Collecting Brand Loyalty: a Comparative Analysis of How Coca-Cola and Hallmark Use Collecting Behavior to Enhance Brand Loyalty

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ABSTRACT - Brand loyalty is a central construct to marketing. Keeping the consumer satisfied, and loyal enough to frequently purchase just one brand, is more difficult in today's marketplace than ever before. But today, major brands are experiencing heightened brand loyalty due to the growing popularity of the brand as a collectible.

Two of the most prominent brands to move into the collectible category in the last twenty years are Hallmark and Coca-Cola. This paper highlights these two brands as case studies in exploring the market of collectible brands and the loyal relationship that collectors have with the brands. The research posits some of the reasons companies such as Hallmark and Coca-Cola are attracted to the collectible marketplace, as well as explaining how brand loyalty is enhanced via the collectibles.

While brand loyalty is considered a central construct of marketing, keeping the consumer loyal to just one brand is more difficult in today's competitive and changing marketplace than ever before. In light of this consumer infidelity, companies are extending brands into lines of collectible merchandise such as Christmas ornaments, dolls, figurines, plush animals, glassware, etc. This merchandise not only heightens brand loyalty, it extends the brand message exposure. Today, this collecting activity has been prepackaged with manufacturing, marketing and distribution controlled by some of the most prominent Fortune 500 companies, as well as some of the most recognizable brands in the U.S.

This study will explore two of the most prominent brands to move into the collectible category - Coca-Cola and Hallmark. The focus of the paper is how the collecting behavior has enhanced brand loyalty among collectors. The paper will be divided into four sections. The first will explore what makes a brand collectible and how collectible brands differ from consumable brands. The second section will explain how these two case studies were researched and the data analyzed. An overview of both brands will be provided in section three and the loyal collector relationships with the brands will be discussed in section four.

The Case for Collectible Brands

Brands are most often thought of as products, products that are consumed or used. But recently, brands such as Planter’s Peanuts, McDonald’s, Hershey, Oreo, and Coca-Cola have been acquired for collection rather than consumption. This is not how marketers and researchers have traditionally perceived brands. Therefore, it becomes necessary to distinguish collecting from other related consumption processes.

Belk (1995 p. 67) has defined collecting as "the process of actively, selectively and passionately acquiring and possessing things removed from ordinary use and perceived as part of a set of non-identical objects or experiences." This definition is consistent with others (Alsop 1982; Muensterberger 1994) and helps distinguish collecting behavior from other consumption activities and patterns.

In the collecting form of consumption acquisition is the key. Collecting differs from most other types of consumption because it involves forming what is seen to be a set of things - the collection (Belk, Wallendorf, Sherry and Holbrook 1991). Also, the things comprising a collection are removed from ordinary use. For instance, a collection of salt and pepper shakers is not used at the dinner table, and a collection of postage stamps is not used for mailing letters. Therefore, collecting is non-utilitarian. It is however, a highly involving passionate
consumption, rather than an uninvolving form of consumption such as buying a soft drink. As a result, collectors tend to feel attached to their collections in ways that may seem irrational if viewed in terms of the normal functions of consumption (Belk 1995). Belk (List 1991 p. 47) has called collecting “the distilled essence of consumption.” Basically collectors are the ultimate consumers. But collectors of brands? Here’s a look at the brand collectible market.

Brand collectibles are big business. Mattel currently manufactures a collectible line of Barbie® dolls, some in designer clothing such as Donna Karan, others as movie characters such as Scarlett O’Hara, as well as brands such as Gor Milk®. Barbie®, Harley-Davidson® Barbie®, Coca-Cola® Barbie® and The Gap Barbie®. Hallmark has a line of collectible Christmas ornaments, the Keepsake Ornament line. McDonald’s is selling Ronald McDonald cookie jars on QVC and hand-beaded designer evening purses in the shapes of burgers and fries for $2,000 on Rodeo Drive. Franklin Mint has forged a partnership with a variety of corporate marketers to create collectible products for some of the top commercial brands. Coca-Cola®, Walt Disney, Hallmark, Pillsbury, LifeSavers, Ralston Purina, McDonald’s, Harley-Davidson® and Campbell’s Soup are just a few of the corporations that have signed agreements to tie their brands to collectible dolls, plates, sculptures and Christmas ornaments (Loro 1995). These mass-marketing efforts have extended the individual brands by making them collectible. Companies are using marketing strategies to attract new collectors and increase purchase frequency among current collectors; two classic strategies for building a brand’s business (Jones 1992).

When reviewing the collectible brands listed above, three similarities are immediately evident: 1) all are relatively old brands, ranging from 40 to over 100 years in production; 2) each brand is the leader in its product category, i.e. soft drinks, sou, entertainment, fast food, greeting cards, etc.; and 3) each brand is in a mature product category, meaning that there is little opportunity for extensive natural growth in U.S. markets. Large groups of consumers are not entering these categories; most people already use these established brands. Therefore, the only opportunity to grow the category, as well as the brands, is to increase purchase frequency among current users.

It is likely that these brands and many others have approached maximum market penetration, i.e. consumers already purchase the product and purchase frequency is saturated. If that is the case, the only means to grow the brand is a “defensive strategy,” which advocates retaining existing users and maintaining their purchase frequency (Jones 1992). Collectible marketing may be viewed as a brand extension, which capitalizes on the added values of these brands and strengthens the relationship with consumers by making the brand collectible. Extending the brand, using the brand name on new products to enter new product categories, i.e. the collectible category, is a key ingredient in maximizing the value of the brand in terms of profit, as well as brand loyalty (Aaker 1991).

Retaining existing customers and keeping them brand loyal is more difficult today for many reasons. Product proliferation is a primary concern. It is not uncommon for current supermarkets to stock upwards of 20,000 products. In addition, more than 3,000 brands are introduced each year for supermarket distribution (Aaker 1991). According to MRI (1995) data, there are 93 cat-food brands, 80 different brands of soft drinks, 76 brands of beer, 73 brands of dog-food, 23 brands of toilet paper, 30 brands of margarine and 119 different brands of ready-to-eat cereal overflowing supermarket shelves. In addition to these nationally distributed brands, supermarkets have begun to add to the fray by developing their own brands of soft drinks, margarine, toilet paper, and cereal to compete with the national brands on the shelf. This saturation only provides more choices for the consumer and in some cases, more confusion. With this brand overload, coupled with the slowing growth of mature product categories, collectibles may be a strategy for brands to maintain existing users and a means to reinforce loyalty.

Obviously, collecting is a different type of consumption and the collector is a different type of consumer. The entry and growth of major brand manufacturers into the collectible market signals the need for exploration and is the focus of this study.

METHOD

Design of the Study

This research uses two collectible brands as case studies to understand the market of collectible brands and explore the loyalty factor of brand collectors. To this end, this case study was designed to explore the perspectives of both the company (the brand) and the collector (the consumer).

The case study has been described as a means for exploring an entity or phenomenon (“the case”) bounded by time and activity (a process over a period) wherein the researcher collects detailed information by using a variety of data collection procedures during a sustained period of time (Creswell 1994: Yin 1994). In order to provide a broader perspective of collectible brands, two brands - Coca-Cola and Hallmark - are used for this analysis. The multiple-case design is often preferred as it offers the opportunity for comparisons while providing greater understanding and more compelling data (Yin 1994; Stake 1995). The brands were chosen for a number of reasons. Both Hallmark and Coca-Cola are producing or licensing extensive lines of collectibles, both have active and growing collectible markets. Large groups of consumers are not entering these categories; most people already use these established brands. Therefore, the only opportunity to grow the category, as well as the brands, is to increase purchase frequency among current users.

Data Collection & Analysis

Data was gathered via in-depth interviews with collectors and company personnel involved with the brand collectible. These interviews were conducted in either the collector’s home or at a collector-only event, such as the annual Coca-Cola Collectors Club Convention or the Hallmark Artists on Tour event. The collectors interviewed were members of either the Coca-Cola or Hallmark Collectors Club. In all, twelve collectors were interviewed by six for each brand. There is no typical profile of a collector in terms of demographics. However, it should be reported that both male and female collectors were included, ages ranged from 25 to 79, race was predominantly white (two were African-American), and the interviewees had been collecting for an average of 6 years (the range was from 3 years to 30 years).

In addition, company press releases, advertisements, brochures, and correspondence to collectors were analyzed. In-depth interviews were also conducted with company officials, including Phil Moorey, archivist for The Coca-Cola Company and Linda Fewell, a marketing specialist for the Hallmark Keepsake Ornament Collectors Club. Finally, collecting industry experts and authors were consulted for input regarding this activity to provide triangulation.

As with any qualitative data, the process of analysis is to bring order, structure and meaning to the data collected. The strategies employed here reflect that belief (Glaser & Strauss 1967; Charmaz 1988; Bogdan & Biklen 1992). Coding was divided into the two-phase process described by Glaser & Strauss (1967), initial coding and focused coding. During the initial phase, more than 1000 pages of data were coded by line with emerging ideas, topics, and themes coded as such during the process. The second phase of focused coding was more selective. Here the sets of codes were narrowed to build categories by continuously re-examining the data. Themes then became more defined and supportable via the data. As suggested by Strauss and Corbin (1990), this process of coding and recoding continued until it became apparent that all the incidents could be classified and the categories were saturated.

The analysis of the data suggests that the bond between brand collectors and the collectible brands extend beyond brand loyalty. To understand that bond, the next section profiles each brand and provides an explanation of the relationship collectors have forged with Hallmark and Coca-Cola.
The history of this American icon is a textbook case in building, managing and maintaining a brand. Since its beginning, Coca-Cola has built a powerful brand image, imbued with added values: the discriminating benefits that go beyond the functionality of a refreshing soft drink (Jones 1986). The brand is seen as traditional, patriotic, friendly, and American. Bill, a college math professor and a Coca-Cola collector for 30 years described the brand this way:

Because it has been so ubiquitous for 110 years now it's in everybody's past somewhere. Everybody has some story that has something to do with Coca-Cola. It has always been there. You put it together with Mom, apple pie, the American flag and Coca-Cola. Around the world B this is America. This is the symbol of America.

Although the brand dates back to the late 1880s, the basic brand proposition - Coca-Cola satisfies, Coca-Cola is a delightful, refreshing beverage - has remained virtually unchanged, as has the brand name and its distinctive logo. Early on, the company developed a strong franchise for the brand by creating a distinctive personality that appealed emotionally to consumers. In addition, the company has consistently supported the brand and its identity with powerful advertising messages and substantial investments to expose those messages.

The story behind Coca-Cola, a product that is 99 percent sugar and water, and its ascent to a $18 billion business marketed in 195 countries, is an American phenomenon. But what is as phenomenal is the Coca-Cola Collectors Club which boasts 7,500 members in 23 countries who collect Coca-Cola memorabilia from bottles and cans, to delivery uniforms and old advertisements, to vending machines and coolers. The club is independent of The Coca-Cola Company. It is completely governed and financially supported by its members. Carol, a medical technician and former president of a regional Coca-Cola Collectors Club describes the club's relationship with Coca-Cola:

The Coke collectors club is a very, very strong club. We have a very strong loyalty to the product. We have Coca-Cola employees come to our meetings and conventions and we feel we have a strong relationship with the company. But the club is for collectors, so it's run by those who collect.

Coca-Cola is not only the largest brand in the world; it is also the largest brand collectible in the world (Allen 1994). From the time the secret formula for Coca-Cola was introduced in 1886, The Coca-Cola Company has been producing a wide range of promotional materials to encourage the consumption of the drink. Long before today's mass media, The Coca-Cola Company used hundreds of promotional items to advertise and sell its product to the masses. These items range from utilitarian merchandising items such as bottles and coolers, to traditional and familiar advertising items such as signs and print advertisements; from point-of-purchase items such as trays and calendars, to complimentary novelties such as toys and bookmarks (Schaeffer and Bateman 1995). Today these items are considered antiques and are considered rare and extremely valuable. Coca-Cola calendars from 1891 and 1892 are valued at $10,000 or more (Petretti 1994). A 1903 metal sign was recently sold at auction for $12,000.

These items form the basis for today's collections of Coca-Cola memorabilia. Part of the charm for the collector is that the original purpose of these items was to promote the sale of Coca-Cola, not to be collected. This is the attraction for Bill and his companion Randy:

The new stuff is made to order collectibles. They are strictly manufactured to be collected. The old stuff was not. That's the appeal to us. This is something that the company thought so little of B it literally cost pennies to make. The company knew a different one was coming out next year and the next year, so they just threw things away. These items weren't meant to be saved. And that makes it much more interesting than to collect things that were meant to be saved.

Unlike other collectibles that are somewhat one-dimensional (e.g. Hallmark Christmas ornaments, salt and pepper shakers, stamps, etc.), Coca-Cola collectibles literally span the full range of artifacts manufactured to merchandise and advertise consumer products since the 1880s. These include fans, chewing gum, pocket mirrors, pocket knives, wallets, cuff links, thimbles, pins, clocks, ashrayars, pens and match books and even match safes; a long but not exhaustive list. The considerable interest in collecting older Coca-Cola memorabilia has created a secondary level of new collectibles manufactured strictly to be collected. This new line of products, such as polar bear ornaments, glassware, trays, posters, kitchen-ware, etc., has been developed to feed the appetite people have for collecting Coca-Cola.

Today, more than 250 companies worldwide are issued licenses to manufacture over 10,000 different products bearing the Coca-Cola trademark. More than 50 million Coca-Cola items were sold in 1997 in various mass-merchandising retail outlets, as well as in the Coca-Cola Catalog and Coca-Cola's own retail outlets in Atlanta, New York City and Las Vegas. The Coca-Cola Company receives annual licensing fees from the manufacturers of the collectibles as well as an estimated 8 to 10 percent of the manufacturer's gross sales value, according to archivist Phil Mooney. So, while Coca-Cola's core business remains soft drinks, the income generated from collectibles and the added value the collectibles provide, add to Coca-Cola's bottom line while enhancing brand loyalty.

Collecting Coca-Cola: It's the Real Thing

According to independent research provided to Hallmark, "When You Care Enough to Send the Very Best" is one of the most trusted and believed slogans in America because it associates the product with the experience of Hallmark. Not only has the advertising slogan "When You Care Enough" been in use for more than 50 years, it is the philosophy of the Hallmark company as well. Founder Joyce C. Hall wrote, "while we thought we had only established a good advertising slogan, we soon found out we had made a business commitment. The slogan constantly puts pressure on us to make Hallmark the very best." (Hall 1979).

Hallmark Cards, Inc. claims to be "the world's largest manufacturer of greeting cards and other personal expression products" (Hallmark Press Release 1995). This line of products includes cards, gift-wrap and stationary items. In 1973, the company was looking to expand its product line, while staying within the guidelines of manufacturing what they do best, "personal expression" items (Fewell 1995). It was the annual Hallmark employee gift to founder Joyce C. Hall that marked the company's entry into the ornament line. The tradition of crafting a special greeting card for Hall began in 1938. Each year the card became more sophisticated, until 1966, when the card became a Christmas tree. This tradition continued until Hall's death in 1982. It was these immense, ornate, theme-designed trees that provided the idea, as well as some of the designs for Hallmark's Keepsake line of Christmas ornaments. The first offering included six decorated balls and 12 yarn figures as Christmas decorations. Today, Hallmark manufactures over 250 different ornaments per year under the Hallmark Keepsake Ornament umbrella. Clara, a great-grandmother and avid Christmas ornament collector, is proud to own every ornament that Hallmark has ever made. That would total more than 6,000 ornaments.

These ornaments are great. They're really something different and I like something different. I try to get things that will excite me. Little round balls are not for me. Anybody can have those.

According to industry experts, ornament collecting has grown quickly since Hallmark's introduction into the marketplace (Unity 1997). Total annual sales volume of the ornament industry was $2.4 billion for 1996, an increase of 25% over 1995. More than 22 million households collect Christmas ornaments and it is estimated that 75% of those households collect Hallmark Keepsake Ornaments (Unity 1997).
Because of this interest in collecting, the company launched the Hallmark Keepsake Ornament Collector’s Club in 1987, which is now the largest collector’s club in the nation, with a membership of more than 350,000. It is one of the few, if not the only, club that is completely managed and maintained by the manufacturing company. Most clubs are volunteer organizations with little or no company involvement, such as The Coca-Cola Collectors Club.

In addition, there are approximately 300 local clubs nationwide, sponsored by local Hallmark retailers. According to Hallmark research, joining the national club is the first step. A recent buyer’s study conducted by Hallmark showed that a non-collector purchases one to three ornaments per year. A person begins to call himself/herself a “collector” when purchasing grows to 13 ornaments a year. Buying jumps to an average of 40 ornaments per year when the collector joins the national club and doubles to 80 per year when the collector joins a local club. Therefore, club membership does indeed increase purchasing. Estimating national membership fees, event fees, event purchasing and annual collector purchasing, the Hallmark Collector’s Club generates $128 million annually. [Based on membership fees of $20 for 300,000 members; ten special collector events, sold out @ 2,000 for $10 registration each; purchasing 2,000 special event ornaments at all ten events at $60 each; and the average collector spending $400 annually.]

Hallmark’s marketing strategy, including products, events and communications to collectors, all serve to enhance a strong brand association with this special group of consumers. This translates into the retention of a consumer/collector over a long period of time and this relationship provides Hallmark a competitive advantage in the marketplace.

THE RELATIONSHIP WITH HALLMARK AND COCA-COLA

As stated earlier, the purpose of this research was to explore the market of collectible brands and understand the relationship between the collector and the collectible brand. The following discussion highlights the collecting behavior as it relates to brand loyalty.

Collecting Strategies

As defined by Aaker (1991), brand extensions use the brand name to enter new product classes. Naturally, a key element in a successful brand extension is a strong brand. Both Hallmark and Coca-Cola capitalized on that brand strength to expand into the collectibles product category. Hallmark did so intentionally. It wanted to expand the product line in the early 70s, and decided ornaments were a good “fit.” About the same time, Coca-Cola realized that the marketplace was littered with unlicensed Coca-Cola merchandise and people couldn’t get enough of it. Coca-Cola capitalized on the situation and developed a licensing program that allowed them to control and profit from collectibles. Whether opportunistic or intentional, there is little doubt that collectibles extend the brands and these extensions are profitable.

Although Hallmark would not release ornament sales figures, it was estimated that the membership and purchasing power of the club add more than $117 million to the company’s bottom line. This income is just from collectors. Hallmark’s research revealed that non-collectors purchase one to three ornaments per year and collectors, who are not yet club members, purchase 13 ornaments a year. Using Hallmark’s data on the number of households who collect Hallmark ornaments, this estimated purchasing power generates approximately $1.4 billion in ornament sales from non-club members alone. [Hallmark estimates that of the 22 million households who collect ornaments, half of those collect Hallmark ornaments. Deducting club membership from that figure, it is estimated that non-member collectors total 10.7 million households. Hallmark’s research estimates that non-members who collect buy, on average, 13 ornaments per year. The average Hallmark ornament costs $10, therefore the spending would approximate to be $130 annually. Multiplied by the 10.7 million households, the non-member collectors generate $1.4 billion in ornament sales.] If this is true, the sale of ornaments would account for almost half of Hallmark’s $3.6 billion in overall sales.

Coca-Cola has licensing agreements with over 125 companies in the U.S. alone. The licensing fees generate more than $20 million. In addition, Coca-Cola receives a royalty based on sales of licensed merchandise, estimated between 8%-10% of the sale of each item. For example, when Coca-Cola teamed with Mattel to create a collectible vintage Coca-Cola Barbie, Mattel paid a licensing fee as well as providing Coca-Cola 8% of the sales of the doll. Ten thousand dolls were sold for $130 each, garnering Coca-Cola more than $104,000. It is estimated that the other three dolls in the series will generate even more sales, making Coca-Cola Barbie worth half a million dollars. And that’s just one licensed product; Coca-Cola licenses hundreds more.

Two key elements in brand growth are penetration and purchase frequency (Jones 1992). Penetration refers to the number of people who buy the brand and purchase frequency is obviously how many times they buy. Penetration must come first. Once the consumer has tried the brand, the next step is to get them to repurchase and eventually buy more.

This same strategy is apparent in the collectibles market - first, get the person to buy a collectible, and then get them hooked by buying more. People start collecting for various reasons. Clara, a Hallmark collector who owns every ornament the company has made, connected an ornament with the memory of her husband. A metal serving tray intrigued Bill and Randy, who are credited with the largest private collection of Coca-Cola. Pete, who houses his Coca-Cola collection in three garages, bought a knife. Nora, who owns 3,000 ornaments, was buying gifts for her children and Luann, whose collection of ornaments tops 5,000, received a Hallmark ornament as a gift. Something internal, a desire, a want, a need drive the first purchase. But the next purchase and the next purchase can be driven by something internal as well as external. Pete, a collector for almost 25 years, is still uncertain about what attracted him:

I bought a Coca-Cola pocketknife for $3. I don’t know why. I didn’t carry a pocketknife. I’d never owned a pocketknife. And I didn’t even drink Coca-Cola. But something about that knife interested me and I bought it. Then I began to buy a bit more. By the fall of 1975, I had 20 or 30 different Coca-Cola things, but I didn’t consider myself a collector. Then I read about a group of collectors getting together and decided to go. It was the first Coca-Cola collection I had seen. I was like a kid in a candy store. It really got my adrenaline going and I was hooked.

The internal drive is what Muensterberger (1994) titles “replenishment.” There is no rational need for anyone to have 200,000 Christmas ornaments, when the average Christmas tree holds perhaps 100; or a need to have 60 metal serving trays that are never used to serve anything. It is an emotional need that causes the collector to be in a “constant replenishment” mode. The need, according to Muensterberger (1994) and Belk et al. (1991), can vary from one of excitement, approval, acceptance, security, control, power, comfort, or escape. These emotional needs are fulfilled through the collecting of Hallmark ornaments or Coca-Cola metal trays. As these needs surface, replenishment is necessary. Muensterberger (1994 p. 16) relates it to the recurring state of hunger; “regardless of how often and how much one ingests, within a few hours hunger returns and one must eat again.” So it is with collectors. According to many of the collectors interviewed, they call it the “collector’s mentality.” Bob, a Pentagonemployee and former president of the national Coca-Cola Collectors Club describes his mentality:

I grew up with Coke and I always liked it and always wanted a Coke machine. I had a pinball machine and a jukebox in the basement when I was in high school, and I thought a Coke machine would be neat alongside of them. My girlfriend B she’s my wife now B bought me a Coke thermometer because we couldn’t find a Coke machine. Then a few months later we found a Coke machine. When we bought it, the guy threw in a Coke sign to sweeten the deal. We thought that sign was pretty neat, so we just started picking things up. It’s just snowballed from there into two houses full of Coca-Cola memorabilia.

As Ted, who referred to himself as a novice collector of only 5 years admitted, “It’s like a mistress, or a habit like drugs. Every so often, you
Using this theory as a means of understanding the motivations of collectors is beyond the scope of this particular study. But it is important in understanding how Coca-Cola and Hallmark capitalize on the “collector’s mentality” in marketing strategies and use these strategies to enhance brand loyalty.

Marketing strategies

If Muensterberger (1994) is correct that the collector needs repeated nourishment, then there is a need for a constant new supply of collectibles. Both Hallmark and Coca-Cola excel at this strategy, although in different ways.

Hallmark issues approximately 250 new ornaments each year. That fact alone offers the collector several opportunities to “replenish.” But Hallmark spreads out the purchase opportunity for several months, so the collector doesn’t overdose. In February, the collector begins the process with the Dream Book, a brochure/catalog showing the current year’s selection, by making a list of what to buy. Luann and her Aunt Nora both collect. Their activity begins when the Dream Book arrives.

We get the book and look through it and discuss it. Generally B we’re on the phone saying B look at page 32 and yea, did you see the one on page We go back and forth about what we like, what we don’t like. I mean this isn’t a spur of the moment decision. We study this book. We make a list of “really like,” “really want,” “gotta have.” Then we wait for the premiere and we go together and buy the “gotta have.”

In March, the collector can pre-order ornaments from the Dream Book. In July, almost two-thirds of the ornaments are in the Hallmark stores for purchase. By August and September, the collector can attend special collector’s events and purchase exclusive items. In November, the last group of ornaments arrive in stores just before Thanksgiving. Then, there’s Christmas, when an ornament might be received as a gift, and the after-Christmas sale, where they can pick up the leftovers. The following year, the cycle begins again with a new batch of ornaments. Hallmark is in constant communication with the collector via newsletters, POP displays, web-sites and events, with information on when the ornaments will arrive, who made the ornaments, and what other collectors are doing.

While Coca-Cola has no control over the antique memorabilia that exists in the marketplace, they do perpetuate the collector’s mentality in marketing the new Coca-Cola collectible merchandise. As stated earlier, Coca-Cola licenses the logo to more than 250 manufacturers of various products. There is no shortage of new Coca-Cola collectibles in the marketplace. Many of the manufacturers sell to mass merchandisers such as Wal-Mart, Target, Hills, K-Mart, and Kohl’s. In addition, some manufacturers such as Franklin Mint and Cavanaugh Productions have exclusive rights to certain products and sell directly to the collector. Other items are made exclusively for the Coca-Cola Collectible Hour on QVC every other month, or for sale only in Coca-Cola retail outlets or through the Coca-Cola catalog. For instance, the Coca-Cola Barbie was only sold in the Coca-Cola Fifth Avenue Store in New York, the World of Coca-Cola in Atlanta, and through a special mail order from Mattel. The 10,000 limited-edition doll sold out in two weeks.

There is an abundance of Coca-Cola collectibles in the marketplace to keep collectors satisfied. However, unlike Hallmark, Coca-Cola is not in constant contact with its collectors. Coca-Cola doesn’t inform collectors as to what merchandise is available. Most often, the collectors hear about new products as well as old merchandise from fellow collectors. This is one of the fundamental differences in the structure of the two collector’s clubs, which ultimately create very different brand relationships.

Beyond Brand Loyalty

These brand collectors are brand loyal. They are drinking Coca-Cola, talking about Coca-Cola, reading about Coca-Cola, buying Coca-Cola, displaying Coca-Cola, selling Coca-Cola, investing in Coca-Cola. Coca-Cola is a part of their lives. They are immersed in the brand. The same is true with Hallmark, to an extent. The collectors are definitely brand loyal, buying Christmas ornaments, as well as cards, wrapping paper, etc. However, collecting Hallmark Keepsake Ornaments has some built in seasonality. Therefore, the immersion is not constant. Hallmark is trying to make it a twelve month activity by introducing the Dream Book in February, allowing pre-orders, and unveiling the ornaments in July. But basically, the collecting events and purchasing occurs during the six months prior to Christmas. Coca-Cola collectors are in the hunt year-round.

The Coca-Cola Collectors Club and the Hallmark Keepsake Collector’s Club perpetuate the collecting behavior, but because the two clubs vary in structure, they vary in influence regarding the collector’s relationship with the brand. Here’s a comparison of the two organizations.

Hallmark

The Hallmark Keepsake Collector’s Club is company-driven. Hallmark started the club, markets the club, and basically controls the club and reaps the profits the club generates. Furthermore, the collectors are dependent on the company for replenishment each year.

The Hallmark model is to put the collector closer to the brand using events, exclusive products and communication tactics. Rewards are offered for joining or renewing memberships. Exclusive products are offered at member-only events. Ornament artists are the focus of special events where collectors can collect autographs of those who designed the collectible ornament. And the magic of the ornament is enhanced by Hallmark sharing information about how it is made and what is being planned for next year. Finally, Hallmark infuses its correspondence with the emotionally charged references to tradition, holidays, family and the “Hallmark experience,” which embodies the company’s image. This tone infiltrates all communication efforts, whether it is mass-media advertising, the Dream Book, the guide to starting a collection, or the quarterly newsletter; the purpose is to create an emotional attachment to this emotionally-driven product and brand. All the while, Hallmark is driving the collectors to buy what it provides. The collectors in turn are obedient.

It is no surprise that this emotional attachment creates a strong brand relationship. But this relationship goes beyond brand loyalty; it’s brand intimacy. These collectors are more than just loyal, they are faithful, devoted, obedient, and steadfast. They love Hallmark, they love the ornaments. Marie, a long-time Hallmark collector, spoke of the company as likeable, warm, friendly, comfortable to be with B almost like a companion. “I like Hallmark,” she said. “They make me feel important.” Nora speaks of Hallmark with even more emotion:

I love Hallmark. Hallmark is like fireplaces, a cup of tea, sit around with scrapbooks, that kind of nostalgia. It feels like B pull up a chair, have a bite to eat B even if it’s peanut butter and jelly, we’ll sit around the table and talk.

When Clara discusses her collection, she speaks of her ornaments in a very personal way. The collection is the outcome of a tragic personal loss and she states that her first purchase “connected spiritually to my husband.” By using the activity as a means of emotional and spiritual comfort, the body of what she has collected is no doubt strengthened. Now the collecting activity and the collection have become her life. In the interview, she sounds like spokesperson for Hallmark and she interchanges collecting jargon with discussions of her family. She often refers to her grandchildren as a collection and her son as a limited edition (she has only one son). With the recent birth of her first great-grandchild, she boasts about a “first in the series” addition to the collection. When asked about her Hallmark ornaments she claims, “My favorite ornament is every ornament I have. My ornaments are truly like my children. There’s not one that I want to do without.”
To these collectors, Hallmark is like a lover; dating, seducing, and tying the knot on an enduring and dependent relationship. As Fournier and Yao (1997 p. 462) suggest, this relationship is similar to the "marriage metaphor assumed in traditional loyalty definitions." However, these Hallmark loyalists have a passion and emotion about that brand that provides an intimacy with the brand. While Fournier and Yao (1997) report that both relationships are indeed possible with one brand, what may be occurring in the case of Hallmark is a progression of the relationship between the consumer to the club. The ornaments are meticulously displayed in the store, membership kits are available, the Dream Book displays all the ornaments and touts the benefits of collecting, and the Get Hooked on Collecting book can get you started.

Next, the seduction. The key here is finding something in common and Hallmark has no problem with getting the conversation started with 250 ornaments; one of them has to spark an interest. Hallmark has done the research. The ornament line consists of some of the most popular cartoon characters, movie stars, and sports heroes, while using brands, hobbies, religion and family themes to attract a broad collector base. Certainly, something catches the eye - the holiday Barbie, the Coca-Cola Santa, the Star Trek ships, the rocking horse, the teddy bear, the Christmas stamp, the car, the angel. The seduction occurs when the membership dues are paid.

At that point, the courtship begins. The brand and the collector become more intimate through the constant correspondence venues, love letters of a sort. The brand reassures the collector that it is trustworthy, comforting, warm, caring and steadfast. The collector becomes more familiar and comfortable with the brand, leading to more involvement. Here, the brand arranges dates in public places, such as the ornament premiere at the local Hallmark store. This allows the collector to relax in an informal, yet familiar setting and to meet some of the brand's. Gradually, the dates move to exclusive events outside the retail environment, and as more friends are made, the comfort level and the intimacy increases.

Eventually, the collector is hooked. They fall in love with Hallmark and believe the brand is important in their life. Hallmark is everything desired in a brand or a spouse. Hallmark is always interested, doesn't take the collector for granted, is a good communicator and an even better listener. Hallmark and the collector are married, the ornaments are their children. They live happily-ever-after in the Land of Hallmark.

Coca-Cola

Whereas Hallmark's club is company driven, Coca-Cola's club is collector driven. Since its inception in 1975, the club has been organized and managed by collectors. This is a much different scenario than Hallmark's control model. Here, the Coca-Cola Collectors Club is controlled and supported by the collectors. They have created a volunteer structure that allows for elected representatives from various regions, as well as elected officials and board members. No one appoints officers, candidates campaign for the offices and ask for the votes of fellow collectors. These volunteers publish a monthly newsletter, plan and coordinate the annual national convention, create retail opportunities, and develop collectible merchandise. The company doesn't sponsor any event, doesn't provide any underwriting, nor does it have any input in the planning. It is the collector's convention. As former Coca-Cola CEO Roberto Goizueta explained, "The brand does not belong to us. We're just the custodians" (personal conversation, Phil Mooney April 3, 1997).

Indeed this is about brand ownership. Coca-Cola collectors feel they own the brand. Every Coca-Cola collector interviewed here only drinks Coca-Cola. Pete has been known to walk out of a restaurant that offers Pepsi instead of Coke. Somewhat jokingly, he contends that his 1993 multiple by-pass heart surgery was caused by "someone slipping me a Pepsi. That would do it!"

These collectors not only use the brand, they live with it everyday. Pete not only has three garages full of his collection, his house is decorated with Coca-Cola items. Guests eat on Coca-Cola dishes and drink out of Coca-Cola glasses. Cold Coca-Colas are kept in a Coca-Cola refrigerator behind a Coca-Cola bar. His license plates tout Coke and his phone number is 558-COKE. But his prized possession is his parrot, Cokey, whom Pete has taught to say "Drink Coca-Cola" over and over again. Bill and Randy's Victorian house is decorated with more than 20,000 pieces of Coca-Cola memorabilia.

These collectors work tirelessly to protect the brand, market the brand and advertise the brand. They invest in the brand by buying stock (all of them are stockholders). They are the voice of the brand. When New Coke was introduced, the company became concerned about the collectors. Club members voiced their opinion forcefully to the company, but not to the press. However, the company knew the press would arrive at the annual collectors club convention and was fearful that an even greater backlash of bad publicity would emerge from this large group of loyalists. When the company decided to reintroduce Classic Coke, the first delivery truck was sent to Dallas to deliver the Real Thing to the collectors convention.

The collectors believe they are part of the history of the brand. Allan, an active collector since the early 70s, claims the Coca-Cola pieces are a "work of art." It's no different from viewing paintings in a museum. This is history. It is beautiful artwork. It is Americana in its purest form.

Because they collect historical pieces, their knowledge about the brand is unparalleled. In fact, it is a common belief among collectors that they know more about the brand than the people working at Coca-Cola. Certainly, something catches the eye - the holiday Barbie, the Coca-Cola Santa, the Star Trek ships, the rocking horse, the teddy bear, the Christmas stamp, the car, the angel. The seduction occurs when the membership dues are paid.

These collectors are not only masters of the brand, they are highly visible in the marketplace, making the brand more visible as well. Coca-Cola collectors are written about in antique and travel magazines, newspaper articles, collectible magazines and newsletters. They often appear on television programs that spotlight collectors and collections, including QVC and the Home Shopping Network. Collector conventions and local club activities are covered by the local media, while collectors are often invited to special events sponsored by The Coca-Cola Company, such as anniversary parties and retail store openings. As Bill states, "We're good fodder for the press. We don't bad mouth the company." Each collector is considered a specialist of his/her own collection, affording each one the opportunity of being an authority on Coca-Cola. Many collectors are considered experts in Coca-Cola collectibles. Their advice and insights are sought by other Coca-Cola collectors, the collecting industry, the media and even The Coca-Cola Company. Carol claims, "Having people such as Bill and Randy look at your pieces or at your collection, in some way validates the collection."
CONCLUSION

There is no question that brands are under siege. Supermarkets house more than 20,000 products; hypermarkets stock more than 30,000. Product proliferation, product parity, price-conscious consumers, mature product categories and saturated markets make it very difficult for old brands as well as new brands to survive in the marketplace. Brand loyalty has become brand infidelity. Mature brands, such as Coca-Cola and Hallmark have adopted the brand collectible strategy as a means of retaining a core base of devoted consumers.

Both Hallmark and Coca-Cola have contact with these collectors beyond the retail shelf. By extending the brand as a collectible, Coca-Cola and Hallmark have created a multiple contact marketing environment. According to Larry Light, a branding expert, this type of environment positions the brand as a “trustmark” instead of a trademark, and that becomes the point of differentiating the brand in the marketplace (Matthews 1995). Therefore, Coca-Cola isn’t just a big company that manufactures a refreshing soft drink. It becomes a prized possession. The Hallmark Keepsake Ornament is not simply a resin decoration for the Christmas tree. It is an intimate part of life. Light (1996) suggests that brands, such as Hallmark and Coca-Cola are moving from a “transaction mentality” (sell the product off the shelf), to a “relationship mentality” (building an affinity to the brand that is positive and long lasting). Brand loyalty as defined by Light, is “a positive, suitable, mutually beneficial relationship” between the consumer and the brand (Matthews 1995 p. B4). In the case of Hallmark and Coca-Cola collectibles, the relationship is beyond loyalty, it is one of intimacy and ownership.

REFERENCES

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analysis of this company, we need to know its market shares, strategies, strengths and weaknesses, and its market position. Coca-Cola, a company that developed in in 1886, has the most known and admired trademark around the world. Currently, the company is the biggest soft drink company on the planet. The company boasts a large market share, worldwide brand recognition, purchasing economies of scale and customer loyalty. It weakness includes: smaller market share than Coca-cola, inability to differentiate products, weaker customer loyalty and brand identity compared to Coca-cola. The company's opportunities are its ability to adapt to market trends. Conclusion. Coca-Cola

1. Continue to capitalize on their brand image by following the differentiation strategy.
2. Bring costs down by integration both vertical and horizontal.
3. Keep hold of their first mover advantage.

Recommendations. Cost leadership Strategy Appeared 12 years after the brand Coca Cola Locating its factories in developing countries Differentiation Strategy Redesigned its packaging and commercials promotions through celebrities. Focused cost leadership Pepsi targeting its markets in China China has large and cheap labour forces. Differentiation Strategy Open Happiness. Different Packaging. Using its reputation as one of the highest rated companies in terms of work satisfaction among employees Cost leadership Strategy Fairly new for Coca Cola Vision 2020. Value of brand Coca-cola with estimate of more than 35 billion dollar valued brand and the Marlboro and Toyota, big giants in market, can be judged from their brand and are disputable for their competitors to follow or imitate. The market trend for using fast foods is particularly emerging in Pakistan. Brand loyalty is amongst the key factors critical for managers so that they can improve their customers' retention that in turn puts its favorable impact on the overall profits. Current study attempts to see the band and width of brand loyalty from the customer's point of view in the fast food industry, specifically to see the brand loyalty behavior of McDonald in Pakistani customers. Companies try to enhance the image of the brand and this image increase the loyalty of the brand.