

4.5.2. TYPE OF ORGANIZATION AND TYPE OF REAL ESTATE

The findings from Chapter 4 make it possible to create guidelines about the type of organization and the type of real estate. This chapter shows how organizations can use their CRE to support the corporate brand. However, organizations might have their own ideas they can support the corporate brand through CRE. Their way-of-working might not correspond with the findings from the literature. That is why the findings from the literature are used as guidelines for the right use of CRE to support the corporate brand. In order to use CRE to support the corporate brand an organization must meet with the following requirements:

- The organization understands how CRE can support the corporate brand.
- CRE is part of the corporate branding strategy.
- Using CRE to support the corporate brand is a strategic corporate activity.
- Using CRE to support the corporate brand is a multidisciplinary process.
It is also possible to create guidelines about the type of organization. Although it is difficult to specifically explain in which sectors or industries using CRE to support the corporate brand is more useful, still it is more interesting within particular sectors or industries. Unfortunately there are no specific guidelines or requirements in this chapter for which sectors or industries are more suitable. That is why the demarcations for the sector, industry and type of organization are not very specific. In order to determine whether an organization should use its CRE to support the corporate brand the following demarcations are necessary:

- Using CRE to support the corporate brand is interesting for the type of organization
- Using CRE to support the corporate brand is interesting for the industry or sector in which the organization operates.

4.5.3. DEMARCATION

Based on the findings from Chapter 4 it is possible to form one specific demarcation about supporting the corporate brand through CRE. This demarcation makes a difference in the type of influence of CRE. This chapter distinguishes two types of influences of CRE; a direct influence and an indirect influence. It is difficult to concentrate on the indirect influence of CRE, especially because not much is clear about the direct influence of CRE yet. Also focusing on the indirect influence of CRE needs even more input from the literature. In this case information from studies about topics such as employee branding, corporate behaviour and psychology is necessary as well. That is why this study only focuses on the direct influence of CRE.
5. FIELDWORK APPROACH AND FRAMEWORK INPUT

Chapter 5 explains the fieldwork approach and describes the framework input. Through interviews with experts on corporate branding and CREM it is possible to verify the findings from the literature about corporate branding and CREM. This chapter starts with an explanation of the organization and the evaluation of these expert interviews. Based on the input from both literature as well as experts it is possible to develop a concept version of the framework that focuses on the alignment between corporate identity and CRE. The development of the framework is explained in Chapter 6, first Chapter 5 describes the organization and the evaluation of the next steps of the fieldwork. The same group of experts as in the interviews gives feedback on the concept version of the framework. Also the concept version of the framework is applied in two practical cases, which leads to more improvements. Section 5.2. shows the organization and evaluation of these feedback sessions and Section 5.3. describes the organization and evaluation of the case studies. Chapter 5 ends with a conclusion that answers the research questions “In which way can corporate real estate be used to support the corporate brand and how can the corporate real estate strategy align with the corporate identity?” and “Which aspects of the alignment process between corporate real estate and the corporate identity need to be integrated in a framework that verifies whether corporate real estate aligns with the corporate identity?”, based on the findings from the experts.

5.1. EXPERT INTERVIEWS

5.1.1. ORGANIZATION

Chapter 5 starts with an explanation of the organization of the expert interviews. The input from experts on corporate branding and CREM is used to verify whether the findings from the literature correspond with the use of CRE to support the corporate brand in practice. The literature describes interesting and useful input for a framework that focuses on the alignment between corporate identity and CRE. However, there is no guarantee that this input is valid in practice as well. The experts were able to indicate whether their experiences correspond with the findings from the literature, so that the practical relevance of the input becomes clear. This practical input is gathered through expert interviews. A group of five experts on real estate and marketing shared ideas about using CRE to support the corporate brand. Together these five experts form a diverse group with a high level of expertise on corporate branding and CREM. In this way the quality of the input is high and the information comes forward from multiple perspectives. This contributes to qualitative input that is both theoretically as well as practically relevant.

The group of experts consists of the following people:

- Ir. H. Verploegh, principal consultant within the division Buildings at Arcadis in Amersfoort and lead-professor of the Master of Facility Management & Vastgoed (MFM) at the University of Groningen.
- Ms. E. Leenen, facility manager at a.s.r. in Utrecht, which is chosen as the best Dutch office in 2014.
- Mr. P. Dunn, architect, director and leader of the workplace design team at RTKL in London.
- Dr. D.J.M. van der Voordt, associate professor in Real Estate Management at the Faculty of Architecture of the Delft University of Technology and researcher at the Center for People and Buildings in Delft.
- Ir. D.W.Q. Havermans, PhD candidate on “Concept neighbourhood branding” at the Eindhoven University of Technology and consultant at Atrivé in Utrecht.

The experts were able to prepare their input with a document that describes the findings from the literature research of this study. They received this document a week before the expert interview took place. Table 5.1 shows the content of this document. The information is categorized under the five main questions that come forward from the literature. These five questions are the guidance during the expert interviews. The findings from the literature about the demarcation of the type of organization and the type of real estate, and theory about the expression of corporate brand values through CRE, are not part of the document. The intention of this choice is that it is interesting to hear the ideas of the experts about these two questions without revealing the
findings from the literature in advance. These two findings are not mentioned in many different studies, which make these findings questionable. The experts might reveal different ideas that contradict the findings from the literature. Of course all findings on these two questions were explained during the conversation, so that it was still possible to hear the opinion of the experts about these theories. After arranging five meetings and sending the document to the experts the preparations of the expert interviews were set.

The expert interviews focus on the following questions (in the same order):

1. How can organizations use their CRE to support the corporate brand?
   a. What do the experts think about using CRE to distinguish the organization from the competition?
   b. What do the experts think about using CRE as an advertisement of the corporate offering?

2. How should an organization determine whether using CRE to support the corporate brand is interesting?
   a. Which guidelines for the type of organization are important?
   b. Which guidelines for the type of real estate are important?
   c. What do the experts think about the guidelines for corporate branding, CREM and using CRE to support the corporate brand that come forward from the literature?

3. What is it that the organization should express through CRE?
   a. What do the experts think about the idea that CRE expresses corporate brand values?

4. What are the CRE-aspects that the organization can use to express corporate brand values?
   a. What do the experts think about the idea that visible, accessible and recognizable CRE-aspects can express corporate brand values?

5. How should organizations determine which corporate brand values can be expressed with which CRE-aspects?
   a. What is necessary in a complete alignment model?

<table>
<thead>
<tr>
<th>1. How can organizations use their CRE to support the corporate brand?</th>
<th>Introduction Corporate Branding</th>
<th>Chapter 2.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction CREM</td>
<td>Chapter 3.</td>
<td></td>
</tr>
<tr>
<td>Summary Using CRE to support the Corporate Brand</td>
<td>Section 4.1.</td>
<td></td>
</tr>
</tbody>
</table>

| 2. How should an organization determine whether using CRE to support the corporate brand is interesting? | No input | |

<table>
<thead>
<tr>
<th>3. What is it that the organization should express through CRE?</th>
<th>Summary Expression of CRE</th>
<th>Section 4.2.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Expression of CRE</td>
<td>Appendix III</td>
<td></td>
</tr>
<tr>
<td>The Expression of CRE in the Corporate Branding Model</td>
<td>Figure 4.7.</td>
<td></td>
</tr>
<tr>
<td>The Expression of CRE in the Corporate Identity Model</td>
<td>Figure 4.8.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. What are the CRE-aspects that the organization should use to express?</th>
<th>Summary CRE-Aspects that can Express</th>
<th>Chapter 4.3.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRE-aspects that can Express</td>
<td>Appendix IV &amp; Table 4.1.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5. How should organizations determine what should be expressed through which CRE-aspects?</th>
<th>Summary aligning the CRE-strategy with the corporate identity</th>
<th>Chapter 4.4.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete Alignment between Corporate Identity and CRE-Strategy</td>
<td>Table 4.13.</td>
<td></td>
</tr>
</tbody>
</table>

Table 5.1. Literature input
5.1.2. EVALUATION

The expert interviews are a useful part to this study. Appendix V shows the findings of the experts, while Section 5.4 specially answers the research questions with these findings. Each expert interview lasted for one hour and four of the five interviews took place at the workplace of the experts. One of them was a telephone call. All experts agreed to record the interview, so that the input from the interviews could be integrated in this study without missing any relevant information. Most important of all, the input from the expert interviews is very useful. They support most of the findings from the literature, but at the same time they place some critical comments and remarks. The input from the experts is also very diverse, because not all experts agree with or contradict the same findings. However, not everything about the expert interviews is positive. During some interviews the idea arose that not all experts had read the whole document. Besides that, the input from the experts does not completely meet the expectations. Prior to the expert interviews the expectation was that more input could be gathered through these interviews. Specifically more input on the alignment process was expected. Maybe this partly reveals that using CRE to support the corporate brand is still a subject that not many organizations implement. Nevertheless, the expert interviews are a valuable part of this research, because they make it possible to verify the findings from the literature with practical findings.

5.2. EXPERT FEEDBACK

5.2.1. ORGANIZATION

This section describes the feedback of the experts on the concept version of the framework. It starts with a description of the organization of these feedback sessions. The same group of experts that provided the input for this framework also agreed to give feedback on the concept version of the framework. This contributes to the consistency of this research, because this group understands what this research subject is about and already gave its opinion about what should be part of a framework that focuses on aligning the CRE-strategy with the corporate identity. In the expert interviews most experts told that they were not able to meet again in person, because of their busy schedule. That is why the organization of the feedback sessions is not similar to the organization of the expert interviews. In order to be able to provide feedback all experts received an e-mail with Section 6.1. and an Excel file that contains a digital version of the concept framework. Based on the content of this e-mail the experts were able to provide feedback through e-mails and telephone calls.

The feedback sessions focus on the following questions (in the same order), based on the concept version of the framework in Section 6.1:

1. How can the overall alignment process in the framework between corporate identity and CRE improve?
2. Which specific aspects of the framework that focuses on aligning CRE with the corporate identity can improve?
   a. How can the Demarcation Analysis improve?
   b. How can the Corporate Identity Analysis improve?
   c. How can the CRE Audits improve?
   d. How can the Performance Evaluation improve?
   e. How can the CRE-Aspects Identification improve?
   f. How can the CRE-Interventions Identification improve?
   g. How can the Scenario Planning improve?

5.2.2. EVALUATION

Before the description of the feedback starts, the evaluation of these feedback sessions is given. Although personal meetings would have been a better option, this organization provided useful feedback as well. All experts were able to give feedback through an e-mail or a telephone call. The majority of the experts gave
extensive feedback. Most of them analysed all steps of the framework specifically and provided useful and
detailed advice. Unfortunately some of the experts were not able to analyse the framework in the same way.
The main reason was their busy schedule, which made it difficult to reserve time for a complete analysis of the
framework. Nevertheless the feedback that this group provided is very useful. Most of their remarks concern
steps of the Situational Analysis phase or the Strategy Formulation phase. The experts especially mention
improvements for the Demarcation Analysis and the Corporate Identity Analysis. They describe less
improvements for the CRE Audits, the Performance Evaluation, the Identification of CRE-aspects and the
Identification of CRE-interventions. Overall the expert feedback is a very useful part of the research that
contributes to an improved version of the framework.

5.3. CASE-STUDIES

5.3.1. ORGANIZATION

This section starts with an explanation of the organization of the case studies. The goal of this part of the research
is to apply the concept version of the framework in two suitable but totally different cases. In this way the
concept version can be tested in practice. Then the feedback on the concept framework can be used to form
improvements for the concept framework. The two suitable but totally different cases are the headquarters of
a.s.r. in Utrecht (See Appendix VI) and the Grotius building of the Radboud University in Nijmegen (See Appendix
VII). Arcadis recommended these two cases, because these organizations currently focus on how to use their CRE
to support the corporate brand and recently realized or transformed their CRE. With these two cases the
framework is tested in two different types of sectors, two different types of organizations and two different types
of real estate. Within these organizations employees were asked to participate in a group session that focuses
on using CRE to support the corporate brand. The intention was to arrange group sessions with employees that
have different types of functions and backgrounds. The employees were able to prepare this session with an
explanation of the setup, which was sent to them by e-mail. In this group session the input for the framework is
gathered. Based on this input all steps of the framework are carried out, so that the complete framework is
tested.

The group sessions focus on the following questions (in the same order), based on the concept version of the
framework in Section 6.1:

1. Is using CRE to support the corporate brand interesting for the organization?
   a. Do the corporate activities match with using CRE to support the corporate brand?
      i. Does the organization carry out a corporate branding strategy?
      ii. Does the organization see CRE as an added value?
      iii. Does the organization use CRE to support the corporate brand?
   b. Does the type of organization match with using CRE to support the corporate brand?
      i. Does the industry or sector in which the organization operates fit with using CRE to
         support the corporate brand?
      ii. Does the type of organization fit with using CRE to support the corporate brand?
      iii. Is the organization large?
      iv. Does the organization have sufficient financial possibilities?
   c. Does the type of real estate match with using CRE to support the corporate brand?
      i. Can the organization use CRE for a long period?
      ii. Is CRE a front office?
      iii. Does interaction between organization and consumer take place in CRE?

2. Which corporate brand values should the organization express through CRE?
   a. Which corporate brand values become clear from the sector or industry in which the
      organization operates?
b. Which corporate brand values become clear from the type of organization?
c. Which corporate brand values become clear from the corporate organizational identity?
d. Which corporate brand values become clear from the characteristics of partners?
e. Which environmental key issues have an external influence on these corporate brand values?

3. How do the CRE-aspects express the corporate brand values?
   a. How does the building height and volume express the corporate brand values?
   b. How does the building layout express the corporate brand values?
   c. How does the façade express the corporate brand values?
   d. How does the entrance express the corporate brand values?
   e. How does the standardization of elements express the corporate brand values?
   f. How do the materials, forms and colours express the corporate brand values?
   g. How do the environmental characteristics express the corporate brand values?
   h. How does the floor layout express the corporate brand values?
   i. How does the room and workplace layout express the corporate brand values?
   j. How does the furnishing express the corporate brand values?
   k. How do the characteristics of the installation express the corporate brand values?
   l. How do the parties express the corporate brand values?
   m. How does the accessibility express the corporate brand values?
   n. How do the environmental influences express the corporate brand values?

With the input from the group discussion the expert is able to answer the next questions (in the same order), based on the concept version of the framework in Section 6.1:

4. How do the CRE-aspects express the corporate brand values?
   a. How can the building height and volume express the corporate brand values?
   b. How can the building layout express the corporate brand values?
   c. How can the façade express the corporate brand values?
   d. How can the entrance express the corporate brand values?
   e. How can the standardization of elements express the corporate brand values?
   f. How can the materials, forms and colours express the corporate brand values?
   g. How can the environmental characteristics express the corporate brand values?
   h. How can the floor layout express the corporate brand values?
   i. How can the room and workplace layout express the corporate brand values?
   j. How can the furnishing express the corporate brand values?
   k. How can the characteristics of the installation express the corporate brand values?
   l. How can the parties express the corporate brand values?
   m. How can the accessibility express the corporate brand values?
   n. How can the environmental influences express the corporate brand values?

5. Which CRE-aspects are not in line with the corporate identity?
   a. Which combinations between corporate brand value and CRE-aspect have a low score?
   b. Which combinations of all corporate brand values and one CRE-aspect have a low average score?
   c. Which combinations of one corporate brand values and all CRE-aspects have a low average score?

6. Which CRE-aspects can be adjusted in order to improve the alignment between corporate identity and CRE?
   a. Which CRE-aspects cannot be adjusted because of preconditions?
   b. Which CRE-aspects are accessible, visible and recognizable?

7. Which CRE-interventions can improve the alignment between corporate identity and CRE?
5.3.2. EVALUATION

This section describes the evaluation of the case studies as well. The first case study took place at the headquarters of a.s.r. in Utrecht. Two employees with a different function and background agreed to have a group discussion of an hour about the match between a.s.r. and its new headquarters. They allowed to record interviews, so that the findings could be integrated in this study without missing any relevant information. Although it was not possible to speak with more employees, the findings were still very diverse and useful. All steps that need input were discussed and all necessary input for the framework was gathered. After the group discussion one of the employees gave a tour around the building. During this tour it was possible to make pictures of the specific CRE-aspects that were discussed. Besides that, one of the employees sent a collection of photographs of their new headquarters. With the input from the group discussion, the tour around the building and the photographs it was possible to carry out all steps of the concept version of the framework. Therefore the case study at a.s.r. in Utrecht was very useful.

The following employees of a.s.r. participated in the group discussions:

- Ms. E. Leenen, facility manager at a.s.r. in Utrecht
- Ms. I. Oort, program manager renovation at a.s.r. in Utrecht

The headquarters of a.s.r. in Utrecht is an excellent example of a good match between the corporate identity and CRE (a.s.r., 2014; 2015). The Demarcation Analysis shows that a.s.r. should use its headquarters to support the corporate brand, although the insurance company does not receive clients at this location (See Figure 5.1.). The organization should express soberness, transparency, sustainability and hospitality as its corporate brand values. Currently these corporate brand values especially come forward from the façade, the furnishing and the parties of the location. However, there are still CRE-aspects where the alignment can improve. The corporate brand value soberness does not match with the large building and its complex building and floor layout. However, the choice to stay at the same building instead of findings new property does match with the corporate brand values of a.s.r. That is why it is not totally correct to state that some of the CRE-aspects do not match with the corporate brand value soberness. Also the poor accessibility through public transport does not fit with being sustainable. Based on these gaps between current and desired expression multiple CRE-interventions that can improve the alignment are formed. For example, a.s.r. can transform the current building and floor layout into a more simplified plan, place the entrance at a more visible place or improve the connection of the public transport with the location. Overall the CRE-aspects are in line with the corporate brand values, but there are still some CRE-interventions that can improve the current alignment between corporate identity and CRE.
The evaluation of the second case study is very similar. This case study is carried out at the Grotius building of the Radboud University in Nijmegen. Here four employees with different functions and backgrounds participated in a group session. Because of the busy and conflicting schedules of the participants two different group sessions took place. Two of the four employees even agreed to participate in both group sessions. The employees of the Radboud University of Nijmegen also allowed to record the group discussions. Here too the findings from the group discussions were very useful and diverse. The group sessions provided input for all the Demarcation Analysis, the Corporate Identity Analysis and the CRE Audits. Based on this input all steps of the framework were carried out. Similar to the previous case study one of the employees gave a tour around the Grotius building. During this tour it was possible to make pictures of the building and one of the employees sent a set of photographs as well. The input from the group discussion, the tour around the building and the photographs provided enough input to carry out all steps of the conceptual version of the framework. This means that both case studies were very useful for this research.

These employees of the Radboud University in Nijmegen were able to participate:

- Ir. M. Pustjens, accommodation consultant at Universitair Vastgoed Bedrijf (UVB) at the Radboud University of Nijmegen
- Ms. I van den Heuvel, head Strategy & Development at the Radboud University of Nijmegen
- Mr. A. Peters, director of the Faculty of Law at the Radboud University of Nijmegen
- Ms. D. Hubers, director of the Faculty of Social Sciences at the Radboud University of Nijmegen

The Grotius building is a good practical example of a match between the corporate identity of the Radboud University of Nijmegen and its property (Radboud Universiteit, 2015a; 2015b; 2015c). The demarcations show that the use of CRE to support the corporate brand is very interesting for the university (See Figure 5.2.). The definitive set of corporate brand values consists of transparency, comfort, personality and chicness. These corporate brand values are mainly integrated in the façade, entrance and furnishing of the building. At the same time the entrance still needs improvement, because a small entrance is not in line with the corporate brand value comfort. Furthermore the expression of transparency and personality through the closed building layout can improve, while the closed floor layout does not express personality. Based on these unaligned CRE-aspects multiple CRE-interventions that improve the alignment are formed. For example, the building needs a larger entrance and a more open building layout, floor layout and room or workplace layout. Although the match between the Grotius building and the Radboud University of Nijmegen is already good, it becomes even better by carrying out these CRE-interventions.

![Figure 5.2. The Grotius building of the Radboud University of Nijmegen (© Radboud)]
5.4. CONCLUSION

5.4.1. ANSWER(S) TO RESEARCH QUESTION(S)

Based on the findings from Chapter 5 it is possible to improve the answers to the third and fourth research question:

3. In which way can CRE be used to support the corporate brand and how can the corporate real estate strategy align with the corporate identity?

Corporate branding includes all corporate aspects, which means that CRE influences the corporate image and the corporate reputation. The physical environment is an important factor in the overall judgement of an organization, but still it is just one of the multiple influences. Other factors might be more important than the literature describes. At the same time other added values through CRE are more important at the moment, such as cost reduction or flexibility. Organizations must understand that there is a difference between corporate identity and corporate image, because what the organization wants to express does not always correspond with what the consumer experiences. That is why the use of CRE to support the corporate brand needs an argumentation that is clear for both organization as well as outside world.

The CRE-strategy can align with the corporate identity by expressing corporate brand values through CRE-aspects. It is difficult to explain what the sources of these corporate brand values are, because the set of corporate brand values is unique for each organization. They should be collected through group settings with different types of employees. Finding the right combinations between corporate brand values and CRE-aspects asks for a complete alignment process between corporate identity and CRE. This means that all CRE-aspects must align with the total set of corporate brand values instead of just a couple of CRE-aspects with some of the CRE-aspects.

4. Which aspects of the alignment process between corporate real estate and the corporate identity need to be integrated in a framework that verifies whether corporate real estate aligns with the corporate identity?

The main parts of the framework must be the goal of the process and the way to carry out this process. The goal of the process is expressing corporate brand values and the way to express these corporate brand values are CRE-aspects. That is why the framework should focus on which CRE-aspects express which corporate brand values. In a complete alignment process it is important that the process focuses on all possible combinations between corporate brand values and CRE-aspects. The corporate brand values become clear in brainstorm sessions and group discussions with employees with different functions, perspectives and backgrounds. At the same time the CRE-aspects that can express corporate brand values are visible, accessible or recognizable for outsiders. Overall the main part of the process must focus on which CRE-aspects can be used to express which CRE-aspects.
5.4.2. TYPE OF ORGANIZATION AND TYPE OF REAL ESTATE

The findings from Chapter 4 make it possible to create guidelines about the type of organization and the type of real estate. This experts explain how organizations can use their CRE to support the corporate brand. However, organizations might have their own ideas they can support the corporate brand through CRE. Their way-of-working might not correspond with the findings from the experts. That is why the findings from the experts are used as guidelines for the right use of CRE to support the corporate brand. In order to use CRE to support the corporate brand an organization must meet with the following requirements:

- Using CRE to support the corporate brand is interesting for the industry or sector in which the organization operates.
- Using CRE to support the corporate brand is interesting for the type of organization
- The organization is large
- The organization has sufficient financial possibilities.

Similar to the type of organization, the specific guidelines for the type of real estate that can support the corporate brand are not totally clear. This chapter contains some requirements for CRE that can support the corporate brand. In order to determine whether a CRE can support the corporate brand the following guidelines are necessary:

- CRE is a front-office.
- CRE receives guests.
- CRE can be used by the organization for a long period.
6. FRAMEWORK DEVELOPMENT

Chapter 6 describes the development of the framework that focuses on the alignment between corporate identity and CRE-strategy. It is formed with the input from both marketing and real estate literature (Chapter 4) as well as input from experts on corporate branding and CREM (Chapter 5). This chapter starts with an explanation of the concept version of the framework. This concept version is improved with feedback from the same group of experts that provided the input for the framework and from two cases studies where the concept version of the framework is applied. Section 6.2. shows the input from the feedback sessions and Section 6.3. reveals the improvements that became clear after the case studies. With the findings from this chapter the research question “How can a framework that verifies whether corporate real estate aligns with the corporate identity be applied in practice?” can be answered in the conclusion of this chapter.

6.1. CONCEPT FRAMEWORK

6.1.1. WAY-OF-WORKING OF THE COMPLETE FRAMEWORK

The input from both the literature as well as experts on corporate branding and CREM is transformed into a framework that focuses on aligning the CRE-strategy with the corporate identity. Before the explanation of this framework starts it is important to mention this is an expert framework. This means that only a person with expertise on corporate branding and CREM has the ability to apply it. The input and output of the steps in this framework need a certain interpretation that only someone who understands the way-of-working of corporate branding and CREM can provide. The expert collects input for multiple steps in the process through a group conversation. Then he or she fills in the framework, based on his or her own interpretation of the input. Figure 6.1. illustrates the composition of the complete framework. It is a unidirectional process that consists of seven different steps. These steps are divided over the three phases of the Strategic Planning phase. The linear arrows show which steps provide input to the next steps, while the dashed arrows show the feedback moments. This section starts with a description of the way-of-working of the complete framework, after which each step is explained separately and more specifically.

![Framework Diagram](image-url)
The **Situational Analysis (A)**, the first phase in the framework, consists of two steps. First, the expert determines whether the use of CRE to support the corporate brand is interesting for the organization. This takes place in the **Demarcation Analysis (1)**. Based on multiple demarcations it becomes clear whether an organization should consider supporting the corporate brand through CRE. These demarcations become clear from the corporate activities, the type of organization and the type of CRE. Once it is clear whether using CRE to support the corporate brand is interesting for the organization, a **Corporate Identity Analysis (2)** takes place in step two. Here the corporate brand values that the organization should express through CRE are determined. These corporate brand values come forward from the sector or industry in which the organization operates, the type of organization, the corporate organizational identity, the shared values of partners and the macro factors that influence the organization. The Situational Analysis ends once the definitive set of corporate brand values is clear.

The second phase is the **Strategy Formulation (B)**. This phase starts with two CRE Audits and ends with a Performance Evaluation. The set of corporate brand values that comes forward from the Corporate Identity Analysis forms the input. First the **Current CRE Audit (3)** takes place. In this audit is determined whether the current CRE-aspects express the corporate brand values. Then the **Desired CRE Audit (4)** is performed. The desired CRE audit focuses on how these CRE-aspects could express the corporate brand values. The results of these CRE audits are the input for the **Performance Evaluation (5)**. Here the results of the Current CRE Audit and the Desired CRE Audit are compared. The gaps between what CRE expresses and what CRE could express are identified. In this way it becomes clear which CRE-aspects can improve. After the Performance Evaluation a feedback moment is integrated. Here the organization checks whether the process still focuses on expressing the right corporate brand values. After this feedback moment the strategy formulation is finished.

The last phase is **Planning The Implementation (C)**. This final phase consists of two different steps. The gaps between the current expression and the desired expression form the input for the **CRE-Aspects Identification (6)**. Here the alignment of the CRE-aspects that can be improved is discussed by comparing the comments from the Current CRE-Audit with the comments from the Desired CRE-Audit. Based on the results from this discussion the CRE-aspects that should be adjusted are identified. The identification of specific CRE-interventions takes place in the final step, the **CRE-Interventions Identification (7)**. Here multiple CRE-interventions that improve the alignment of the CRE-strategy with the corporate identity are identified. The CRE-aspects that come forward from the CRE-Aspects Identifications form the input for this step, so that the CRE-interventions focus on these CRE-aspects. A feedback moment is placed here as well, so that the organization can check whether these CRE-interventions really improve the expression of the corporate brand values that came forward from the Corporate Identity Analysis. This feedback moment is the final activity in the alignment process.

### 6.1.2. **DEMARcation ANALYSIS**

Now that the way-of-working of the total framework is clear, each step is explained separately and more specifically. The first step of the framework is the Demarcation Analysis (See Figure 6.2.). Here the expert determines whether it is interesting for the organization to use CRE to support the corporate brand. This step takes place in a group discussion where employees with different functions, backgrounds and perspectives participate. This group discussion is under the supervision of the expert that applies the framework. The goal of this discussion is to collect input on all demarcations in this table. It is important that the expert is the one that collects the input, because he or she understands what it means to meet the requirements of each demarcation. For example, many organizations might think that they carry out a corporate branding strategy, but maybe their way-of-working does not correspond with the right theories. Besides that, with group discussions the expert is able to ask more specific questions about one of these demarcations. For instance, if it does not become clear whether the organization sees CRE as an added value, the expert can ask more specific questions about the organization of CREM. When multiple employees with different backgrounds and functions participate, the input comes forward from many perspectives. In this way it becomes clear whether each demarcation is seen in the same way by different employees.
Based on the input from the group discussion the expert fills scores for each demarcation. The scores differ from “true” (5), “little true” (4), “neutral” (3), “little false” (2) to “false” (1). Next to these scores the expert can use the “comment” boxes to fill in why he or she chooses this score. In this way the arguments behind this score are clear, so that other people might understand why this score is given. These scores only give an indication; it is not that a certain sum or an average means that using CRE to support the corporate brand is or is not interesting for the organization. The higher the scores are, the more interesting supporting the corporate brand through CRE is. Not meeting one of these guidelines does not automatically mean that the organization should not use CRE to support the corporate brand. The circumstances are different in each situation, so the expert must form an advice based on these scores and comments. Based on his or her own interpretation the expert determines whether it is interesting for the organization to use CRE to support the corporate brand.

### DEMARCATION ANALYSIS

<table>
<thead>
<tr>
<th>Corporate activities</th>
<th>Scores</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization follows a corporate branding strategy.</td>
<td>1-5</td>
<td>-</td>
</tr>
<tr>
<td>The organization sees its CRE as an added value to the organization.</td>
<td>1-5</td>
<td>-</td>
</tr>
<tr>
<td>The organization uses its CRE to support the corporate brand.</td>
<td>1-5</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Organization demarcations</th>
<th>Scores</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>The industry or sector in which the organization operates fits with using CRE to support the corporate brand.</td>
<td>1-5</td>
<td>-</td>
</tr>
<tr>
<td>The type of organization fits with using CRE to support the corporate brand.</td>
<td>1-5</td>
<td>-</td>
</tr>
<tr>
<td>The organization is large.</td>
<td>1-5</td>
<td>-</td>
</tr>
<tr>
<td>The organization has sufficient financial possibilities.</td>
<td>1-5</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Building demarcations</th>
<th>Scores</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization can use this building for a long period.</td>
<td>1-5</td>
<td>-</td>
</tr>
<tr>
<td>This building is a front office.</td>
<td>1-5</td>
<td>-</td>
</tr>
<tr>
<td>In this building interaction between consumer and organization takes place.</td>
<td>1-5</td>
<td>-</td>
</tr>
</tbody>
</table>

| Decision | - |

Table 6.2. Demarcation Analysis

### 6.1.3. CORPORATE IDENTITY ANALYSIS

The second step of the framework is the Corporate Identity Analysis (See Figure 6.3.). In this step the expert determines which corporate brand values the organization should express through CRE. Finding these corporate brand values takes place in the same group discussion as in the Demarcation Analysis. Again the group discussion is under the supervision of the expert that applies the framework and again employees with different functions and backgrounds participate. Through conversation and discussion the participants are able to complement or contradict each other. Besides that, the expert is able to ask the participants more specific questions that might reveal important input. Before the brainstorm session takes place the expert should study corporate documents that contain information about the corporate brand values, such as mission statements, strategy plans or annual reports. This gives a good first impression of which corporate brand values the organization should express. It
might be possible that this set of corporate brand values is already determined by the organization itself. Then it is still interesting to perform a Corporate Identity Analysis, because it creates clarity in what the organization should express.

The brainstorm session starts with identifying the sources of the corporate brand values. These sources are the industry or sector in which the organization operates, the type of organization, the corporate organizational identity and the shared values of partners or collaborations. The participants of the discussion give their opinion on which corporate brand values come forward from these sources. In other words, they say which corporate brand values are typical for a sector, an industry or a type of organization. Also the participants give their opinion on the macro factors that might influence these corporate brand values. Probably the organization already carried out an external analysis that identifies macro factors internally. The question in this group discussion is which of these macro factors are environmental key issues that can have an influence on the corporate brand values. Considering the input from this group discussion the expert determines the definitive set of corporate brand values that should be expressed through CRE. Some corporate brand values that come forward from different sources in the group discussion might be very similar, while maybe the environmental key issues strengthen or weaken certain corporate brand values. Based on these influences the expert determines the composition of the definitive set of corporate brand values.

**CORPORATE IDENTITY ANALYSIS**

<table>
<thead>
<tr>
<th>Identify sources of corporate brand values</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry or sector</td>
<td>Sector X</td>
</tr>
<tr>
<td>Type of organization</td>
<td>Type X</td>
</tr>
<tr>
<td>Corporate organizational identity</td>
<td>Organization X</td>
</tr>
<tr>
<td>Partners or collaborations</td>
<td>Partner X</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Identify corporate brand values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate brand value 1</td>
</tr>
<tr>
<td>Corporate brand value 2</td>
</tr>
<tr>
<td>...</td>
</tr>
<tr>
<td>Corporate brand value x</td>
</tr>
</tbody>
</table>

| Identify environmental key issues | Environmental key issues (PESTEL) |
|----------------------------------|
| Key issue 1                      |
| Key issue 2                      |
| ...                              |
| Key issue x                      |

| Determining definitive set of corporate brand values | Corporate brand values |
|------------------------------------------------------|
| Corporate brand value 1                            |
| Corporate brand value 2                            |
| ...                                                 |
| Corporate brand value x                            |
6.1.4. CURRENT CRE AUDIT

The third step of the framework is the Current CRE Audit. In this step it is determined whether the current CRE-aspects express the corporate brand values that come forward from the Corporate Identity Analysis. This step takes place in a group discussion as well. However, in this group discussion the participants must have a connection with the specific building that is analysed. During this group discussion the participants are asked in what way the corporate brand values are integrated in the building. They can give their opinion on how the visible, accessible and recognizable CRE-aspects express the corporate brand values. More specific, the expression of each CRE-aspect is discussed separately. In this way it becomes clear which CRE-aspect expresses which corporate brand value in which way. The right argumentation behind the expression through CRE is important too. The advantages of a group discussion are similar to the advantages in the previous step. Participants are able to complement and contradict each other, while the expert is able to ask more specific questions. In the end of this step the expression of each CRE-aspect through the eyes of the participants is clear.

The input from the group discussion is processed in an overview (See Figure 6.4.). The list of CRE-aspects consists of the visible, recognizable and accessible CRE-aspects, while the list of corporate brand values comes forward from the Corporate Identity Analysis. Based on the input from the group session the expert fills in scores for each combination of a corporate brand value with a CRE-aspect. These scores give an indication of the match between corporate brand value and CRE-aspect. The scores differ from “very good” (5), “good” (4), “neutral” (3), “bad” (2) to “very bad” (1). The higher the scores, the better the CRE-aspect is aligned with the corporate brand value. Next to these scores the expert can use the comment boxes to fill in why this score is chosen. In this way the arguments behind this score become clear, so that others might understand why this score is given. Besides these specific scores the averages per CRE-aspect and per corporate brand value are calculated as well. Here it becomes clear which CRE-aspect is important in the expression of a corporate brand value and which corporate brand value comes forward from multiple CRE-aspects. Here a higher score indicates a better expression of all corporate brand values through one CRE-aspect or of corporate brand value through multiple CRE-aspects. In total the Current CRE audit shows how the current CRE-aspects are aligned.

<table>
<thead>
<tr>
<th>Structural CRE-aspects</th>
<th>Scores corporate brand value versus CRE-aspect</th>
<th>Average</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Height and Volume</td>
<td>CBV 1 1-5</td>
<td>CBV 2 1-5</td>
<td>CBV 5 1-5</td>
</tr>
<tr>
<td>Building Layout</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Façade</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Entrance</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Standardization of Elements</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Materials, forms and colours</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Environmental Characteristics</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Floor Layout</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Room/Workplace Layout</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Furnishing</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Installation CRE-aspects</th>
<th>Scores corporate brand value versus CRE-aspect</th>
<th>Average</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Characteristics</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location CRE-aspects</th>
<th>Scores corporate brand value versus CRE-aspect</th>
<th>Average</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parties</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Accessibility</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Environmental influences</td>
<td>1-5</td>
<td>1-5</td>
<td>1-5</td>
</tr>
</tbody>
</table>

| Average | 1-5 | 1-5 | 1-5 | 1-5 |

Figure 6.4. Current CRE Audit
6.1.5. DESIRED CRE AUDIT

The fourth step of the framework is the Desired CRE Audit (See Figure 6.5.). In this step is determined in what way the CRE-aspects could express the corporate brand values. Although the organization of this step is a little different from the Current CRE Audit in the previous step, the way-of-working is almost similar. In contradiction to the group discussion in the previous steps the Desired CRE Audit is performed by the expert on his or her own. This step needs specific expertise on corporate branding and CREM, so input from the employees is not necessary. The expert asks him- or herself how each CRE-aspect could express each corporate brand value. He or she assumes an ideal situation where the CRE-aspect expresses the corporate brand values in a perfect way. Then the expert fills in the scores that are based on his or her own interpretation of the desired expression of the CRE-aspects. The score system is similar to the previous step. Also here the scores differ from “very good” (5), “good” (4), “neutral” (3), “bad” (2) to “very bad” (1). However, in a perfect situation there is no bad or very bad expression, because each desired expression is at least neutral. That is why a Desired CRE Audit only contains scores that are neutral, good or very good. Here as well it is possible to place arguments in the comment boxes. In total the Desired CRE audit displays how the CRE-aspects could express the corporate brand values.

### DESIRED CRE AUDIT

<table>
<thead>
<tr>
<th>Structural CRE-aspects</th>
<th>Scores corporate brand value versus CRE-aspect</th>
<th>Average</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Height and Volume</td>
<td>CBV 1 1-5</td>
<td>CBV 2 1-5</td>
<td>CBV x 1-5</td>
</tr>
<tr>
<td>Building Layout</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Façade</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Entrance</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Standardization of Elements</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Materials, forms and colours</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Environmental Characteristics</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Floor Layout</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Room/Workplace Layout</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Furnishing</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Installation CRE-aspects</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Characteristics</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Location CRE-aspects</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parties</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Accessibility</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Environmental influences</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
<tr>
<td>Average</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
<td>1-5 1-5</td>
</tr>
</tbody>
</table>

Figure 6.5. Desired CRE Audit

6.1.6. PERFORMANCE EVALUATION

The fifth step of the framework is the Performance Evaluation (See Figure 6.6.). This step identifies which CRE-aspects are not in line with the corporate identity. Again the expert performs this step on his- or her own and again the score system is similar to the previous two steps. The scores from the Current CRE Audit and the Desired CRE Audit form the input for the Performance Evaluation. The gaps between the expression of the current CRE-aspects and the desired CRE-aspects reveal where the alignment between CRE-aspects and corporate brand values can improve. That is why the differences between the scores of the Current CRE Audit and the Desired CRE Audit are calculated. Higher the difference, the more unaligned the CRE-aspect is. Based on these differences the scores in the Performance Evaluation that give an indication of the alignment are formed. Again the scores differ from “very good” (5), “good” (4), “neutral” (3), “bad” (2) to “very bad” (1). They are formed by
multiplying the difference between desired expression and current expression with -1 and add 4 (new score = \((\text{desired} - \text{current}) \times (-1) + 4\)). The lower the score is, the more the alignment of a CRE-aspect with a corporate brand value can improve. This step ends with a feedback moment, because the expert must check whether the process is still focusing on improving the alignment between corporate identity and CRE. When the CRE-aspects that become clear in the Performance Evaluation are actually not in line with the corporate brand values, the process still focuses on aligning the CRE-strategy with the corporate identity.

<table>
<thead>
<tr>
<th>Structural CRE-aspects</th>
<th>Scores corporate brand value versus CRE-aspect</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Height and Volume</td>
<td>CBV 1: 1-5, CBV 2: 1-5, CBV x: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Building Layout</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Façade</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Entrance</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Standardization of Elements</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Materials, forms and colours</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Environmental Characteristics</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Floor Layout</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Room/Workplace Layout</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Furnishing</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Installation CRE-aspects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Characteristics</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Location CRE-aspects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parties</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Accessibility</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Environmental influences</td>
<td>CBV 1: 1-5, CBV 2: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Average</td>
<td>CBV 1: 1-5, CBV 2: 1-5, CBV x: 1-5</td>
<td>1-5</td>
</tr>
<tr>
<td>Feedback to the organization</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Figure 6.6. Performance Evaluation*
6.1.7. CRE-ASPECTS IDENTIFICATION

The sixth step of the framework is the CRE-Aspects Identification (See Figure 6.7.). The expert carries out this step by his- or herself. The results from the Performance Evaluation form the input for the CRE-Aspects Identification. This input consists of the CRE-aspects that have one separate low score or a low average score. These are the CRE-aspects where the alignment with one specific corporate brand value or the whole set of corporate brand values can improve. In the CRE-Aspects Identification the expert compares the comments from the Current CRE Audit with the comments from the Desired CRE Audit. With this comparison it becomes clear which changes are necessary for each CRE-aspect that is not in line with the corporate brand values. The differences between the current comments and the desired comments reveal which CRE-aspects need adjustments. In the end the CRE-Aspects Identification shows which CRE-aspects should be adjusted in order to improve the alignment.

<table>
<thead>
<tr>
<th>CRE-ASPECTS IDENTIFICATION</th>
<th>Current comments</th>
<th>Desired comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structural CRE-aspects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Height and Volume</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Building Layout</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Façade</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Entrance</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Standardization of Elements</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Materials, forms and colours</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Environmental Characteristics</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Floor Layout</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Room/Workplace Layout</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Furnishing</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Installation CRE-aspects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Characteristics</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Location CRE-aspects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parties</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accessibility</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Environmental influences</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*Figure 6.7. CRE-Aspects Discussion*

6.1.8. CRE-INTERVENTIONS IDENTIFICATION

The final seventh step of the framework is the CRE-Interventions Identification (See Figure 6.8.). Here the specific CRE-interventions that improve the alignment of the CRE-strategy with the corporate identity become clear. This step takes place in a group discussion that is similar to the group discussion in the Current CRE Audit. The diverse group of employees that participates must be familiar with the building. The results from the CRE-Aspects Identification form the input for the CRE-Interventions Identification. During this group discussion each CRE-aspect that should be adjusted will be discussed. The participants propose possible interventions that improve the alignment of these CRE-aspects. The output of this group discussion consists of CRE-interventions that improve the alignment of the CRE-strategy with the corporate identity. This step ends with a feedback moment, because the expert has to control whether the process is still focusing on improving the alignment between corporate identity and CRE. When the CRE-interventions actually improve the alignment between the CRE-aspects and the corporate brand values that come forward from the Corporate Identity Analysis the process still focuses on aligning the CRE-strategy with the corporate identity.
### CRE-INTERVENTIONS IDENTIFICATION

<table>
<thead>
<tr>
<th>Structural CRE-aspects</th>
<th>Possible CRE-Interventions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Height and Volume</td>
<td>-</td>
</tr>
<tr>
<td>Building Layout</td>
<td>-</td>
</tr>
<tr>
<td>Façade</td>
<td>-</td>
</tr>
<tr>
<td>Entrance</td>
<td>-</td>
</tr>
<tr>
<td>Standardization of Elements</td>
<td>-</td>
</tr>
<tr>
<td>Materials, forms and colours</td>
<td>-</td>
</tr>
<tr>
<td>Environmental Characteristics</td>
<td>-</td>
</tr>
<tr>
<td>Floor Layout</td>
<td>-</td>
</tr>
<tr>
<td>Room/Workplace Layout</td>
<td>-</td>
</tr>
<tr>
<td>Furnishing</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Installation CRE-aspects</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Characteristics</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location CRE-aspects</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Parties</td>
<td>-</td>
</tr>
<tr>
<td>Accessibility</td>
<td>-</td>
</tr>
<tr>
<td>Environmental influences</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Feedback to the organization</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

Figure 6.8. CRE-Interventions Identification

### 6.1.9. SCENARIO PLANNING

The framework ends with the CRE-Interventions Identification, but the alignment process of the CRE-strategy with the corporate identity continues. Multiple CRE-interventions that improve the alignment of the CRE-strategy with the corporate identity become clear in this framework. However, there might be other CRE-interventions come forward from other alignment processes as well. Maybe other CRE-aspects should be adjusted in order to improve the flexibility, productivity or employee satisfaction of the organization. Some of these CRE-interventions might be similar, while other CRE-interventions might be contrary. The goal of the organization is to maximize the alignment of the CRE-strategy with the overall corporate strategy. Therefore the organization should find out which combination of CRE-interventions improves the alignment of the CRE-strategy with the corporate strategy the most. That is why the organization must consider scenario planning. Aligning the CRE-strategy with the corporate identity is just a part of the whole alignment process. The CRE-interventions that come forward improve the alignment of the CRE-strategy with the corporate identity, but maybe they do not improve the overall alignment process. That is why these CRE-interventions should only be input for the alignment between CRE-strategy and corporate strategy.
6.2. FEEDBACK FROM THE EXPERTS

6.2.1. OVERALL IMPROVEMENTS

This section starts with the improvements of the concept framework that became clear after the feedback sessions with the experts. Although the experts think that the steps of the framework are still abstract, they call the framework interesting, practically relevant and easy to apply. The phases and steps in the framework are logic, which makes the alignment process easy to follow. The framework guides the user through the alignment process between corporate identity and CRE. However, the user should be able to use the framework without reading this whole study. This asks for a separate and more extensive description of the framework. First of all the terms and definitions must be clear. For instance, terms such as Demarcation Analysis and Planning the Implementation can have more simple names. Also all steps need a more clear explanation, because in the concept version it is still difficult to apply the framework for an expert on corporate branding and CRE. Finally the experts think that a clear argumentation of the user of the framework is very important, so that others are able to understand why the user of the framework takes a specific decision. Overall the feedback on the whole process of the concept version of the framework is very positive, but especially the description of the definitions and steps can be improved.

6.2.2. IMPROVEMENTS PER STEP

Besides feedback for the overall alignment process, the experts provided specific improvements for separate steps of the framework as well. A sufficient part of the feedback is about the Demarcation Analysis. The most important is that, without looking at specific demarcations, an organization must have the idea that its CRE can be an added value to the marketing strategy. A Demarcation Analysis is not necessary when an organization is not convinced of or interested in using CRE to support the corporate brand. The score system of the Demarcation Analysis needs improvements too. In this version of the framework all demarcations contain a five-point scale score, but some of the demarcations only need a true or false score. For example, whether CRE is a front office is true or false, there is no other option. Finally some of the experts wonder whether it is possible to form a conclusion based on just one of the demarcations. For instance, when a building is not a front-office, is it still interesting to use CRE to support the corporate brand? It might be possible to implement demarcations that exclude options, so that only one demarcation is already deciding. Overall the alignment process needs an interested and convinced organization and a Demarcation Analysis that consists of demarcations with the right score system.

The Corporate Identity Analysis receives useful feedback as well. In this version of the framework it is difficult to understand which information must be placed where, even for an expert on corporate branding and CREM. For instance, it is not clear what “type of organization” exactly means. One of the experts recommends to integrate a practical example in the framework that shows which characteristics must be placed where in the framework. Some of the experts think that mission statements or annual reports can already reveal the definitive set of corporate brand values. However, other experts think that the exact composition of corporate brand values becomes even more clear after carrying out a Corporate Identity Analysis, because it creates a certain awareness. The experts also think that the link with the macro factors is difficult to understand. The external influences on the sources of corporate brand values are not clear, so they need a better explanation. Finally one of the experts recommends to integrate pulldown menus at the sector or industry in which an organization operates or at the type of organization. In this way each user of the framework uses the same names for different types of sectors and industries. In short, the Corporate Identity Analysis needs a clear description of the definitions, a good practical example, a clear explanation of the influence of external factors and pulldown menus for the sector, industry and type of organization.
The remaining feedback focuses on the steps that take place after the Corporate Identity Analysis. First of all, the next steps of the alignment process are different when an organization wants to realize new CRE instead of improving their current CRE. This means that a Current CRE Audit is not necessary, so this changes the setup of the further process. However, it might be interesting to see the differences between the expression of old and new property. Furthermore the experts think that this version of the framework misses a step before the CRE Audits. Organizations should be able to say that some of the CRE-aspects cannot be adjusted. For example, if an organization is already sure that it stays at the same location, an analysis of the location CRE-aspects is not necessary. Also the current list of CRE-aspects can be interpreted in different ways. There are still building aspects that can be part of multiple CRE-aspects. That is why the CRE Audits need a good argumentation. The experts recommend the use of practical examples and photographs in these argumentations. Overall the feedback provides useful improvements on the concept version of the framework.

6.3. FEEDBACK FROM THE CASE STUDIES

6.3.1. OVERALL IMPROVEMENTS

The description of the feedback from the case studies starts with findings that concern the whole alignment process. It is clear that employees need to be convinced to participate in a group session that focuses on corporate branding and CREM. This is difficult, because prior to the appointment it is hard to explain what the group sessions will exactly focus on. The employees that participate in the group session are probably not familiar with the combined topic corporate branding and CREM. These people need a more extensive introduction with a document, conversation or presentation about what CRE as a part of the corporate branding strategy can offer. Only then they can understand the importance of corporate branding and CREM. Another finding is that even with a clear argumentation the framework is still applied by only the expert. This means that the whole process is based on the opinion of just one person. When more people with expertise on corporate branding and CREM fill in the framework, the outcome might be more justified. In the end this leads to a better alignment between corporate identity and CRE.

6.3.2. IMPROVEMENTS PER STEP

Similar to the previous section some improvements only consider specific steps of the process. The Demarcation Analysis needs improvements too. First, the demarcations on corporate branding, CREM and using CRE to support the corporate brand are not extensive enough. In the concept version of the framework the user gives a score that indicates whether an organization performs corporate branding and CREM in the right way and whether the organization uses its CRE to support the corporate brand. This demarcation contains multiple conditions that can be seen as smaller demarcations. For instance, corporate branding needs to be multidisciplinary, strategic and must aim for all stakeholders. In fact these three conditions are demarcations on their own. In this way the list of demarcations for these three corporate activities becomes larger, but it is more clear why an organization does or does not meet with the requirements. It also became clear that not all input can be gathered through one group discussion. During a group discussion some important findings might not be mentioned, because the participants do not know already which findings are important for the Demarcation Analysis. The people that apply the framework should be more prepared. Therefore they should read corporate documents about these demarcations, such as marketing plans and CRE-strategies. Then the scope of the group discussion is clear in an early phase and the remaining findings can be gathered more easily.

After performing the Corporate Identity Analysis in both cases some improvements for this step became clear as well. The definitive set of corporate brand values is in both cases similar with the values that are mentioned in the mission statements of both organizations. Although this might only be the case for these two organizations, maybe a Corporate Identity Analysis is not necessary when the corporate brand values are already clear. Also it is difficult to rank each corporate brand value under a specific source. It often seems logic that an organization
must express a corporate brand value, but where this corporate brand value specifically comes from is difficult to determine. Furthermore the external factors are not always clear already. This means that in some cases a PESTEL-analysis must be performed as a part of the Corporate Identity Analysis. Besides that, the link between corporate brand values and external factors is not always very clear. It seems like the corporate brand values already match with the external factors. For example, many organizations already focus on sustainability, while it is an important external factor for many organizations as well. Maybe there is no specific external influence from macro factors, but still it is part of a complete Corporate Identity Analysis. Overall the Corporate Identity Analysis leads to the definitive set of corporate brand values, but this set can be determined in a more easy way.

The CRE Audits and the Performance Evaluation of both cases can be improved as well. The concept framework contains a Current CRE Audit that focuses on many types of expression through CRE in the same step. This part of the analysis needs a better hierarchy. First must be clear which CRE-aspects can be adjusted. For example, when an organization already knows that it is going to leave its current property, an analysis of the location CRE-aspects is not necessary. Then it must be clear which CRE-aspects can express a corporate brand value. The case studies show that sometimes a combination between CRE-aspect and corporate brand value does not need an analysis. For instance, a façade can express sustainability, but a building layout cannot express sustainability. This means that the combination between building layout and sustainability does not need an analysis. In this way the user of the framework will not have to carry out a performance analysis for CRE-aspects that are not important in the process. Overall this causes that the alignment process only focuses on the relevant CRE-aspects, while focusing on just the important combinations between CRE-aspect and corporate brand value saves a lot of time.

Finally the CRE-Aspects Identification and the CRE-Interventions Identification contain feedback as well. The CRE-aspects Identification seems to be an unnecessary step when the earlier mentioned feedback is integrated in the CRE Audits and the Performance Evaluation. As explained, before the CRE Audit it should already become clear which CRE-aspects cannot be adjusted or cannot express specific corporate brand values. Then the Performance Evaluation already reveals which CRE-aspects are not in line with the set of corporate brand values. If the CRE-aspects that cannot be adjusted or cannot express corporate brand values are clear in a more early phase of the alignment process, an extra step that identifies the CRE-aspects that need adjustments is not necessary. Based on the CRE-aspects that are in line with the corporate brand values many specific CRE-interventions can be identified. Whether these CRE-interventions correspond with the output of other alignment processes is questionable. Therefore it might be better to end the framework with scenario planning. Then the specific CRE-interventions can be formed after comparing the input from all alignment processes. Overall the case studies provide very useful feedback that can lead to an improved version of the framework.
6.4. CONCLUSION

6.4.1. ANSWER(S) TO RESEARCH QUESTION(S)

Based on the findings from Chapter 6 the fifth research question can be answered:

5. How can a framework that verifies whether corporate real estate aligns with the corporate identity be applied in practice?

The framework that verifies whether CRE is in line with the corporate identity is an expert framework, which means that only an expert on corporate branding and CREM can apply it. The expert collects input during multiple phases of the alignment process through brainstorm sessions and group discussions. In this way employees with different functions, backgrounds and perspectives are able to participate in the alignment process. In these settings they can complement and contradict each other, which leads to more diverse and more useful framework input. Based on this input the expert is able to fill in the different frames of the framework. The framework contains multiple feedback moments, which makes it possible to control whether the process is still focusing on alignment. In the end the framework shows which CRE-aspects are not in line with which corporate brand values. It also provides possible CRE-interventions that improve the alignment between corporate identity and CRE. The Manual “Alignment between CRE-strategy and Corporate Identity” shows the complete way-of-working of the framework. Here each step is described extensively. The conclusion only gives a short impression of the way-of-working of the framework.

The framework starts with the Demarcation, which determines whether it is interesting for the organization to use its CRE to support the corporate brand. Then the corporate brand values that the organization should express become clear in a Corporate Identity Analysis. In the next step the CRE-Aspects Identification shows which CRE-aspects are visible, accessible and recognizable, which CRE-aspects can express which corporate brand values and which CRE-aspects can or cannot be adjusted. Once these CRE-aspects are clear two CRE Audits take place. The Current CRE Audit reveals the current alignment of CRE-aspects with the corporate brand values and the Desired CRE Audit shows how the CRE-aspects could align with the corporate brand values. The results from these two CRE Audits form the input for the Performance Evaluation, which identifies the gaps between the current and the desired alignment. Based on these gaps multiple adjustments that can improve the alignment between the CRE-strategy and the corporate identity are created in the CRE-Interventions Identification. The framework ends with Scenario Planning, where combinations of different CRE-interventions are compared in order to find the best possible implementation. This final step considers input from multiple alignment processes too, so that the maximum added value of CRE can be found.
7. CONCLUSION AND RECOMMENDATIONS

Chapter 7 consists of the conclusion and recommendations of this study. It starts with the conclusion, where the sub-questions and the main research question “How can corporate real estate managers verify whether their corporate real estate supports their corporate brand?” are answered. This section also shows how this study answers to the research objective “Develop a framework that assists corporate real estate managers in verifying whether their corporate real estate is in line with their corporate identity”. The next section contains the discussion and reflection on literature and practice, together with the recommendations for further research.

7.1 CONCLUSION

The idea that CRE can support the corporate brand can be seen as the starting point of this study. The corporate brand is defined as the sum of the organization’s marketing efforts to present a controlled representation of the organization’s value system and identity. It is an interplay between the expression of the organization (corporate visual identity) and the experience of the consumer (corporate image). The main characteristics of a corporate branding strategy are that all corporate aspects are part of the communications mix and that the marketing strategy focuses on all corporate stakeholders. A proper corporate brand strategy needs alignment between all corporate aspects and the corporate identity, which is a description of who the organization is, what it is, what it does, how it does this and where it wants to go. In a complete alignment process all corporate brand values are integrated in all corporate aspects. A successful corporate branding strategy contains corporate brand values that match with the preferences of all stakeholders.

CRE is one of the visual aspects within the corporate branding strategy. It is defined as real estate that is owned by an organization and accommodates the organization’s employees and activities. The management of corporate property, CREM, focuses on aligning the real estate portfolio and the services to the needs of the core business, in order to obtain maximum added value for the business and to contribute optimally to the overall performance of the organization. It is a strategic and multidisciplinary process, which means that CREM takes place at the highest possible organizational level and considers input from multiple departments. In order to maximize the support of CRE, the organization must align the CRE-strategy with the corporate strategy. Then CRE can add value in multiple ways, such as in productivity, flexibility and sustainability. Maximum added value through CRE asks for a complete alignment process between corporate strategy and CRE-strategy, which means that CRE supports the primary business processes in the best possible way.

From both marketing- as well as real estate perspective corporate branding and CREM show a connection. One of the visual aspects of a corporate branding strategy is CRE, while one of the added values of CREM is promoting the corporate marketing and sales. More specific, CRE can be used to support the corporate brand. CRE can be seen as a communication channel between organization and outside world. It has an influence on how people categorize or differentiate the organization. CRE can help the organization in distinguishing itself from the competition and forming an advertisement of the corporate offering. Then CRE can provide specific advantages, such as attracting skilled employees or reducing marketing costs. Overall CRE can boost the corporate image and the corporate reputation. Just as in corporate branding, the challenge is to match the expression of CRE with the preferences of all stakeholders. This is difficult, because there is a difference between what the organization tries to express through CRE and what outsiders experience through CRE. This asks for a clear argumentation of what the organization wants to communicate with the corporate property.

Supporting the corporate brand through CRE is not interesting for each organization. Although it is difficult to describe the specific requirements for using CRE to support the corporate brand, there are some characteristics of the organization and CRE that give an indication. The organization must carry out a corporate branding strategy and perform CREM in the right way, which means that it sees both corporate activities as strategic and multidisciplinary processes. Also the organization must recognize CRE as a communication channel that promotes the corporate marketing and sales. Using CRE to support the corporate brand must be interesting for
the sector or industry in which the organization operates and the type of organization. Finally the organization has to be large and must have sufficient financial possibilities. The property itself has to be a front-office, must receive guests and can be used for a long period by the organization. When the organization or corporate property does not meet with one of these demarcations, this does not automatically mean it should not consider using CRE to support the corporate brand. However, the more the organization and its property match with these requirements, the more interesting this added value through CRE is.

Similar to all aspects of the corporate branding strategy, CRE needs to align with the corporate identity. The CRE-strategy can align with the corporate identity by expressing corporate brand values through CRE-aspects. These corporate brand values come forward from the corporate organizational identity, the characteristics of partners, the characteristics of the sector or industry in which the organization operates and macro-factors. The CRE-aspects that can communicate corporate brand values are visible to consumers, accessible to visitors and recognizable for outsiders. For instance, not every workplace is visible, accessible and recognizable, while everybody can see the façade. The challenge is to identify which CRE-aspect can express which corporate brand value in which way. Finding the right combinations between corporate brand values and visible, accessible and recognizable CRE-aspects needs an alignment process between corporate identity and CRE. This process is very similar to the alignment between the corporate strategy and the CRE-strategy, because the alignment between corporate identity and CRE is part of this overall alignment process. Complete alignment between CRE and corporate identity means that all CRE-aspects align with all corporate brand values.

The Manual “Alignment between CRE-strategy and Corporate Identity” shows the framework that verifies whether CRE is in line with the corporate identity. It is an expert framework, which means that only an expert on corporate branding and CREM can apply it. The expert collects input during multiple phases through group discussions. Based on this input he or she is able to fill in the different frames. The framework starts with the Demarcation, which determines whether it is interesting for the organization to use its CRE to support the corporate brand. Then the corporate brand values that the organization should express become clear in an analysis of the Corporate Identity. In the next step the CRE-Aspects Identification shows which CRE-aspects are visible, accessible and recognizable, which CRE-aspects can express which corporate brand values and which CRE-aspects can or cannot be adjusted. Once these CRE-aspects are clear, two CRE Audits take place. The Current CRE Audit reveals the current alignment of CRE-aspects with the corporate brand values and the Desired CRE Audit shows how the CRE-aspects could align with the corporate brand values. The Performance Evaluation identifies the gaps between the current and the desired alignment. Based on these gaps multiple adjustments that can improve the alignment are created in the CRE-Interventions. The framework ends with Scenario Planning, where combinations of different CRE-interventions are compared in order to find the best possible implementation. This final step considers input from multiple alignment processes, so that the overall maximum added value of CRE can be found.

With the framework in the Manual “Alignment between CRE-strategy and Corporate Identity” CREM is able to verify whether CRE supports the corporate brand. As tested in two case studies, the framework not only shows whether CRE matches with the corporate identity, it also identifies which specific combinations between corporate brand values and CRE-aspects are not in line. The framework helps in determining CRE-interventions that improve the alignment between corporate identity and CRE too. In this way it does not only become clear which CRE-aspects are not in line with the corporate brand values, but the framework also assists CREM in planning an implementation that improves the overall alignment.
7.2 RECOMMENDATIONS

7.2.1. DISCUSSION AND REFLECTION ON LITERATURE AND PRACTICE

This study creates more clarity in how CRE can support the corporate brand and describes some specific new findings about corporate branding and CREM. Some studies, especially the recent studies of Van Kempen (2008), Zoetemelk (2011) and Khanna (2012), already focused on the link between corporate branding and CREM. This study gives a more specific description of the role of CRE as a communication channel and explains the interaction between corporate identity, corporate image and corporate reputation through CRE. Khanna shows that the substance of the communication through CRE consists of corporate brand values, while this study adds that these corporate brand values come forward from the corporate organizational identity, the corporate sector or industry, the type of organization, characteristics of partners and macro-factors. Furthermore, the studies of Van Kempen, Zoetemelk and Khanna describe in their own way which aspects of a building can express these corporate brand values. This study shows a new and improved list of CRE-aspects that can express these corporate brand values, based on an extensive literature study (with findings from, for instance, these three studies) and input from experts. Besides that, this study adds there are differences between visible, accessible and recognizable CRE-aspects that can express these corporate brand values. In this way this study complements and extends the findings on corporate branding and CREM.

This study also contributes to alignment theories between corporate strategy and CRE-strategy. It not only explains what is necessary for an alignment process between corporate identity and CRE-strategy, but it can also be a starting point for alignment between corporate strategy and CRE-strategy. In this study aspects that are necessary for alignment between corporate strategy and CRE-strategy, according to Appel-Meulenbroek & Haynes (2014), Heywood (2011) and Ramakers (2008), are combined and placed in the Strategic Thinking Model. This shows how alignment between corporate strategy and CRE can be a strategic process. This way-of-working can be applied in other strategic real estate alignment studies as well, which means that this study can be used as a starting point for new alignment theories. Although a specific demarcation of which type of organizations and which type of real estate should be interesting in using CRE to support the corporate brand misses, multiple guidelines for determining whether the organization should use CRE to support the corporate brand are formed. This is a next step in this demarcation, because studies such as Manning (1991), Bitner (1992) and Van Kempen (2008) already tried to categorize organizations that should use CRE to support the corporate brand. In this way this categorization becomes more specific.

In practice this study contributes to the awareness that expression is an important characteristic of corporate property that needs more attention in CREM. Generally CREM focuses on objective criteria, such as costs, distances and areas. However, this study shows that a match between corporate identity and CRE is important as well. It contributes to the focus on expression as a key performance indicator in CREM. For marketing managers this study shows that CRE can be an important factor in the marketing strategy. They might want to focus on whether corporate property matches with the corporate identity too. More specific, this study helps organizations in aligning the CRE-strategy with the corporate identity. For instance, organizations can use this study, and especially the framework, to create requirements for the expression of their new property, to compare the expression of multiple possible new locations or to identify the alignment of their current CRE with the corporate identity. At the same time this study shows how an alignment process between corporate strategy and CRE-strategy looks. In practice organizations should apply this way-of-working, in order to perform CREM in the right way. Overall this study contributes to the awareness of the business economy that the corporate strategy must align with the CRE-strategy and that corporate property and corporate identity should match.
7.2.2. REFLECTION ON RESEARCH METHODOLOGIES

An important part of this research that can improve is the organization of the expert interviews. Before the start of these interviews the experts received a document that describes most of the findings from the literature study. This might have been too much information, because the essence of the input the experts should provide was not clear. It would have been a better option to ask the experts more specific questions about ambiguities that became clear from the literature. The organization of the group discussions in the case studies can improve in a similar way. Before these group discussions took place the participants received a short introduction on what the goal of this meeting was. During these group discussions it became clear that the participants were not totally prepared, because the specific focus of the discussion was not clear. That is why the group discussions need a better explanation towards the participants, so that it is clear what the discussion will focus on in a more early stage. Then the participants will be able to prepare their input in a better way, which leads to more relevant, diverse and useful input.

Another aspect of this research that can improve is the application of the framework. In this research there was just one person that gathered the input and filled in the framework. Because the input for this framework is very subjective, it would have been better if multiple persons focused on applying the framework. In this way the argumentation behind the choices comes from multiple perspectives, which contributes to the reliability of the information. The concept version of the framework is improved in multiple ways. A group of experts gave feedback on the concept version of this framework and the appliance of the framework in two case studies lead to improvements as well. Although the case studies show that this framework can be applied in practice, it can still improve. The framework might improve by collecting more feedback from experts and applying it in more and different cases, because it is only tested in just two different buildings.

Finally this study is carried out by someone with a real estate background. The intention of this study was to find out how CRE can support the corporate brand. A link between corporate branding and CREM is made, but still the focus is on CREM. It would be very interesting when someone with a marketing background focuses on how CRE is a part of the corporate branding strategy. He or she can work from a marketing perspective, which means that he or she focuses on how CRE can be integrated into the marketing strategy. This might reveal findings from a different point of view on a similar research subject.

7.2.3. RECOMMENDATIONS FOR FURTHER RESEARCH

The Demarcation is a part of the framework that can still improve. Based on multiple guidelines organizations can gain insight in whether using CRE to support the corporate brand is an added value for the organization. This study describes guidelines for corporate activities, the type of organization and the type of real estate. Although these requirements give a good impression of whether it is interesting or not, they still need an interpretation of an expert on corporate branding and CREM. It should be possible to determine whether supporting the corporate brand through CRE is interesting for an organization without this interpretation of an expert. This asks for a decision-making model that focuses on whether an organization should use CRE to support the corporate brand.

The Corporate Identity Analysis shows that some corporate brand values become clear from the sector or industry in which the organization operates, while different types of organizations are part of the same industry or sector. This means that many organizations should express the same corporate brand values. Besides that, the same types of organizations might express the same corporate brand values as well. In other words, the set of corporate brand values might be very similar to the set of a competitor. Also there are corporate brand values that are often used. For example, transparency, sustainability and reliability are corporate brand values that are expressed by many organizations. It might be possible that these common corporate brand values are expressed in the same way in different cases. Maybe some corporate brand values become more clear from specific CRE-aspects. The framework can be used to identify often used combinations between corporate brand values and CRE-aspects.
Alignment between Corporate Identity and CRE-Strategy

The expression through CRE needs a clear argumentation, because there is a difference between the expression through CRE and the experience through CRE. This difference is mentioned in this study, but needs more attention. The framework does not focus on the difference between the corporate identity through CRE and the corporate image through CRE. It might be interesting to find out what the differences in expression and experience through CRE are. At the same time this study only focuses on the direct influence of CRE, while it has an indirect influence as well. This indirect influence through corporate behaviour and CRE needs more attention.

The framework in this study can help with the identification of the differences between corporate identity and corporate image, while it can also provide assistance in exploring the indirect influence of CRE.

The output of this framework consists of CRE-aspects that are not in line with the corporate identity and CRE-interventions that improve the alignment of the CRE-strategy with the corporate strategy. However, other alignment processes create output as well. For instance, flexibility analyses and a sustainability analyses might provide CRE-interventions too that improve the added value through CRE. With scenario planning the organization can find out which combination of CRE-interventions must be carried out, in order to maximize the support. The challenge is to create a way-of-working that identifies the best CRE-interventions, based on the output of multiple alignment processes. This asks for a decision-making model that transforms the output from multiple alignment processes into a set of specific CRE-interventions.
REFERENCES


American Marketing Association (1960). Marketing definitions: A glossary of marketing terms. AMA, Chicaco, IL.


