Brand Extension in the Music Industry
An investigation on how In Flames can create passive revenue streams

Master of Science Thesis
in the Management and Economics of Innovation Programme

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Abstract

The development of the music industry has not surpassed anyone; streaming music has replaced record sales to a large extent and this is affecting the way artists and bands turn their songs into profits. Even though the downward trend has turned, artists and bands still render less revenue today in relation to before from selling their music. This has led to more extensive touring schedules and, for some bands and artists, enlarged product portfolios that nowadays also include beverages, perfumes and other seemingly disconnected products. This thesis was conducted in collaboration with one of Sweden’s largest musical exports, In Flames, and the aim was two-folded. The first aim was to explore how In Flames can extend their brand in order to generate new passive revenue streams. The second aim was to add to the academic research within the area of brand extension in the music industry, an area sparsely covered in previous research.

In parallel, mapping of brand extension success factors, brand dilution mitigation strategies, the In Flames brand, In Flames main customer segments and In Flames assets and capabilities were conducted. Research methods such as semi-structured interviews, content analysis, focus groups and a survey among others were used to collect data. Source and method triangulation were implemented to validate the quality of the data and the result. The result of the initial investigation was used as input into the brand extension idea generation, evaluation, selection and implementation stage.

Using four main sources to tap ideas from, 56 non-ICT brand extension ideas were generated. All identified ideas were intended to satisfy a certain need within at least one of the identified three fan segments. Identified ideas went through an idea evaluation screening based on a stage-gate process that involved four main steps. The screening model used revealed that a fashion collaboration between In Flames and a fashion brand has the greatest potential relative the identified success factors. A guideline for the implementation phase, in form of a business model canvas, is proposed and is intended to cover all critical areas that need to be considered.

The findings of this thesis conclude that many success factors identified in literature (perceived fit, marketing support, and high quality extensions) are also valid in the context of In Flames’ situation. However, the authors also propose uniqueness and a credible background story as particularly important in the context of brand extensions in the music industry. These findings are considered additions to the academic research within the sparsely covered field of brand extensions in the music industry.
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1. Introduction

This chapter introduces the subject of this thesis, the relevance of it and also describes the context which the thesis is set in. The purpose is then presented and the research questions further details what the thesis intends to accomplish.

1.1 Background

The development of the music industry has not surpassed anyone. Streaming music has replaced record sales to a large extent and these business models render very little income for bands and artists today¹. This is one main reason behind the last years’ increase in world known bands touring around the globe (Cabral, 2009). Even though the introduction of numerous music streaming services have turned this negative trend to certain extent, there are still uncertainties whether these services’ revenue models will benefit all artists to the same extent as record sales did (Sörensen, 2012).

Bands and artists have for a long time used their brand to increase the number of revenue streams via different passive income sources such as sales of merchandise (Slind-Flor, 2007). Some artists and bands have also moved beyond the traditional merchandise items (T-shirts, posters, pins etc.) and have extended the use of their brand and recently these efforts have increased. Bands and artists are, for example, launching their own perfumes and restaurants. Another trend that can be identified is alcoholic beverages that are labeled with a musical act to spur buying frenzies among the large fan bases. The most notable example of this is probably Jimmy Buffet. Being known in the US for one song he made in 1977 (Margaritaville) he has managed to extend his brand from that single musical success into restaurant chains, beverages and much more. He is now the third richest artist in the world (Slind-Flor, 2007). His financial success showcases the potential brand extensions have for artists and bands if performed correctly.

This thesis is conducted in collaboration with one of Sweden’s largest musical exports, In Flames. The aim with it is to explore how this strong brand that has been around for over two decades, sold more than two and a half million records and played thousands of live shows can be utilized to generate new passive revenue streams. The thesis authors also hope to contribute to the academic research in this sparsely covered field.

1.1.1 In Flames

In Flames is a Swedish melodic death metal band that was founded in Gothenburg in 1990. None of the original member is still in the band since Jesper Strömbland left in 2010 but all current members have been involved in the band since over ten years. The band has released ten albums and toured all over the world for over 20 years¹. The band was awarded with the Swedish government’s export prize in 2005 and has won four Grammis awards. In the documentary “så jävla metal – del 2” broadcasted on the 10th of November 2012 on SVT1 Mikael Åkerfeldt described In Flames as the biggest band in Sweden. This might be

¹ Magnus Stömblad, In Flames business manager, face-to-face interview held 1st of October, 2012.
surprising to a lot of people who are not frequent followers of the metal scene but globally In Flames is well known in the large metal community.

In Flames current line-up consists of:
- Anders Fridén – Singer
- Björn Gelotte – Guitarist
- Daniel Svensson – Drummer
- Niclas Engelin – Guitarist
- Peter Iwers - Bassist

The band is globally known as one of the pioneers of melodic death metal that was born in Gothenburg in the first half of the nineties. The sound became commonly known as “the Gothenburg Sound” which is still a term used today to describe many bands in the genre. However, In Flames has over the last ten years moved their music away from traditional melodic death metal and incorporated many other influences which have both been appreciated and caused disappointment among fans.

1.2 Purpose
The purpose with this thesis is two-folded. The first purpose is to identify, evaluate and develop brand extension opportunities where the In Flames brand is being utilized in order to create passive revenue streams. The second purpose is to, via extensive literature reviews and interviews, add to the academic research within the area of brand extension in the music industry.

1.2.1 Research questions
The first purpose of this thesis will be answered through six research questions (RQ):

RQ1. What brand extension success factors and brand dilution mitigation strategies can be identified for In Flames?
RQ2. How do the band and the fans perceive the brand In Flames and what main customer segments can be identified?
RQ3. What are the internal asset and capabilities of In Flames and how can they be utilized?
RQ4. What brand extension opportunities, existing or innovative, can be identified?
RQ5. Which of these brand extension opportunities has the greatest possibility of creating passive revenue streams without diluting the brand?
RQ6. How could this brand extension be implemented?

The second purpose will be answered through one research question:

RQ7. How can the findings in this thesis add to the academic research of brand extensions in the music industry?

1.3 Two parallel theses
The data collection part of this thesis has partly been done in collaboration with two other master thesis authors, Dastan Namousi and Axel Berglund. The focus of their thesis was on
brand extensions for In Flames within the ICT field. The data that has been shared has mainly covered the internal analysis of In Flames (RQ2 and RQ3). The thesis authors have taken part in the construction of all data collection methods but the actual conduction of some of them has been divided between the two groups. The survey, focus groups and content analysis have therefore mainly been conducted by the other group. Due to the lack of data beforehand this has enabled extensive data collection to be conducted and the authors hope this has enabled a more comprehensive picture of the situation to be presented. The theses have shared some of the data collected until the evaluation of ideas where the two projects have been isolated from each other. The separation was done at that stage due to the different purposes of the two theses which diverged at the ideation phase. This also allowed two different approaches to a similar issue which is useful considering the exploratory nature of the projects.

1.4 Delimitations
The possibility of strengthening the brand will not be extensively explored when evaluating the different brand extension opportunities. The thesis will also not cover brand extension opportunities within the ICT field since this is covered in another thesis described in section 1.3 above.

1.5 Report structure
The thesis is structured in nine chapters. Following the introduction, chapter 2 presents the previous research where definitions of brand and brand extension are made. Different types of brand extensions are presented and underlying rationales behind these extensions are identified. The last section of this chapter describes three different brand management strategies. Chapter 3 presents the method and the chosen methodologies are described and motivated. The methodologies are presented for each research question separately and also include research question specific theory. The chapter ends with a discussion regarding the reliability and validity of the thesis, both on a general level and on a contextual In Flames level. Chapter 4 includes the first research question and can be seen as the identification of a framework to be used for the remaining six research questions. The chapter mainly describes brand extension success factors and brand dilution mitigation strategies collected from literature and interviews. Chapter 5 is dedicated to the internal analysis of In Flames (RQ2 and RQ3). The results and analysis from the brand audit and the mapping of existing assets and capabilities are presented here. This chapter is to be seen as the prerequisites for the following chapters. Chapter 6 presents all steps taken from generating ideas to selecting and creating an implementation plan for the decided brand extension opportunity (RQ4-RQ6). Chapter 7 answers the last research question (RQ7) regarding what the findings in this thesis imply for the academic research. Chapter 8 presents the recommendations towards In Flames and their actions in regards to brand extensions. The chapter also includes recommendations for further research and general recommendation for bands and artists that are pursuing the brand extension option. To conclude, chapter 9 revisits the seven research questions and shortly summarizes the answers to each of them.
2. Previous research

This chapter presents the general knowledge landscape of today when it comes to brand extension. It starts with defining a brand and its components and continues by presenting different ways of managing brand. This is then followed by a definition of brand extension and eight different types of it. The chapter finishes with the presentation of what companies try to achieve by performing brand extensions.

2.1 What is a brand?

To understand how a metal band can leverage their brand it is important to first understand what a brand is and what role brand plays.

The American Marketing Association defines a brand as; “a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors” (Kotler & Keller, 2009, page 236).

One of the main contributors and most influential researcher in the field of brands are Kevin Lane Keller. He (2008, page 48) defines a brand as “a set of mental associations held by the consumer which adds to the perceived value of a product or service”. Strong brands often have deep emotional associations that are unique, salient and positive (Chunawalla, 2009). These mental associations are crucial to indentify for In Flames in order to understand their fans and how they perceive the band.

A brand is in short an identifier of the seller or the maker (Chunawalla, 2009). A brand can also be stated to be a product or service whose dimensions differentiate it from other products or services (Kotler & Keller, 2009). The differentiation can be based on functional, rational or tangible attributes and benefits of the product performance of the brand. However, the differentiation can also be based on emotional, symbolic or intangible attributes of what the brand represents. To identify what type of attributes and benefits that differentiates the In Flames brand will further aid in the process of selecting a proper way of utilizing it in a brand extension.

There also exists another view on brands which might be very much suitable for In Flames. Kapferer (2012) highlights the role of communities. The author argues that a brand cannot be reduced to its functional benefits; instead it has to create a community. This is something that music acts have done for a long time. Fans belong to fan communities with the band as common denominator. This also implies that the author emphasizes the important role social media plays for brands in today’s society. In other words, if an actor wants to exist on the internet its brand needs to have followers, friends and people who are actively engaged in the brand’s community. Kapferer (2012, page 11) clarifies this by stating; “No fans, no brand!”. Closely connected to Kapeferer’s way of thinking about brands are Hutt and Spech’s (2007) reasoning. They state that the power of a brand resides in the minds of the consumers. This is very much apparent in the case of In Flames. If the fans would to perceive the brand In Flames as something negative very few transactions would be made, musically or financially.
From the eyes of a band or an organization brands are enormously valuable assets (Kotler & Keller, 2009). The brand can be protected through intellectual property rights, mainly through trademarks and copyrights. This legal property can then be used to influence consumers or be bought or sold (Kotler & Keller, 2009). It can also lower the risk and the cost when launching a new product or entering a new market (Grime et al., 2001) (Aaker & Keller, 1990). From the eyes of the consumers brands also play an important role. A brand is as previously stated as an identifier, Kotler and Keller (2009) thus argue that brands allow consumers to assign responsibility for the products performance to a particular actor. Over time consumers learn which brands satisfy their needs and wants. In In Flames’ case, this is for instance shown by the high numbers of attendants at their live shows stemming from their reputation as an extraordinary live act. Brands therefore act as simplifiers and risk reducers in consumers decision making processes. However, brands also play another important role for consumers. A brand can sometimes act as a symbol and brands can then make a statement on the behalf of the consumer (Chunawalla, 2009). In other words, consumers can express themselves through using particular brands. If a brand has symbolic value consumers chose more carefully if they want to use it or not.

2.2 Definition of Brand Extension
There is a distinction to be made between Line Extension and Brand Extension. Line Extension is defined as an extension of a current brand into a new market segment in its product class. Brand Extension on the other hand, is an extension of a current brand into a completely different product class (Aaker & Keller, 1990). This thesis will focus on opportunities categorized as Brand Extensions.

2.2.1 Eight types of brand extensions
To further understand how and what can be done within the area of brand extension, breaking down the term into its different types will provide some clarification. Tauber (1988) identifies eight different types of brand extensions:

1. **Same products in a different form**
   A common brand extension type where for example a food product is offered as a beverage. It is considered a simple way of extending your brand since the perceived fit is often very easy to achieve.

2. **Distinctive taste/ingredient in the new product**
   Some brands are closely connected to a certain taste or ingredient and this unique characteristic can be transferred into the extension to create both perceived fit and leverage.

3. **Companion products**
   Some products are used with other products. This can be utilized when extending a brand. Tauber (1988) mentions Log Cabin as an example. The brand was famous for their maple syrup and therefore the extension into pancake mix was a natural step.

4. **Same customer base**
   Tauber (1988) identifies that many companies extend their brand in order to “sell
something else” to its existing customers. The Swedish grocery store chain ICA utilized its large customer base when they started their banking activities.

5. Expertise
Offering extensions in categories where the customers believe that the brand have special knowledge or experience have proven to be one of the most effective types of brand extensions. Honda was famous for making superb small car engines and extending into lawn mowers was therefore a logical decision.

6. Vertical extension
Service providers and producer are often keen on capturing a larger part of the value chain and therefore extend their offering along the same. Nestlé Toll House offers normally chocolate chips that are used for baking cookies so extending in to also offering ready-to-eat cookies is a typical example of vertical extension.

7. Benefit/Attribute/Feature owned
Some brands “own” a certain feature and this can be utilized when offering an extension. Caterpillar is a very famous example. After a brand audit the company realized that their brand did not stand for reliable heavy vehicles but for ruggedness. Therefore, licensing their brand to a boot manufacturer made perfect sense and was a huge success.

8. Designer/image status
Certain brands convey status and there creates an image for the user. Designer clothing label is a typical example where the status is transferred onto other products such as perfumes, watches and many other product categories.

2.3 Brand management strategies
When an actor plans to enter a new market or develop a new product it needs to consider if, and in that case how to leverage its parent brand. A brand is built up by several different elements, for example the name, a sign, a symbol and colors. Consumers select a brand because it communicates a value. Depending on how an actor packages these brand elements in a product the communication to the customer differs (Biggar & Selame, 1992). An especially critical decision in new product launches is to decide upon how to brand the new product (Kotler & Keller, 2009). This also goes for In Flames, if this thesis is to succeed with the purpose of identifying and implementing a brand extension a suitable branding strategy for the new product should be constructed. According to Riezebos et al (2003), there are three different distinct brand name strategies available for an actor, such as In Flames, to choose from. These are:

- Monolithic brand name strategy
- Dualithic brand name strategy
- Multilithic brand name strategy

An actor that pursues a monolithic brand name strategy uses one brand name and visual style for all new market entries and new products, independently of the product category or market
Kapferer (2012) defines this strategy as an “umbrella” and “family” branding strategy. Examples of companies that are using this strategy are Mitsubishi and IBM. This is one of the most cost effective strategies to use but it is also connected to the highest risk since all products are connected to the parent brand (Biggar & Selame, 1992).

In a dualithic brand name strategy actors are using two brand names when introducing a new product or entering a new market (Riezebos, 2003). Several, if not all products in the product portfolio jointly hold one brand name and this jointly held brand name is usually the company name. The other brand name is an individual name connected to each article. This strategy can be pursued in two different ways. Either can the individual name be supported by the jointly held brand name; an example of this is the beer Hatuey by Bacardi. The other option is a product-line extension of the joint brand name; examples are Volkswagen Golf and Citroen ZX. Kapferer (2012) defines the first strategy as an “endorsement” strategy and the second as a “source brand” strategy in which an actor use sub-branding.

If a multilithic strategy is used organizations develop a new brand name for each new product launch or market entry (Riezebos, 2003). This strategy is usually connected to low risk of parent brand dilution and high investment costs. Examples of organizations that primarily are using this strategy are P&G and Unilever. Kapeferer (2012) refers to this strategy as a “product brands strategy” and Biggar and Selame (1992) calls it a “decentralized” approach.

2.4 Brand Extension goals
Since this thesis intends to aid In Flames in their brand extension endeavors a deepened understanding of the different rationales behind these decisions will be beneficial for the overall process. To know why a brand extension is conducted will assist in performing it properly and according to the set up goals.

To achieve growth is mentioned as the first reason to extend a brand, according to Kapferer, (2001). This is done by leveraging investments a company makes in its existing business and minimize risk connected to the launch of new product lines (Batra et al, 2010). One of the major sources of value created by a brand lies in the memorial associations consumers have for products sold with that brand and this fact is what companies are trying to utilize when extending to new product categories, either by internal production or licensing the brand to another producer (Herr et al, 1996). Being connected to a brand that already has an established consumer base and also have positive associations attached to it can penetrate a market faster and reach a larger portion of the potential customers. A study of 7000 supermarket products revealed that two thirds of the products that grossed over $15 million were brand- or line extensions (Aaker, 1990). The extension can also generate growth for the parent brand as it raises awareness among new customers and therefore attracts a larger part of the original customer segment (Kapferer, 2001).

Apart from financial growth, Apostolopoulou (2002) noted that for sports teams, enhancing fan’s emotional connectedness to their team was a major reason behind the brand extensions in those organizations. Even though some extension products did not aid the organization
financially they were launched to strengthen their presence in the market and fan loyalty. This is a reasoning that might very well hold for In Flames as well.

A brand extension can also be a brand’s answer to a consumer trend or emerging niche markets. In order to maintain customer satisfaction and loyalty a brand extension might be a suitable solution when these changes in customer preferences occur (Ambler & Styles, 1997). A brand extension can therefore aid in maintaining or increasing the value of the parent brand in a constantly changing environment (Kapferer, 2001). In line with this, a brand extension can help in communicating an image change instantly. Extending in a direction that is in line with the message the company wants to send to the customers can be more powerful than extensive marketing efforts (Kapferer, 2001)

To decrease the cost of a new product launch is also a frequently mentioned goal. Using an already established brand can minimize many investments and also decrease the risk of failure (Aaker & Keller, 1990) (Tauber, 1988). This rationale can be described as economies of scale. Marketing efforts per unit decreases when more products are offered under the same brand umbrella and allows the company to focus on delivering on the promise that the parent brand is already associated with. In many industries, shorter product life-cycles offers shorter windows of receiving profits and by using an already established brand the company can utilize this period of time better than an unknown brand (Ambler & Styles, 1997).

Increased profit levels are basically what lowered costs lead to but there are another source to high profit margins, the price of the product. Extending to a market where the willingness to pay is higher or other circumstances exist which allows the company to charge a premium will raise the profit levels. Companies with strong brands have been found to be able to charge a premium price of 17 per cent on average which is something that in many situations can be transferred to brand extensions (Buday, 1989).

2.5 Previous research analysis
The intention with this chapter was to present the general knowledge landscape of today regarding brand extensions which will form the basis for this thesis. The content has covered the topics of what is a brand and a brand extension, how can they be implemented and why is brand extension a good idea. The authors believe that these areas embrace the core of the two purposes of this thesis and set the foundation for further, more specific, investigations into how In Flames can leverage their brand in another form than what is done today.

The definition of a brand shows that there are many aspects to consider and a brand audit is vital in order to grasp the entire value of the In Flames brand. What associations that are made and who makes them will certainly affect the outcome of this thesis in terms of what brand extension opportunity that was chosen and how it is recommended to be implemented.

To understand what a brand extension really is and what different types exist is considered to be a basic prerequisite to be able to answer any of the stated research questions. The eight different types of brand extensions also revealed the wide variety of possibilities in the area of brand extensions and were a great source of inspiration in the ideation process.
In the same way as the types of extension revealed different possibilities for In Flames did also the three different brand management strategies. In order to succeed with a brand extension several factors need to fall in place. It is not enough to identify a feasible and potentially profitable idea. The idea has to be implemented and managed in the correct way in order to utilize and, at the same time, protect the parent brand. The three different brand management strategies give the reader a basic understanding on what different approaches can be taken and how this affects the relationship with the parent brand. This is valuable for the continuation of the process of identifying and selecting the proper way of implementing the brand extension ideas that arose during the process. Without this knowledge, ideas would be evaluated under the wrong conditions since the brand extension is not solely an idea. It should also contain a suggested way of implementing it and this should therefore be a part of the evaluation.

The section that presents the different rationales behind a brand extension was intended to highlight the fact that there exist several goals that might not be obvious to everyone, the authors included. The main purpose towards In Flames withstands though, to create new passive revenue streams by utilizing the In Flames brand. This section however, shows that there could be other supporting arguments for a certain extension that should not be neglected. Increased emotional connectedness between the parent brand and its’ customers/fans and answering to a trend within the customer/fan base are two goals that have been noted to be very much applicable on In Flames.
3. Methodology and theory

In this chapter the design and strategy of the research, the work process and research question specific methodology and theory is described and motivated. The chapter does not only explain why certain methodologies and theories have been used but also how they have been used. Each research question, except RQ7, has required specific theory and methodological considerations and these are presented separately for each of them.

3.1 Research strategy and design

The research topic of this thesis can generally be defined as brand extension in the music industry and in particular identification of brand extensions opportunities for In Flames. This thesis main deliverable is directed towards In Flames but parts of the research are also intended to contribute to the academic field. A research that aims to contribute to both practice and theory are practice and theory oriented (Holmén, 2012). Therefore, the general objective and research type can be concluded to be both practice and theory oriented.

The purpose of this thesis is two-folded. The outcome of the first purpose is In Flames specific and thus this part of the thesis is practice oriented. A study of both literature and practice to find hypothesis is a hypothesis-building research (Holmén, 2012). This research have included both studies of literature (mainly brand extension literature) and studies of practice (in-depth study of In Flames) to identify different hypothesis (in this case brand extension opportunities). Therefore, the specific research objective and research type have been identified to be hypothesis-building. The second purpose of this thesis is to add to the academic research within the area of brand extension in the music industry. This part of the thesis is theory oriented since it aims to add to the academic domain of brand extensions in the music industry. An exploratory study is suitable when nothing or little is known in the theoretical field about the subject (Holmén, 2012). In this particular case it was identified and confirmed by professionals and academics that very little to nothing has been written about brand extensions within the music industry. Therefore, the specific research objective and research type have been identified to be exploratory.

3.1.1 Work process

To give a holistic picture of the methodology used, the entire work process for this thesis will be presented here. For research question specific theory and data collection methods used, see their respective section later in the methodology and theory chapter. The separate research questions of this thesis are naturally connected with each other since they form steps in the overall process that focuses on answering the two-folded purpose. The work process is described below and visualized in figure 1 and 2.

The foundation of this thesis was built by answering RQ1. The extensive literature review phase demanded an extensive search for previous research in the field of brand extension. This phase revealed that very little to nothing has been written when it comes to brand extension within the music industry. This was later confirmed by several of the interviewees.
from academia. Exploratory interviews were conducted in order to bridge this gap between theory and the actual purpose of this thesis. The interviewees consisted of people with professional experience from brand management, the music industry or academic researchers within relevant fields. The result of this part of the thesis was used as input for RQ4-RQ7.

The authors researched In Flames internally through investigating RQ2 and RQ3 simultaneously as RQ1 were investigated. The researchers needed to understand what In Flames stand for, which main customer segments they have and what assets and capabilities they have to be able to identify suitable brand extension opportunities. Thus, this part of the research consisted of investigating how the band members and the fans perceive the In Flames brand, identifying and describing the main customer segments and map the current assets and capabilities of In Flames. The result of this part of the thesis was used as input for RQ4-RQ7.

Brand extension opportunities are created and built upon ideas. Thus, to be able to answer RQ4 ideas were identified internally and externally. The internal idea generation process explored what could be extracted from individual brainstorming and two different group brainstorming workshops. The external idea generation included ideas gathered from other artists and bands, fans, experts and other industries. The result of this part of the thesis was used as input for RQ5-RQ7.

To identify the most suitable brand extension opportunities for In Flames the ideas generated in the previous step needed to be evaluated. The idea evaluation phase, RQ5, started with a “gut feeling” screen which eliminated the most obvious flawed ideas so that no additional resources were spent on these. The next step was determining what hygiene criteria the ideas should be evaluated against. The long-list of ideas was measured according to the decided criteria and a short-list emerged. The short list was then taken through a scoring model with a second set of criteria. The remaining ideas were then evaluated according to financial aspects and other important considerations. In the end one idea stood out as the best alternative for In Flames to proceed with. The result of this part of the thesis was used as input for RQ6-RQ7.

Once the brand extension opportunity for In Flames was selected the project moved on to the final phase, RQ6. Since the last part of the first purpose is to develop a brand extension opportunity a detailed guideline for a future implementation plan, using the business model canvas, was created. If a decision to launch the project is taken the business model canvas is recommended to be used as instructions on how to move further to create passive revenue streams and mitigate the risk of brand dilution. The result of this part of the thesis was used as input for RQ7.

2 Francesca Dall’Olmo Riley, PhD Strategy, Marketing and Entrepreneurship, e-mail interview held 21st of September, 2012.
3 Lars Lillienstam, Professor in Music Science, face-to-face interview held 20th of September, 2012.
4 Peter Zackariasson, Marketing Researcher, face-to-face interview held 7th of September, 2012.
5 Niklas Bondesson, PhD Assistant Professor in Brand Management and Brand Equity, telephone interview held 21st of September, 2012.
6 Jonas Bjälesjö, Researcher Economics and Culture, face-to-face interview held 27th of September, 2012.
The second purpose, implications for academic research, have not had any specific theoretical or methodological work connected to it since it is analyzed and answered from all the empirical and theoretical data collected during the entire process.

How the entire process connects to the overall purposes and the separate research questions are visualized in figures 1 and 2 below:

Figure 1: The connection between purpose one and RQ1-RQ6. A circle implies an unanswered research question and a rectangle implies an answered research question.

Figure 2: The connection between purpose two, purpose one and RQ7. A circle implies an unanswered research question or purpose and a rectangle implies an answered research question or purpose.
3.2 Methodology - Brand extension success factors and brand dilution mitigation strategies

The methodological considerations that have been specifically conducted for RQ1 are presented in this section. Since very little to nothing has been written in the academic field of brand extensions in the music industry an exploratory approach have been used. Thus, in order to answer RQ1 no specific theory has guided the authors in the research.

The aim with this thesis was to identify, evaluate and develop suitable brand extension opportunities for In Flames. Therefore, the authors needed to gain knowledge about brand extensions success factors and how to avoid brand dilution. Extensive literature review was performed in the field of brand extension in general and in particular in brand extension in the music industry. Due to the lack of published research in the area exploratory interviews with professionals and academics were performed. Each data collection method is described below. The result of the exploratory research is presented in chapter 4.

Literature review

The literature review consists of literature mainly surrounding the concepts of brand extension and brand dilution. The literature review started off by using keywords such as “brand extension”, “brand management”, “brand dilution” and “brand management success factors” using the Chalmers web based library database and Google Scholar. When interesting articles or books were found their respective lists of references revealed more sources that gave deeper insights in certain aspects. In the exploratory interviews with professionals and academics several interviewees recommended certain literature that would be suitable for this thesis and this proved to be very helpful. For a complete list of the literature used in this thesis see the list of references, chapter 10.

Interviews

Semi-structured interviews with five persons within the academic field and six professionals were performed. The results from these interviews are complements to the literature review and fundamental building pieces of this thesis. A list of all interviewees’ name, title and category inherence can be found in the list of unpublished interviews, see section 10.2. The interviews have either been performed in person, via Email or via telephone. They have lasted from 30 minutes up to 60 minutes in some cases. If the interviewee allowed it, which most often was the case, the interviews were recorded and transcribed afterwards. All interviews have been guided by interview templates. These templates can be found in appendix I. However, the semi-structured interviews have not strictly followed the templates but rather been adapted with regards to the interviewees’ background and expertise. The questions were formulated to spur the interviewee to further elaborate on the issues if he/she had deeper insights within a particular field. Still, a semi-structured approach was maintained in order to be able to get the interviewees view on all the requested topics within the time frame of one interview.

Many of the interviews held led to introduction of other interesting people, books and articles and this information was used as the basis for taking the initial phases forward. By contacting the recommended people new interviews were booked and more relevant material was
discovered. This sampling approach is referred to as a snowball sampling approach by Bryman and Bell (2011). The weakness with this approach is that the sampling is not random and thus is the sample unlikely representative for the population. However, the approach is to be considered suitable for this thesis since the topic itself has very little academic history. Therefore, the authors have been forced to explore the field on their own with the help of experts in certain aspects of it. Together, the body of knowledge that has been gathered has covered the main angles of this issue. If only the sources that the authors would have been able to identify on their own were to be used, this would not be the case. The exploratory approach demanded this way of finding sources of information.

3.3 Methodology and theory - Brand audit
The theoretical and methodological considerations that have been specifically conducted for RQ2 are presented in this section.

3.3.1 Theory – Brand audit
Brand audits are performed with the objective to gain knowledge about what consumers know about a brand (Keller et al, 2008). Kotler and Keller (2009, page 251) define a brand audit as a “consumer-focused series of procedures to assess the health of the brand, uncover its sources of brand equity, and suggest ways to improve and leverage its equity”. Kotler and Keller (2009) further write that it is essential to perform a brand audit whenever a company considers a strategic move. Since the purpose with this thesis is to leverage the In Flames brand in a brand extension the brand audit is one of the essential building pieces of this research.

A brand audit requires the researchers to understand the sources of brand equity from the perspective from both the company and from the consumers (Keller et al, 2008). From the perspective of the company it is important to map and identify what products and services the company offer and how these have been and are branded. From the perspective of the consumers it is important to dig deep into the consumers’ minds and reveal the true meaning of the companies’ brands and products. How In Flames are branded today and the true perception of the In Flames brand are two necessary building pieces to be able to identify suitable brand extension opportunities for In Flames.

Keller et al (2008) states that a brand audits consist of two separate steps and these are brand inventory and brand exploratory.

Brand inventory is done in the purpose to provide a complete and up-to-date picture of how a company’s products and services have been branded (Keller et al, 2008). Each product’s relevant brand elements should be identified and this information needs to be summarized both verbally and visually. The brand inventory is mainly descriptive by nature but the company’s consistency in its branding efforts can be analyzed.

The brand exploratory is done with the purpose to deeply investigate and map consumers’ perception about a brand (Keller et al, 2008). In other words, the researches should collect detailed information about what consumer think and feel about a brand. Keller et al (2008) suggest the brand exploratory to be performed in a four-step process.
1. **Assemble existing data, such as previously collected data or research.**
   Analyze and summarize the relevant secondary data in order to build general understanding of the brand.

2. **Interview internal parties in the organization.**
   This is done in order to gain an understanding of their beliefs and perceptions about their and their consumers’ view on the brand.

3. **Collect qualitatively data from customers.**
   This should be done with the objective to deeply understand their perception of the brand and their consumption behavior.

4. **Conduct a quantitatively follow-up study with the consumers of the brand.**
   This step will provide the researcher with a more specific and complete picture about the consumers’ perception of the brand.

### 3.3.2 Methodology – Brand audit

In this research, the brand audit process of Keller et al (2008) has been used as a guideline. However, a wider focus in the brand audit has been necessary. Especially the focus in the brand exploratory differs compared to the focus of Keller et al (2008). The brand exploratory in this research has not only focused on uncovering the true perception of the brand. The first purpose with this research was to identify possible brand extensions opportunities for In Flames. Thus, as part of the brand audit it was a necessity to collect data about customer segments and the consumers’ consumption behavior.

The brand audit process of Keller et al (2008) was chosen since the researchers are one of the main contributors in the fields of brand management. The process was also chosen due to its main focus. A brand audit can have several different focuses, for example creating a stronger competitive advantage or creating a clearer brand identity. However, the main focus of this particular brand audit process is to uncover the true perception of a brand. In this thesis the true perception of In Flames’ brand is one of the main pillars since the researchers needed to be able to identify which brand extensions ideas that could fit with the In Flames brand. The result of the brand audit is presented in section 5.1-5.6.

The brand audit process contained two separate steps, a brand inventory and a brand exploratory. The methodology used in each step will be described below.

The aim with the brand inventory was to broadly map how In Flames have been branded. To collect data about the issue a semi-structured interview was held with the business manager of In Flames. In Flames’ main product, their full length albums and their previous performed brand extensions were also studied. In the interview data was collected about what type of brand In Flames have and are using and which brand extensions they previously have performed. This data was used as input to the next stage. The researchers visually studied how In Flames had braded their main product, their albums, and their brand extensions. The brand’s design, color, and size was visually inspected and compared between the products.

The aim with the brand exploratory was to investigate consumers’ perception of the In Flames brand, identify customer segments and their respective consumption behavior. The research was conducted in a four-step process:
1. Secondary data was assembled and analyzed. The aim with this step was to build a general understanding about the brand, In Flames fan base and the fans’ consumption pattern.

2. Semi-structured interviews were held with the band members and the surrounding crew in order to gain an understanding of their beliefs and perceptions about their and their fans’ view on the In Flames brand. Data about fan segments and fans consumption behavior was also collected in the interviews.

3. Quantitatively and qualitatively data was collected through a content analysis, semi-structured interviews with external parties and through two focus groups. These methods were used to deeply understand the fans perception of the In Flames brand. Data about fan segments and fans consumption behavior was only collected in the focus groups.

4. A quantitatively follow-up study with the fans was conducted through an online survey. The data collected in step 3 was used as input. The aim with this step was to provide the researcher with a more specific and complete picture about the consumers’ perception of the brand, customer segments and consumption behavior.

A description about the data collections methods used in the brand exploratory will be described in the sections below.

**Secondary data**
Limitated amount of secondary data was found by the authors. The only useful data that was identified was extracted from the band’s official Facebook page. Demographic and geographic data about the 830 000 people who followed In Flames on Facebook was extracted on the 12th of September, 2012. The extracted data contained information about the Facebook users’ gender, age and country of residence.

**Semi-structured interviews**
Semi-structured interviews were conducted with both internal and external parties. The interviews with the internal actors were performed with the In Flames members, In Flames business manager, In Flames assistant and In Flames PR and Marketing manager. The external interviews were conducted with three industry experts who had followed In Flames for a long time. As recommended by Bryman and Bell (2011) the interviewers were guided in the interview by a pre-designed interview template. The interview template was designed so that it covered the perception of the In Flames brand, customer segments and consumption behavior, see appendix I. Zackariasson\(^7\) recommended the authors to ask the interviewees the following question: “If In Flames was an animal, what animal would it be?”. He stated that this question often makes the interviewees exemplify and concretize their true perception of the brand. Thus, this question was added to the interview template. If the interviewee allowed it, which most often was the case, the interviews were recorded and transcribed afterwards. All interviews were face-to-face interviews and lasted between 45-60 minutes.

**Content analysis**
An inductive content analysis based on online reviews of In Flames full-length albums were

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\(^7\) Peter Zackariasson, Marketing Researcher, face-to-face interview held 7th of September, 2012.
designed and performed. Reviews of live albums or collection albums was excluded since only the reviews of their full-length albums were believed to have a significant influence on the style and direction of the music of In Flames. In total 52 online reviews of In Flames ten albums were included in the content analysis. The reviews were collected from five different sites and three of them were sites with a niche towards the metal genre. The coding scheme was based on a categorization of common themes and explicit words frequently used to describe In Flames music.

**Focus groups**
Two focus group sessions were conducted as online group audio conversation over Skype. The first focus group was held on the 1st of October, 2012 and the second was held on the 2nd of October, 2012. A convenience sample was used to assemble participants to the first focus group. This focus group was initially considered as a pre-test and consisted of six friends to the authors who listen to and follow In Flames. However, since the result was found useful to the study it is included in the empirical results. The second group of participants was gathered via a fan coordinator for In Flames and included nine participants from Sweden, Norway, Germany, the UK and USA. The sessions were preceded by a short survey among the participants to gather the basic demographic and geographic data about them. They had also received an e-mail with detailed information about the session and the topic was defined beforehand in detail which is preferred according to Bryman and Bell (2011). The focus groups were moderated with an intention to let the discussion flow freely but, when necessary, intervene to focus on certain important issues within the topic. The instructions to the focus group participants, the instructions to the moderator and the specific questions the survey was guided by can be found in appendix II.

**Survey**
Data gathered in the semi-structured interviews, the content analysis and the focus groups were used as input when constructing questions for the survey. The questions in the survey were pre-tested and reviewed by Jonas Hjerpe, the authors’ supervisor at Chalmers University of Technology. The survey was posted on the 19th of October, 2012, on In Flames official Facebook page and on the official fanclub, Jesterhead.com. Over a period of three days 1362 complete answers were received. The survey aimed at confirming or disconfirming the findings of the previous qualitative and quantitative research conducted in the brand exploratory process. The questions were intended to map what characteristics fans of In Flames have and if these people could be grouped into main customer segments. The questions covered topics such as work, buying behaviors and how they perceived In Flames. The last question of the survey was an open question where the respondent was asked to write what they would tell In Flames to do if they had the chance. This question was intended to give the authors an indication of what fans were missing or disliked, if anything. The complete survey can be found in appendix III.

The brand audit in this research has focused on mapping how In Flames are branded, uncovering the true perception of the brand and identifying main customer segments and their respective characteristics. This has been done through investigating each issue by using several different data collection methods and sources. Thus, the strength with the design of
the brand audit is that both method and source triangulation have been used. The weakness is that large amount of data have been extracted from, and collected on Facebook. Thus, it can be questioned if the sample is representative for the population of In Flames fans. However, since both qualitative and quantitative data have been collected and several different sources and methods have been used the researchers believe to have attained a comprehensive picture of the In Flames brand and the band’s fan base.

3.4 Methodology and theory - Assets and capabilities
The theoretical and methodological considerations that have been specifically conducted for RQ3 are presented in this section.

3.4.1 Theory - Assets and capabilities
Sarasvathy (2001) addresses the creation of artifacts, such as firms, markets, products and economics. She claims that the creation of artifacts requires the concept of effectuation and she set effectuation in relation to causation. The concepts are defined as: “Causation processes take a particular effect as given and focus on selecting between means to create that effect. Effectuation processes take a set of means as given and focus on selecting between possible effects that can be created with that set of means” (page 246). Causation and effectuation thus are two separate creation processes. The above reasoning can be illustrated by figure 3 below:

![Figure 3: The left part of the figure illustrates a causal logic and the right part an effectual logic. Picture adapted from Sarasvathy (2001, page 3).](image)

Sarasvathy (2001) state that all expert entrepreneurs should start with three sets of means; “who they are”, “what they know” and “whom they know”. The mean “who they are” is the actors identity, “what they know” is the actors knowledge and “whom they know” is the actors network (Wiltbank et al, 2006). Sarasvathy’s effectuation process is not used in its completeness since the later stages in the process are not within the scope of this thesis. Sarasvathy’s effectuation process is illustrated in figure 4 below:
3.4.2 Methodology - Assets and capabilities

When an organization’s assets and capabilities are to be mapped there are several methodological considerations to reflect on. The main consideration is “what” to map in order to attain a comprehensive picture of the organization. In this thesis, Sarasvathy’s (2001) thoughts are used as guidelines since the goal, which brand extension opportunity to recommend, is not known in advanced. The authors therefore needed to take their starting point from which assets and capabilities In Flames have.

When the ends are unknown Sarasvathy (2001) claim that entrepreneurs should start from three sets of means, “who they are”, what they know” and “whom they know”. The authors think that Sarasvathy’s thoughts about which means to start investigating was not exhaustive enough to create a comprehensive picture of the assets and capabilities of In Flames. In Flames is a group of individuals and the authors thus claim that Sarasvathy’s thoughts need to be complemented by the mean “what they have”. This is done since each member’s time and financial resources are divergent.

To collect data about In Flames assets and capabilities semi-structured interviews were used. These interviews focused on collecting data about “who they are”, “what they know”, “whom they know” and “what they have”. An interview template was used as guidance for the interviewers during the interviews, see appendix I. The template was developed so that data was collected about all four means. Interviews were held with the band members, In Flames assistant, In Flames business manager and In Flames PR and marketing manager. All interviews were held face-to-face with the interviewee and lasted approximately 30 minutes. The interviews were recorded and transcribed afterwards.

Semi-structured interviews were used since the sample was quite small and thus was it, within the authors’ time and resource constraints, possible to interview all relevant actors. In-depth data about the relevant issues was also needed and thus is a qualitative data collection method preferred (Bryman & Bell, 2011). Implicitly have other research methods been used to map the mean “who they are” since this question is answered by the brand audit. The weakness with the chosen method is that collected data are not triangulated or confirmed, except for the case of the mean “who they are”.

Figure 4: Sarasvathy’s effectuation process. The red circle marks the focus of this thesis. Figure adapted from Wiltbank et al (2006, page 993).
3.5 Methodology - Identification of brand extension opportunities

The methodological considerations that have been specifically conducted for RQ4 are presented in this section. A brief theoretical study was made in the vast area of ideation and many aspects of it were used as guidance. This field would thus require a lot of attention and space in this thesis. The theory section was therefore left out due to disposition issues.

Brand extension opportunities are created and built upon ideas. Thus, to be able to answer RQ4 ideas needed to be identified. The area of ideation covers vast grounds and presents hundreds of models of finding the right idea and the time and resource constraint made it clear from the beginning that only fragments of this could be utilized. The goal was therefore to find a few domains that would cover as much ground as possible. Four domains was identified as crucial to cover; the fans, experts, internal sources and what others have done.

The fans were covered through an online survey and two focus groups which gave some indications of what the fans wanted. What others have done (music related or not) was also of great interest and here extensive web based research was conducted alongside with asking interviewees if they knew of any good or bad brand extension examples. Adding the activities and interviews performed with band members and people in the In Flames organization the ideas represents both internally created and externally collected.

Two brainstorming workshops were held in the idea generation phase. One workshop consisted of nine students, the authors of both In Flames theses included, from Chalmers University of Technology. The workshop acted as the pre-test for the following workshop, even though the intention was also to extract valuable thoughts and ideas from this occasion as well. The pre-test was held on the 17th of October, 2012. The second brainstorming session included two of the In Flames band members, their business manager and the supervisor of this thesis and was held on the 19th of October, 2012. The brainstorming sessions followed the GOES concept (Generate, Organize, Evaluate and Select) (The Inovo Group, 2010).

Prior to the brainstorming session started a presentation was held to introduce the participants to the subject of brand extension and also present the three main customer segments of In Flames that had been identified. These would then be central in the generation phase of the workshop. According to Heslin (2009) groups can potentially generate more ideas when using a technique called brainwriting. Thus, in order to help spur the interaction between the participants brainwriting was used as the idea generation tool. Each participant was given a blank sheet of paper and told to write an idea they could come up with that would satisfy a certain need for one of the customer segments. The customer segment was decided beforehand and was the focus for the entire group. The sheet of paper with the idea would then be sent to the person on its right hand side who would then either add or refine the existing idea or write a new one. This process would then be repeated until the sheet of paper returned to the person who wrote the first idea on it. The best idea, a single person’s idea or a mix of several additions on the paper would then be presented to the group as that person’s contribution. The brainwriting process was then repeated on all three customer segments. When this stage was finished, all ideas were, if feasible, grouped together with ideas that had similar content. The participants were then told to evaluate the groups individually and give
the best one three points, the second best two points and the third most preferred one point. The total score was then calculated and the ideas which stood out with the most points were then selected for further evaluation.

It can always be argued if these four domains cover enough ground to have created a long-list with ideas that can fulfill the purpose of this thesis. Interviews\(^8\),\(^9\),\(^10\) and literature (Aaker, 1990) have shown to mainly point towards the customers/fans in order to identify needs or wants that can be solved through brand extensions from their favorite bands/companies. This information have been noted and used when researching the four above mentioned domains. The identification phase was intended to be as unrestricted as possible so that all ideas imaginable would have the chance to emerge and be discussed. The main goal has been to tap the above four sources of as many ideas as possible and worry about the evaluation later. The focus have always been to find brand extension opportunities that will satisfy a need within one or several of the identified fan segments.

However, there are still questions regarding if this approach will have detected the best ideas imaginable and most likely this is not the case. With only a fragment of a per cent of the Facebook fans answering the survey and only two of the In Flames members actively participating in the brainstorming session the number of unrevealed ideas are vast. But with the resources and time available the authors believe that many good ideas came out of this process and the key to success is not only the idea itself but the execution, as Jones (2012) points out. Most likely there exist several scenarios with totally different ideas that will all generate positive results for In Flames.

3.6 Methodology and theory - Idea evaluation and selection

The theoretical and methodological considerations that have been specifically conducted for RQ5 are presented in this section.

3.6.1 Theory – Idea evaluation and selection

Luh (2000) covers the topic of screening models in early stages of the innovation process and identifies Cooper’s (1986, p. 113) model as the most accepted one of initial screening. The model can be described as a stage gate process where the ideas are taken through three different screens before a decision to go further with the best ideas is made. The model is presented in figure 5.

Figure 5: Cooper’s stage gate model (Luh, 2000, page 53).

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8 Peter Askengren, rap artist and entrepreneur, face-to-face interview held 5\(^{th}\) of October, 2012.
9 Michael Brandvold, Former marketing manager for Kiss, telephone interview held 1\(^{st}\) of October, 2012.
10 Peter Zackariasson, Marketing Researcher, telephone interview held 7\(^{th}\) of September, 2012.
3.6.2 Methodology - Idea evaluation and selection

After identifying brand extension ideas, evaluating and selecting the most appropriate was the next step. In this thesis the authors chose to use Cooper’s (1986, p. 113) screening model as guidance in the screening process. Cooper’s screening model was chosen since it is one of the most accepted models (Luh 2000). It was also chosen since it applies multiple criteria and thus the impact of the authors’ “gut feeling” is lowered to some extent. The process was adapted in collaboration with the idea screening specialist of Chalmers School of Entrepreneurship, David Andersson.

First, the most obvious flawed ideas were rejected with no further explanation. An example of an idea that was rejected in this step is In Flames wedding chapel. The ideas were basically absurd or in any other way not feasible. The remaining ideas were then evaluated against a checklist with four MUST criteria that had to be fulfilled for an idea to be approved for further evaluation. This represents the first step in Cooper’s (1986) model. The ideas that passed the checklist were then evaluated further in the scoring model. The scoring model contained the SHOULD criteria which were weighted according to their relative importance to a successful brand extension for In Flames. The model contained six criteria that were weighted between -5 (high negative impact) and +5 (high positive impact). Each idea was given a score between zero to ten for each criterion. These scores were then multiplied with their respective weights. This generated a sum for each idea and a relative ranking with no relevance to the different segments taken into consideration. A relevance score for each segment and idea was therefore added. The ideas that were among the top three, for a certain segment or overall, were moved along to the last phase of the evaluation process. The scoring model is presented in appendix V. The last phase of the evaluation process, following Cooper’s (1986) framework, consisted of a set of financial aspects to consider before selecting what brand extensions to develop further. The ideas were also tested once again for flaws that would make them less suitable for implementation. This can then be said to be a combination of both the “financial aspects” and the “decision making” step according to Cooper’s (1986) framework.

The chosen idea is perceived to have the qualities described as brand extension success factors in chapter 4 and at the same time incorporate a low risk of diluting the brand. It should still be noted that the evaluation of all ideas are based on the authors own perceptions. This implies that the authors’ own opinions of what is a good brand extension for In Flames have played a major role in arriving at the chosen idea. Thus, the weakness of the methodology used is that the ideas are screened based on the authors own perceptions of the ideas. However, by applying multiple criteria methods the authors are convinced that the idea selected has the potential of being a successful brand extension as long as it is executed correctly.

3.7 Methodology and theory - Creating implementation plan

The theoretical and methodological considerations that have been specifically conducted for RQ6 are presented in this section.

11 Andersson, David, Idea evaluation expert, PhD Student, face-to-face interview held 31st October, 2012.
3.7.1 Theory – Creating implementation plan

Osterwalder and Pigneur (2010) business model canvas has been very well received and includes all major issues that a business model needs to solve. To create a comprehensive implementation plan all major parts of a business model needs to be covered. Thus, in the creation of the implementation plan Osterwalder and Pigneur’s (2010) canvas model was used as a guideline. The implementation plan should incorporate all aspects of it when more concrete actions and schedules are created. The major parts that the business model canvas covers are:

An organization serves one or several customer segments. A common difference between companies is made between those which serve a mass market and the companies which focus on niche markets.

A business seeks to solve customer problems and satisfy customer needs with value propositions. These needs might be qualitative or quantitative and involve extensive research in order to identify them.

Channels refer to the fact that value propositions are delivered to customers through communication, distribution, and sales channels. Channels can either be direct or indirect and either be an owned channel or a partner channel.

Revenue streams result from value propositions successfully offered to customers. These can come from direct asset sale, usage fees, licensing, brokerage fees or advertising.

Key resources are the assets required to execute all parts of the business model. These can be physical, intellectual, human and financial.

Key activities describe the most important functions a company must perform to make its business model work.

Key partnerships are defined as the network of suppliers and partners that make the business model deliver the value proposition to the targeted customer segments.

Cost structure describes all costs that are necessary in order to operate the business model. Some business models are focusing heavily on the low cost aspect while others are more value driven.

Customer relationships are established and maintained for each specific segment. These relationships between the customer and the company can be personal, fully automatic or something in between. They can also involve co-creation where crowdsourcing is an example of how customers are involved in the development of new products.

Due to the nature of the chosen idea, see section 6.4, a brief presentation of creative collaborations and how earnings are commonly divided are presented below.

Creative collaborations
Creative collaborations can create positive leverage for all parties involved if performed correctly. Chesbrough (2007) identifies that the most used objectives which drives
partnerships are: increased profitability, shortened time to market, enhanced creative capability and expansion of market access.

**Dividing Earnings**
Schilling (2010) emphasizes the importance of an agreement that all parties benefits from as a critical success factor in collaborations. How to divide the revenues is a major part of this agreement. This can be done upfront, but also later on. Three different approaches have been identified in a study performed by Kossen et al (2010). First, there is the licensing model. In this model, the licensee pays a fixed amount of money per product in which the intellectual property is used. A second method used can be classified as “fixed price”. In fixed price cooperation, one of the collaborating parties pays a fixed amount of money to receive a particular service or product. A third method mentioned is often defined as “bartering”. In a bartering situation, companies exchange services or goods without any monetary transactions.

3.7.2 **Methodology - Creating implementation plan**
The last part of the first purpose is to develop a brand extension opportunity and thus was a detailed implementation plan created for the chosen brand extension idea. All data collected during the entire process is, to some extent, boiled down to the proposed business model. The input from fans, band members, experts, professionals, literature and other sources have all contributed in the content creation of the different parts of the business model canvas

In the creation of the implementation plan Osterwalder and Pigneur (2010) canvas model was used as guidance. The business model canvas was used as guidance since a prerequisite for a comprehensive implementation plan is that it covers all major parts of a business model. The parts in the business plan that initially were controllable were also controlled through a semi-structured interview with Sascha Twele12. However, much of the contents in the business model depend on what partnering fashion brand is chosen and how they and In Flames come to an agreement. The implementation plan presented is a proposal that has the possibility to be altered until all parties are satisfied.

3.8 **Overview and summary of research methods used**
As presented above in sections 3.2-3.7 several research methods have been used in this thesis. Data have been collected through the following research methods: literature review, semi-structured interviews, secondary data, content analysis, focus groups, a survey and ideation workshops. Since several methods have been used to collect data for multiple research questions an overview of the data collection methods used and their connection to each research question are presented in table 1 below.

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12 Sascha Twele, owner and founder Merchland, telephone interview held 19th of November, 2012.
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<th>RQ \ Data collection method</th>
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Table 1: Data collection methods used for each research question.

3.9 Reliability and validity

Yin (1994) proposes four tests that can be done in order to measure the quality of a research. These tests are reliability, internal validity, construct validity and external validity. The internal validity aims to establish a proven causal relationship and should not be used in a descriptive or exploratory study (Yin, 1994) and thus is not relevant in the setting of this thesis. Due to the exploratory nature of this thesis and since it is performed in close collaboration with In Flames, ecological validity will also be taken into consideration.

The reliability concerns the results of the project and whether they are repeatable or not (Bryman & Bell, 2011). This has been achieved to some extent since the interviewees and interview questions are listed in this thesis. The material used in the survey has also been presented. If the same people would be interviewed with the same set of questions the result would most likely be similar to what is presented in this thesis. However, each interview has included a part where no questions were prepared and a more general discussion was held. The information gathered from this part might not occur if the interviews would be conducted once again. The snowballing sampling also implies that if done all over again the same people would most likely not be interviewed and therefore the results would not be entirely consistent. The same reasoning are applicable to the focus groups and brainstorming sessions. The material used is presented and can be re-used but the choice of people will have substantial effect on the result and therefore the reliability depends to some extent on the participants. However, the people participating in the focus groups are considered to represent
the core fan groups from different parts of the world and it is likely that another set of people chosen with the same aim would give similar answers. The quantitative studies (survey and content analysis) are considered to have a high reliability due to the fact that the sources for the information would be the same (Facebook and music sites) and these people/reviewers would generate the same answers again. The methodology chosen gives the internal analysis (RQ2 and RQ3) high reliability due to source and method triangulation. The same reasoning is applicable for RQ1 and RQ7. The three remaining research questions are regarded to have substantially lower reliability since they were much more subjects to who participated in the ideation, evaluation and selection process.

The validity of the project deals with the issue whether the right aspects were studied in order to answer the research questions (Bryman & Bell, 2011). In this thesis the validity needs to be considered on two levels, on a general level and on an In Flames contextual level.

The construct validity refers to the correct use of operational measures for the concepts being studied (Bryman & Bell, 2011). The construct validity is regarded as medium to high both on the general and on the In Flames level since both source and method triangulation have been used. The methods have, to a large extent, followed existing and accepted concepts even though some alterations have been necessary due to the exploratory approach and lack of previous studies within the field. When performing the brand audit (RQ2) several research methods were used to collect the same type of data. To answer the remaining six research questions several sources have been used and hence ensured high construct validity.

Ecological validity concerns whether or not social scientific findings are applicable to people’s social settings and daily life conditions (Bryman & Bell, 2011). Since the researchers have worked closely with the band and studied In Flames for a long time the research reflects the real life environment. Thus, the ecological validity is considered to be high both on an In Flames specific level and on a general level. As mentioned earlier, the area of brand extension in the music industry is a sparsely covered field. This fact together with a high ecological validity makes the findings of this thesis generalizable beyond the setting of In Flames.

External validity aims at ensuring that the findings are applicable in a more general setting as well and not only valid for the chosen situation (Yin, 1994). The external validity is mainly applicable on RQ7 where findings relevant to the academic research of brand extension in the music industry are presented. Since mainly a convenience and snowballing sampling approach have been used in this thesis the sample are not representable for the population. Thus, the external validity should be considered as low (Bryman & Bell, 2011). However, due to combination of a high ecological validity and a sparsely covered field of academic research the external validity in this thesis is to be considered medium on the general level and high on the In Flames level.
4. Brand extension success factors and brand dilution mitigation strategies

After reviewing the general knowledge presented in chapter 2, RQ1 was formulated since it covers two of the most interesting topics of brand extension that needed further elaborations – brand extension success factors and brand dilution mitigation strategies. The chapter is divided into information gathered from literature at first, then information from the interviews will be presented and lastly a joint analysis of both parts will be presented. The result of this part of the thesis was used as input in the idea generation, evaluation and implementation phase so that suitable brand extension opportunities were identified for In Flames.

4.1 Literature sources – Brand extension success factors and brand dilution mitigation strategies

The literature part of RQ1 starts off with presenting differences identified between conventional industry brands and brands within industries that are considered similar to the music industry. This is followed by a presentation of the most accepted brand extension success factors and examples of brand mitigation strategies.

4.1.1 Differences between conventional industry brands and emotionally driven industry brands

Van Riel et al (2001) emphasizes that brand extensions are more favorable to service brands due to the fact that they are “experience” products that cannot be evaluated on visual inspection. Brand extension into new services seems to offer less risk and higher success rate than what is true for consumer goods. Their study shows that in the case of an extension within the service industry, complementarity (think of laundry detergent and softener) with the original category plays an important role in the consumer evaluation. This would imply that brand extensions within the service sector should deliver significant similarities in order to achieve optimal success rates.

Chadwick and Holt (2006) and Chadwick and Beech (2007) state that sport is often consumed in an irrational rather than rational, economic manner. Many are appalled at the thought of their club (and all it represents) being reduced to no more than a brand. This is due to the extremely close relationship that the fan has with his/her club (Jones, 1997).

However, a study conducted by Chadwick and Beech (2007) revealed that this is not the case among many fans anymore. Supporters understand the substantial increase in competition and the fact that clubs need to increase their revenue streams to improve and maintain their competitiveness. If there was increased on-field success paid for by increased commercial activity, a situation where the supporters’ emotional attachment to the club increases is not seldom seen (Abosage et al, 2012).

Although brand extension is something club supporters accept, Abosag et al (2012) emphasizes that club management needs to be careful when extending its brand. This is mainly because their study shows that supporters want brand extensions to reflect and enhance the heritage of the club. Each brand extension has to be in line with the existing fans’ image of their club, strengthen supporters’ beliefs in the future of the club and help attract
new followers. By creating brand extensions that show concern over the club’s heritage and traditions the supporters’ concern towards the increased commercialization can be mitigated (Chadwick and Beech, 2007).

The studies on sports and other more emotionally driven industries are interesting since they highlight the increased elasticity these brands have compared to many other traditional industry brands. Fans in sports and music share in many ways the same passion for their favorite team/band and this implies that the potential increased elasticity would, to some extent, also be transferable to music.

4.1.2 Brand extension success factors
Numerous articles and reports focus on identifying the keys to success. Presented below are the ones that are most frequently mentioned and that have been to some extent proven to impact the success of a brand extension. How these factors affect In Flames will be covered in the analysis, section 4.3.

Perception of fit
Extending a brand to a product class that is perceived to be similar to the original offer is considered to be crucial for customer acceptance (Hem et al, 2001) (Bottomley & Doyle, 1996) (Habann et al, 2008). However, in some cases brand-specific associations override these constraints. Consumers assess the ability of an extension to meet their needs and this assessment is driven primarily by the brand-specific associations (Monga & John, 2010). This means that what is considered a fit for a certain brand can differ a lot depending on what customers associate with it. A brand may “fit” into another category, regardless of its origin, if it is perceived to offer the benefits sought in the extended category (Broniarczyk & Alba, 1994) (Monga & John, 2010) (Farquhar & Fazio, 1996). This is described as a brand with high elasticity (Monga & John, 2010). Harley Davidson is an example of this. Compared to many other motorcycle producers, the Harley Davidson brand is strongly associated with a lifestyle and not just its products and can therefore extend the offering into clothes, furniture and even cake toppings. The characteristics of the parent brand determine the brand’s elasticity and are regarded as the main explanation behind this phenomenon. Of particular importance is the nature of the brand concept associated with the parent brand - prestige versus functional. A prestige brand is considered to have much higher elasticity than a brand associated with a functional concept (Monga & John, 2010).

Perception of fit is strongly emphasized in the literature studied and the most important aspects to consider in the case of In Flames is to identify what brand specific associations that are made by the fans in order to know what will be perceived as a good fit or not. Conducting a brand audit will therefore play a major role in this thesis.

Leverage
Tauber (1981) identifies leverage to be the most important success factor together with perceived fit. He defines leverage as the impact a brand’s distinctive properties have on lead customers in the new product category that will lead them to perceiving the brand extension as superior to existing competitive products on an important dimension.
Some brands own an ingredient and some brand possess a benefit or an attribute and this is needed in order to even consider a brand extension (Tauber, 1981). This has to be combined with the need for this ingredient, benefit or attribute in the new customer segment. Tauber (1981) continues to state that there is often an inverse relationship between fit and leverage. A brand with high elasticity many times does not have the qualities which will create enough leverage in the brand extension category. Successful brand extensions are therefore not that easy to identify, develop and position (Tauber, 1981). Kane (1987) emphasizes that attaching a known name on a new product does not guarantee its success. There will most likely be several competitors in the new category that also have a strong brand name and with no distinctive differentiator the new product will most likely fail (Tauber, 1981).

To find those characteristics that can be leveraged in a brand extension is in In Flames’ case of major importance. To identify what fans consider unique or characteristic for the band will assist in recognizing if the proposed ideas will be incorporating these findings or not.

**A perception of high quality parent brand**

The quality of the parent brand is, according to many researchers in the field, one of the major drivers of brand extension success (Bottomley & Holden, 2001) (Habann et al, 2008). The reason for this is mainly derived from the underlying value of a brand. The memorial associations connected to the parent brand will spill over on the extension and if those associations are positive this will in turn be positive for all products under the same brand umbrella (Bottomley & Holden, 2001). Habann et al (2008) agrees in this aspect and emphasize that the more distant an extension is from the parent brand the stronger the positive memorial associations of the parent brand has to be. Völkner et al (2006) emphasize the importance of parent brand quality and the positive effect it can have on the brand overall if the quality of the brand extension is perceived as high as well. This gives the consumers another reference to the brand’s ability to deliver on the promise. To conclude, the higher the perceived quality of the parent brand is the higher the perceived quality of the brand extension is perceived to be.

**The relationship between quality and perceived fit**

When a brand extension is perceived to be similar to the original product class the perceived quality of the parent brand is more easily transferable to the extended product. Conversely, if the fit is weak the transfer is inhibited (Bottomley & Doyle, 1996). This statement further emphasizes the importance of the fit between the parent brand and the extension. This also implies that even a strong brand needs to provide a brand extension that is perceived to make sense to the customer and satisfy its needs (Aaker, 1990). The finding also emphasizes that only strong brands should even consider a brand extension since the positive memorial associations is the key attribute that is being leveraged (Tauber, 1988).

Once again this success factor showcases the importance of obtaining a deep understanding of the brand in question, in this case the In Flames brand, in order to have the proper prerequisites to make the right brand extension decisions. A brand audit cannot be neglected by anyone interested in extending their brand.
Marketing support
Marketing support has proven to have a significant effect on the success of the extension (Völckner & Sattler, 2006). There is no doubt that a launch of a brand extension needs to be communicated to the customer in an effective way in order to reach and inform the targeted segments. Through the marketing, the connection between the parent brand and the extension product can be made clearer and provide the logic that might not be obvious for all potential customers. If the fit between the parent brand product categories and the extension category is perceived to be high and the marketing support is present then the effect has been proven to be even more apparent (Völckner & Sattler, 2006).

In the case of In Flames, the marketing support is to a high extent connected to the band members themselves since they are the major contact points towards the fans. The proposed brand extension has therefore to be supported by the band in order to fulfill the marketing support success criteria.

4.1.4 Brand dilution mitigation strategies
When launching a new product or entering a new market the use of a brand extension strategy can help reduce the risk of a failure (Aaker & Keller, 1990). Actors are thus using extension strategies to a larger extent than before (Grime et al, 2001) (Hakkyun & Deborah, 2008). Brand extension strategy has become the most common strategy in new product launches (Keller & Sood, 2003). However, there are risks associated with brand extensions. The major risk is diluting the parent brand’s equity. But the question this thesis needs answered is how big this risk is and under what circumstances the risk is more apparent for In Flames. If brand extensions were shown to pose a substantial risk for brand equity dilution managers would need to use brand extension strategies more carefully (Keller & Sood, 2003).

Keller and Aaker (1992) performed an experiment that focused on the effects of multiple extensions on both the core brand and the extension. Two of the authors’ main findings were that a successful extension assists in leveraging an average quality parent brand and that an unsuccessful extension did not affect customers’ evaluations of the parent brand, regardless of the quality of the parent brand. The authors therefore suggested that the parent brand might be relatively resistant against extension failures and that there is a low risk of negative feedback effects. They made this suggestion with the reservation that there could be negative feedback effects if the extension is very similar to the parent brand.

Romeo (1991) study is similar to Keller and Aakers’ (1992). Romeo (1991) investigated if a brand was diluted after the introduction of dissimilar extensions with low degree of fit. His hypothesis was based on the idea that the customer could perceive it as if the company was trying to take an unwarranted advantage of the parent brand. The hypothesis was not supported and thus no evidence of brand dilution was found. However, the author found marginal evidence for dilution of the core brand if the extension was similar.

Keller and Sood (2003) performed a review of previous research regarding brand dilution. Their research findings proposed that parent brands are resistant against negative feedback
effects and that dilution of a core brand only occurs under specific circumstances. The authors argued that parent brand dilution is a function of three factors:

- **Strength**
  A negative extension experience that is sufficiently strong could cause brand dilution.

- **Diagnosticity**
  The parent brand could be diluted if the consumer have a negative experience with the extension and consider it to be relevant to the parent brand.

- **Inconsistency**
  An extension experience that is inconsistent with expectations associated with the parent brand could dilute the parent brand.

Keller and Sood (2003) discuss further in this article if the use of sub-branding instead of parent branding could limit the risk of parent brand dilution. Recently Sood and Keller (2012) presented a study in which they tested this hypothesis in three different experimental settings. The results showed that dilution effects were only apparent when consumer had a negative experience with a similar family brand extension. Thus, the authors argue that the use of sub-branding further protects parent brands from unwanted negative feedback effects.

The findings of the research presented in this section show that the In Flames brand is potentially more resistant to brand dilution than what was believed at the start of this thesis. The use of sub-branding is an interesting concept for a potential brand extension for In Flames since it incorporates the strength of the parent brand but, at the same time, mitigates some of the brand dilution risk.

### 4.2 Empirical data - Brand extension success factors and brand dilution mitigation strategies

This section covers the general knowledge about brand extensions in the music industry and how In Flames should act when performing these, obtained through interviews. The topic is rarely mentioned in literature and in order to be able to adapt the knowledge retrieved from the literature review to this specific case interviews were held with people that were seen as experts in one of the areas surrounding this thesis. The interviews that form the basis for this section are:

- Peter Zackariasson, Marketing Researcher, telephone interview held 7th of September, 2012.
- Elisabeth Widlund, CEO Musiksverige, telephone interview held 18th of September, 2012.
- Jonas Bjälesjö, Researcher Economics and Culture, face-to-face interview held 27th of September, 2012.
- Michael Brandvold, Former marketing manager for Kiss, telephone interview held 1st of October, 2012.
- Niklas Bondesson, PhD Assistant Professor in Brand Management and Equity, telephone interview held 21st of September, 2012.
None of the interviewees can recollect that they have seen any specific literature or research that has dealt with the field of brand extension in the music industry. Dr Francesca Dall’Olmo Riley points out that she has not seen any research around artist or band brands, or as she puts it “people brands”. Professor Lars Lillienstam, Associate professor Peter Zackariasson, PhD assistant professor Niklas Bondesson and lecturer Jonas Bjälesjö confirms Dr Francesca’s view and states that they have not seen any literature concerning the line of research this thesis covers.

4.2.1 Differences between conventional industry brands and music industry brands
The lack of rational associations when considering an artist’s or band’s brand is identified by Martin Ridderfors as one of the most notable distinctions between traditional industries (manufacturing industries etc) and the music industry. It is almost entirely built up by emotional associations which rarely are the case in many other industries. This is something that all industries try to achieve because brands dominated by emotional associations have a larger potential for charging their customers with a premium price. A band’s relationship to its fans is a unique relationship that does not have the same type of competition as a company in a more conventional industry since artists and bands are judged subjectively by each fan. Martin Ridderfors believes that this fact gives bands and artists, relative traditional brands, the opportunity to stretch their brand further than what many people think is suitable. According to him, music is also connected to a sense of easygoingness and a creative process which make the brands even more elastic.

Agnes Stenberg-Schentz notes that the emotional connectedness between a fan and its favorite artists or bands builds a certain trust and this trust allows some degree of experimentation without fans doubting them. Past success awards a brand with a certain amount of elasticity. Artists and bands, unlike traditional brands, are not considered to do everything according to a master plan that will follow a very clear rationale. Fans expect them to be creative and to do the unexpected and this also adds to the elasticity of the brand.

4.2.2 Brand extension success factors
Deriving back to her own position at Forsman & Bodenfors, Agnes Stenberg-Schentz emphasizes understanding and explaining why an extension is being undertaken as crucial to maintain the trust and credibility among the fans. Having a background story that makes the
extension feel logical will aid in overcoming much of the negative reactions that might arise regarding exploiting a loyal fan base. As examples, Agnes mentions that this might stem from an interest the band members have or something that has happened in the past that affected the band in one way or another. Petter Askergren agrees with this and gives a concrete example from his own career. His first bike was a Peugeot BMX and after this he always drove Peugeot cars and therefore collaborating with them was a very natural thing for him to do and he could really stand behind the message. Patrik Larsson stresses the same point by saying that artists and bands need to be comfortable with all aspects of their offerings.

The importance of perceived fit is further emphasized by the interviewees who unanimously mention it as the most important success factor. Another success factor that is mentioned both in interviews and in literature is that the quality of the product has to match the level of quality the parent brand is promising. Perceived fit or not, low quality extensions jeopardizes the credibility of the brand, according to Martin Ridderfors and Patrik Larsson. Jonas Bjälesjö also points out that it is not only the extension itself that has to be evaluated but also the partners, timing and external factors that will be associated with the initiative.

Focusing on the core fans and their needs when developing brand extensions is also a matching view between literature and the interviewees who all fall under the category of marketing experts. Michael Brandvold points out that the core fans will give the band valuable information of what is acceptable and desired from their view and these people will then act as ambassadors of brand extensions they like to the more peripheral fans. This is also supported by Peter Zackariasson who sees the core fans as the key to success. If a brand extension is well received in this group of dedicated people the probability for a wider success increases radically.

Elisabeth Widlund has a different view on brand extensions in the music industry. She believes that the goal with these types of initiatives should be to break-even and instead focus on the positive side effects that can be created. Increased emotional connectedness to existing fans and the possibility of obtaining new ones are two advantages that are mentioned by her.

Interviewees with background in marketing, branding or the music industry (Agnes Stenberg-Schentz, Petter Askengren, Martin Ridderfors and Michael Brandvold) also point out the sense of novelty as a potential success factor. In today’s day and age it is a challenge to reach out with a message without it drowning alongside all other news that are constantly flooding people through several channels, as Agnes Stenberg-Schentz puts it. By doing something unique and creative, the band and artist increases the possibility of creating enough attention that it will reach out to peripheral fans that otherwise would not have observed the brand extension at all. These people might not belong to the core fan group but there are a lot of people who do not but still are potential customers and these are also important to reach out to.

4.2.3 Brand dilution mitigation strategies
During the interviews with two marketing experts, Michael Brandvold and Peter Zackariasson, a theory was brought up that none of the literature studied regarding brand extensions mentioned. The concept of incremental implementations of several brand
extensions is an alternative strategy that possesses some advantages according to them. The thought behind this is to sequentially expand the brand and eventually reach the most profitable brand extensions. Michael Brandvold explains it well when saying “First, you have to dip your toe in the water”. Peter Zackariasson believes that it might be good to start with an extension that has little monetary expectations but instead aims at setting the direction of the future towards more profitable brand extensions. The first extensions should therefore aim at deliver great value to the fans and then later on in the process slowly start focusing on the other end of the chain as well – the band. Michael Brandvold emphasizes how difficult it is to anticipate the outcome of an extension and that it is a learning process to figure it out for each artist or band. Therefore it is wise to start off slowly and gradually increase the demands on return on investments. This is, according to Zackariasson, a step-by-step approach to increase a brand’s elasticity and at the same time mitigate the risk of brand dilution.

4.3 Analysis - Brand extension success factors and brand dilution mitigation strategies

This first research question aims to identify relevant success factors to consider when performing a brand extension in the music industry and also how brand dilution can be mitigated. The answer to this question form the basis of large parts of the remaining research questions in this thesis since it states many prerequisites for what types of extensions are suitable for In Flames and how they should be implemented. It also reveals interesting areas that has the potential of adding to the academic research (RQ7).

What should be noted first, before any success factors are analyzed, is that it seems like the brand elasticity is perceived to be rather high among the interviewees. Brands built entirely on emotional associations and in a field (music) that is strongly related to creativity and breaking boundaries are strong contributors to this. This statement implies that there exist a convincing reason for In Flames to investigate these types of opportunities and that this thesis will assist them with this.

Several interviewees within academia confirm the thesis authors’ notion that little to nothing has been written about brand extensions in the music industry. Still, the areas that have been studied further in the literature and interviews have followed a clear rationale. That is, if a brand extension should be performed by In Flames it should include the features that have been identified as successful characteristics without diluting the brand. If these two basic ingredients are present, a long-term and profitable solution can be found and executed.

The literature review and interviews that have been conducted to answer RQ1 have shown that perceived fit is just as important as anyone would have thought. Many other factors have also proven to carry a lot of weight for In Flames to consider, both according to the interviewees and the literature. These include focusing on the core fans and not only focus on financial return but also increased emotional connectedness with the fans. Focusing on the core fans follows a basic marketing rationale that if a need cannot be identified or created the probability of a success is low. This is a key point in this thesis that has to be present in all decisions regarding brand extensions for In Flames.
Uniqueness is a characteristic that is only mentioned in the interviews and not in the literature. This is still considered to be an interesting aspect that will have potential for further increasing the success of a brand extension. Launching a unique extension will help create increased attention and interest from fans but the extension itself has to be well motivated and satisfy a need within the fan base. Otherwise the extension will most likely only create attention but no substantial passive revenue stream which is the first purpose of this thesis. Being unique will most likely also mitigate some of the brand dilution risk following Martin Ridderfors’ reasoning that artists and bands are expected to be unique and creative.

The interviewees also identified a credible and sincere background story as another success factor with the much of the same effect as uniqueness. It is not a success factor on its own but will aid to the total picture of the brand extension from the fans’ point of view. To have a credible background story gives an explanation for the extension to the fans and helps eliminate the risk of fans feeling commercially exploited. This will further mitigate the risk of diluting the parent brand; In Flames.

To mitigate the risk of brand dilution is just as important and the information gathered in the literature review and interviews will be used to succeed with this. In general, both the literature and interviewees suggest that brands are quite resistant to brand dilution with some exceptions. Martin Ridderfors emphasizes that the parent brand might be diluted if the quality of the extension does not match the parent brand’s promise. This is in line with the reasoning of Keller and Sood (2012) who mention inconsistency as a potential threat to the parent brand equity. It is suggested in the literature that extensions that are closely related to the band’s core offering have a greater potential of diluting the brand. Extending In Flames’ brand with new musical offerings (collaborations with other unexpected artists or participating in the Swedish qualifiers for Eurovision song contest for example) might impose extended risks compared to other extensions. It is suggested that the use of a sub-branding strategy (also called dualithic brand strategy) will mitigate parts of the brand dilution risks and this is something that has to be considered throughout the process. The sole use of In Flames’ brand might not be a suitable strategy; instead a partly new brand can be created but still built on the foundation of the In Flames brand.

Another brand dilution mitigation strategy that was mentioned during interviews with marketing specialists (Michael Brandvold and Peter Zackariasson) was incremental implementation of brand extensions. The rationale behind this seems to be applicable to the case of In Flames and should be added as a potential long term scenario. To slowly stretch the brand instead of an instant radical move outside the current offering will most likely avoid some brand dilution risk.

Since little has been written about this field, brand extensions in the music industry, the authors hope to add to the academic research by combining the above presented theories with empirical findings through the different data collection methods used in this thesis.
4.3.1 Summary - Brand extension success factors and brand dilution mitigation strategies

- Differences exist between brand extensions in traditional industries (manufacturing, retail etc.) and in the music industry. This is mainly derived to the fact that a music related brand is almost entirely connected to emotional associations whereas traditional industries’ brands include rational associations (concrete product facts etc.) as well. In Flames is therefore considered to have a brand that possesses a higher elasticity than many traditional brands.

- Many of the interviewees confirm the same success factors as the literature review revealed. These are perceived fit, marketing support, satisfying the core fan groups and high quality extensions. However, a number of factors that were not mentioned in the studied literature were proposed during the interviews, among these were uniqueness and credible background story.

- Sub-branding and smaller, incremental brand extensions are two parts of a brand dilution mitigation strategy that have been identified during the interviews and are believed to be applicable on the In Flames case and the music industry in general. A strategy with these features included allows the brand to slowly extend its use and step by step identify new and more profitable extensions without disappointing the fans.
5. Internal analysis of In Flames

In this chapter data collected about In Flames are presented and analyzed. The chapter is divided into four areas; a brand inventory, the bands and the fans perception of the In Flames brand, In Flames main customer segments and In Flames assets and capabilities. The thesis authors needed to understand the four covered areas to be able to identify suitable brand extension opportunities for In Flames.

5.1 Empirical data - Brand inventory

As part of the brand audit a brand inventory was performed. The aim with the brand inventory was to broadly map how In Flames have been and are branded today, see section 5.2 for the analysis of the brand inventory. This has been done through visually studying In Flames main product, their album releases. At each album release In Flames has used the In Flames brand together with an albums specific brand (In Flames, 2012). There has been a strong visual focus on the In Flames brand and the visual presentation of the In Flames brand has been altered over the years. The brand logos in figure 6 are being used today.

![Figure 6: In Flames brand logos used in 2012](image)

Why In Flames have developed and used different visual presentations of their brand is an issue the authors have not investigated. It should also been pointed out that In Flames have used the same logos and brand names in all markets. In Flames has also developed a separate brand name and logo; Jesterhead. This brand has mainly been used for the In Flames official fan club. The visual presentation has altered over the years and today the following design is being used:

![Figure 7: Jesterhead brand logo used in 2012](image)

Over the years In Flames has performed a few brand extensions. In Flames has sold standard metal merchandise such as tour t-shirts, caps etc. Other performed extension has been an In Flames business manager, face-to-face interview held 1st of October, 2012.

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13 Magnus Stömlad, In Flames business manager, face-to-face interview held 1st of October, 2012.
14 Magnus Stömlad, In Flames business manager, face-to-face interview held 1st of October, 2012.
Flames branded skateboard together with Sweet skateboards, a whiskey with a Scottish distillery and an In Flames branded digital camera with Fujifilm. In the cases of the skateboard, the whiskey and the camera there has been a strong visual focus on the In Flames brand and the name of the product and partner brand has been secondary.

5.2 Analysis – Brand inventory
The result of the inventory is that In Flames are today using two main brands; the In Flames brand and the Jesterhead brand. The brand logos used have developed over the years. Why this is the case is an issue the authors have not investigated and thus cannot explain. In Flames has used the same brands and visual presentations globally.

When it comes to In Flames brand management strategy it can be identified that the band has used a dualithic brand name strategy in all endeavors the band has undertaken, according to Riezebos et al (2003). When it comes to the band’s main product, the album releases, the band have over the years developed a specific album name but the visual focus has mainly been on the In Flames brand. The same pattern can be identified in the case of the performed brand extensions. In the case of the Jesterhead brand it is often, but not always, presented together with the In Flames brand and in the cases where they are presented together the visual focus is often on the Jesterhead brand. Kapferer (2012) defines In Flames strategy as an endorsement strategy in the case of the Jesterhead brand and in all other cases as sub-branding strategy.

5.2.1 Summary – Brand inventory
- In Flames are today using two main brands, the In Flames brand and the Jesterhead brand.
- The visual presentation of the In Flames brand and the Jesterhead brand has developed over the years.
- In Flames have used a dualithic brand name strategy in all brand extensions the band has undertaken.

5.3 Empirical data – The band’s and the fans’ perception of the In Flames brand
One part of the brand audit consists of a brand exploratory. In the brand exploratory the thesis authors have investigated how the fans and the band perceive the brand In Flames, see section 3.3 for methodology and theory considerations. To be able to identify suitable brand extension opportunities the thesis authors needed to understand what the In Flames brand stand for. The brand exploratory was guided by the process of Keller et al (2008) and the following research methods were used to collect data; semi-structured interviews with band members and external parties, a content analysis, two focus groups and a survey. The collected data for each research method used are presented separately below.

Semi-structured interviews with band members
The aim with the semi-structured interviews was to get an inside perspective of how the band perceived the brand In Flames. The interviews that form the basis of this section are the following:
 Anders Fridén, In Flames member, face-to-face interview held 20th of September, 2012.
 Björn Gelotte, In Flames member, face-to-face interview held 24th of September, 2012.
 Daniel Svensson, In Flames member, face-to-face interview held 17th of September, 2012.
 Niclas Engelin, In Flames member, face-to-face interview held 27th of September, 2012.
 Niklas Jansson, In Flames assistant, face-to-face interview held 24th of September, 2012.
 Peter Iwers, In Flames member, face-to-face interview held 19th of September, 2012.

The interviewees were asked what animal In Flames would be since this kind of question often makes the interviewee concretize and exemplify the brand in a good way. The answer to this question diverged. Anders Fridén suggested that In Flames would be an elephant since they walk their own path without apologizing for it. Peter Iwers also mentioned an elephant since it is a big and powerful animal that is also kind at the same time. Niklas Jansson replied that In Flames would be a chimpanzee since the band can be dangerous when they want to, are strong and believe in what they do. Niclas Engelin mentioned a shark or a lion since In Flames would be a stable animal high up in the food chain that are able show their strength if it is necessary. Björn Gelotte said that In Flames would be a bear or a moose since In Flames are massive and powerful.

When In Flames explicitly was asked about their image the standard reply by the members was that In Flames has no image. However, by probing deeper into their replies the members mentioned different words or values they believe in and want In Flames to be connected to. Anders Fridén, Niklas Jansson and Peter Iwers described In Flames as a credible band with spectacular live shows. Other words used were regular guys, qualitative and innovative sound, hard working, Swedish, Gothenburg and open and social towards their fans. When the members where asked about how they believed their fans perceive and would describe In Flames spectacular live shows was a recurrent theme. Peter Iwers also mentioned that In Flames is a band for a wide crowd and not a dissatisfaction band. Niclas Engelin and Björn Gelotte think In Flames stands for more joy and happiness in relation to anger and rage.

The band members were also asked which message they try to convey to their audience. Björn Gelotte replied that they do not want to communicate a religious or political message with their music, instead it is a consciously choice from their side to distance In Flames from these kinds of messages. Daniel Svensson stated their music is not connected to politics since they want to reach the widest crowd possible. Anders Fridén stated that the listener should forget about the darkness and feel as good as possible and Daniel Svensson mention that they try to convey joy with their music.

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15 Peter Zackariasson, Marketing Researcher, face-to-face interview held 7th of September, 2012.
External interviews
Interviews have been performed with industry people who have followed In Flames for a long time. The aim with the interviews was to get an outside perspective of what In Flames stand for. The interviews that form the basis of this section are the following:

- Elisabeth Widlund, CEO Musiksverige, telephone interview held 18th of September, 2012.
- Gustaf Höök, Swedish journalist, face-to-face interview held 8th of October, 2012.
- Mattias Lindeblad, author of several hardrock books and radio presenter, face-to-face interview held 30th of October, 2012.

Elisbet Widlund thinks In Flames stands for success and genuineness. She further talked a lot about the connection to Sweden and Gothenburg and that In Flames heritage is a large part of their image today. Gustaf Höök said In Flames are known for their gratefulness and humbleness towards their fans. Further, he stated that the In Flames members are known for bon vivant, spectacular shows and for being entrepreneurial. Mattias Lindeblad described In Flames as a humble and down to earth band. Their connection to the Gothenburg sound was something he stated as extremely well known and important in the metal community. Other mentioned words by the interviewees were quality, breaking new ground and going their own path.

Content analysis
The aim with the content analysis was to get an indication of how In Flames music is perceived today and have been perceived over time by their fans. Another aim was to pinpoint what words that have been used to describe In Flames and their music and albums. The study is based on In Flames’ ten albums that have been released over a period of 18 years. The result of the content analysis is presented in table 2 below:

<table>
<thead>
<tr>
<th>Album \ words used</th>
<th>Intense, Aggressive, Heavy</th>
<th>Renewing, Creative, Innovative</th>
<th>Mainstream, Accessible, Younger audiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lunar Strain (1994)</td>
<td>3</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>The Jester Race (1996)</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Whoracle (1997)</td>
<td>4</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Colony (1999)</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Clayman (2000)</td>
<td>5</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Reroute to Remain (2002)</td>
<td>2</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Soundtrack to Your Escape (2004)</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Come Clarity (2006)</td>
<td>0</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>A Sense of Purpose (2008)</td>
<td>0</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Sounds of a Playground Fading (2011)</td>
<td>1</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

Table 2: Content analysis of 52 In Flames album reviews
Focus groups
The aim with the focus groups was to get an in-depth perspective of how In Flames fans perceive the brand of In Flames.

As mentioned before people often concretize and exemplify a brand in a good way through thinking about it as an animal. When the participants of the focus group were asked if In Flames was an animal, what animal would it be, two participants mentioned a dragon due to the connection with fire and the growl. Several participants mentioned a lion due to their powerful music and since they are a leader and not a follower. Two participants mentioned a bear since they are big and cuddly. A few participants mention a chameleon due to the changing feeling in the songs in each album and changed style between the albums. Another member mentioned a were wolf since In Flames sometimes are friendly and sometimes evil. One member took it one step further and said they would be a Chimaira, a mix of different animals due to their mix of styles.

The next part of the discussion focused on how they, the fans, perceive In Flames. The focus was both on what they perceived as positive and negative. A recurrent topic was that the fans think that the band has really good and cool live shows with excellent stage presence, pyrotechnique and audience contact. Other words that were frequently mentioned in a positive manner was that they are genuine, happy, Swedish, humble, fan-oriented, down-to-earth guys and innovative and renewal in their musical style. Negative associations mentioned were that they perceived In Flames have become too mainstream and were seen as a commercial sell-out by old-fans. Uneven quality on the albums was also a major issue for some participants. There were some clear differences between the opinions among the participants depending on which countries they came from. For example the Americans did not perceive In Flames as too commercial or mainstream, instead they thought of In Flames as something new and different.

Regarding what message the participants thought In Flames tried to convey and communicate with their music the general opinion was that they wanted the fans to stay strong, go their own path in life and stay humble. However, several of the participants thought that the music was written to be open for interpretation so that it should be personal for everyone.

Survey
The last step of the brand exploratory was to perform a survey. One aim with the survey was to attain quantitative data regarding the fans’ perception of the In Flames brand. The survey was posted on the 19th of October, 2012, on In Flames official Facebook page and on Jesterhead.com. Over a period of 3 days 1362 complete answers were received. For a complete overview of the survey see appendix III.

The respondents to the survey were asked which words/values they thought best described In Flames. The set of words/values was predetermined and each respondent could choose up to

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16 Focus group one held 1st of October, 2012. Focus group two held 2nd of October, 2012. See appendix II for participants gender, nationality and age.
five words/values. The distribution of the respondents answers are presented in graph 1 below:

![Graph 1: Distribution of what words/values the respondents think In Flames are connected to. Each respondent could choose up to five different words/values.](image)

**5.4 Analysis - The band’s and the fans’ perception of the In Flames brand**

The brand exploratory contained both qualitatively and quantitatively data that needs to be merged and analyzed from a holistic point of view. The aim with the brand exploratory was two-folded. The first aim was to clarify how the band members and fans perceive the In Flames and the second aim was to identify the main customer segments of In Flames and their respective consumption behavior. The first aim is analyzed below and the second aim is analyzed in section 5.6. The result of the analysis was explicitly used as input in the idea generation, evaluation and implementation phase.

To get an in-depth picture about what the brand In Flames stand for several data collection methods was used. The result from each data collection methods will be analyzed independently and the result will be merged together.

When the band members were asked about which animal In Flames would be an outside spectator can see a recurrent theme, a big and powerful animal. All members emphasized the strength of the band and that they walk their own path. When the members where asked about what In Flames stand for and are connected to spectacular live shows was mentioned over and over again. The interpretation the thesis authors make in this case is that the members think that high quality live shows are part of the core offer to their customers. Another recurrent value the members mentioned was joy, they did not want to be a dissatisfaction band but
instead they should be a strip of hope in the darkness. The members also thought they were
connected to values such as high quality, innovative, close to their fans, humble, Gothenburg
and Sweden. A connection between innovative and walking their own path can be identified
due to that being innovative often requires one to walk its own path.

The interviews with external parties pinpointed almost the same words as the band members
did. However, they pushed the importance of In Flames’ legacy and the band’s humble
attitude to a larger extent than the band members did. Spectacular live shows, innovative,
qualitative and breaking new ground were also mentioned as important attributes. New
words/values such as genuineness and bon vivant were mentioned which could illustrate that
people outside the In Flames organization have a different view of In Flames.

The content analysis shows that In Flames main products, releasing music, has undergone
substantial changes over time. External parties, in these cases music magazines, have altered
the words in which they describe In Flames with. As can be seen in table 2 words such as
“intense”, “aggressive” and “heavy” have mainly been used in the context of the first five
albums and words such as “mainstream”, “accessible” and “younger audience” in the context
of the later five albums. For the last five albums has word such as “renewing”, “creative” and
“innovative” been used and this could be mirrored in that In Flames have become known for
being creative and constantly modernizing their sound.

In the focus groups the participants’ answer to the animal question was quite diverged and thus
hard to analyze. However, several participants mentioned a lion and this could be connected
to the band members’ answers, a big and powerful animal. The In Flames members also
emphasized that they walk their own path which could be connected to that the focus group
participants thought In Flames are a leader and not a follower. A few answers by participants
in the focus group can be connected to the result of the content analysis. In Flames have
changed their musical direction over the years and this is something the fans relate In Flames
with. Spectacular and high quality live shows were words several participants thought
characterized In Flames. Other words that frequently was mentioned by the participants was
genuine, happy, Swedish, humble, fan-oriented, down-to-earth and innovative and renewal in
their musical style. These words/values have also been recurrently mentioned in the other data
collection methods.

In the survey large amount of quantitative data was collected and it showed that more than 60
percent of the respondents connected In Flames with good live shows. The words high quality
and skilled were also mentioned by the majority of the respondents. These two words are not
synonyms but closely connected with each other, since a skilled band is probably, in this case,
a prerequisite for high quality. Close to the majority of the fans also connected In Flames with
the word creative and the word innovative did one fourth of respondents choose to describe In
Flames with. These words can both be connected to what the In Flames members chose to
describe as walking their own path and what the content analysis showed, that they are known
for being creative and constantly modernizing their sound.

The brand audits show that In Flames are well known for their good live shows. As shown in
the survey In Flames are also connected to high quality. This element has been mentioned by
the members and the fans in all data collection methods before the survey. However, the survey pinpointed that this is a value In Flames are deeply connected to. Another fundamental element of the brand is the creativity of the band. Words such as innovative, creative and renewing are words frequently referred to when fans think of In Flames. In Flames legacy, Sweden and Gothenburg have been shown in the brand audit to be something both the fans connect In Flames with and what the members think In Flames are connected with. There are a few differences between how the fans perceive In Flames and how the band members want In Flames to be perceived. The band members wanted their music to be connected to joy but words such as enjoy and cheerful was seldom chosen by the participants in the survey. Humble, close to their fans and a down to earth band were also words mentioned more frequently by the band members in relation to how frequently their fans choose to describe In Flames with these words.

5.4.1 Summary – The band's and the fan's perception of the In Flames brand
In Flames brand are connected to the following words/values:
   1. Good live shows
   2. High quality
   3. Creative, innovative and renewing
   4. Sweden and Gothenburg
   5. Close to their fans

5.5 Empirical data – In Flames’ main customer segments
As part of the brand exploratory the thesis authors have identified In Flames’ main customer segments, see section 3.3 for methodology and theory considerations. To be able to identify suitable brand extension opportunities the author’s needed to understand which main customer segments the band has and their respective characteristics. The brand exploratory was guided by the brand audit process of Keller et al (2008). To collect data about In Flames’ main customer segments the following research methods were used: secondary data, semi-structured interviews with band members and external parties, two focus groups and a survey. The collected data for each research method are presented separately below.

Secondary data
Demographic and geographic data about people who follow In Flames on Facebook were extracted on the 12th of September, 2012. At that specific moment approximately 830 000 people followed In Flames. The extracted data contained information about the Facebook users’ gender, age and country of residence. The data is presented in graphs 2, 3 and 4 below:
Graph 2: Aggregated age and gender distribution among Facebook followers.

Graph 3: Detailed age and gender distribution among Facebook followers.

Graph 4: Geographical distribution of top ten countries with most Facebook followers.
Semi-structured interviews with band members

The aim with the semi-structured interviews was to get an initial picture of which fan-segments the band believe exists. The interviews that form the basis of this section are the following:

- Anders Fridén, In Flames member, face-to-face interview held 20th of September, 2012.
- Björn Gelotte, In Flames member, face-to-face interview held 24th of September, 2012.
- Daniel Svensson, In Flames member, face-to-face interview held 17th of September, 2012.
- Niclas Engelin, In Flames member, face-to-face interview held 27th of September, 2012.
- Niklas Jansson, In Flames assistant, face-to-face interview held 24th of September, 2012.
- Peter Iwers, In Flames member, face-to-face interview held 19th of September, 2012.

When the band members were asked to think about their fans and if they can identify typical groups of fans the members talked about the fan base as very wide in terms of age groups and characteristics. Peter Iwers describes it as two separate segments, the old audience and the young audience. The old audience can be older than them and have listened to In Flames for a long time, probably since the beginning. In this group there are a lot of collectors. In the young audience there are a lot of fans in the age span 13-15 years old. Overall Peter Iwers thinks the fan base consist of at least 80 percent males. Anders Fridén believes there are approximately 70 percent males. They both believe that females are mostly present in the younger audience. Niklas Jansson believes that the fan base consists of a mix of people between 15 to 50 years old. Anders Fridén stated that the fan base of In Flame have been rejuvenated. However, he also said that the old typical hard rock fan is still present at their shows but the majority of the fans are regular people. Niclas Englin and Daniel Svensson exemplify their fans by stating that they are “Svensson” or “average Joe” type of people.

There are differences between the markets according to the members, especially the crowd in USA are slightly older, from 19-20 years old and up. When it comes down to consumption patterns and willingness to pay the members have a quite overlapping view. The older fan base buys exclusive merchandise and limited collectors’ items such as LPs and Cds and is willing to pay quite a lot for these products. The younger crowd buys more merchandise at concerts such as t-shirts and caps. In general, the band members think that the females in the younger crowd buy less merchandise in comparison to the males. The band members also have an overlapping view of the social position of their fan base. Recurrent words that are mentioned in the interviews regarding the fans social positions are working class, middle class and ordinary people.

External interviews

Interviews have been performed with industry people who have followed In Flames for a long time. The aim with the interviews was to get an outside perspective of what main fan-segments the band has. The interviews that form the basis of this section are the following:
Elisabeth Widlund, CEO Musiksverige, telephone interview held 18th of September, 2012.

Gustaf Höök, Swedish journalist, face-to-face interview held 8th of October, 2012.

Mattias Lindeblad, author of several hardrock books and radio presenter, face-to-face interview held 30th of October, 2012.

Sascha Twele, founder and co-owner of Merchland, In Flames merchandise distributor, telephone interview held 10th of October, 2012.

Elisabet Widlund from Musiksverige thinks that the In Flames fan base in Sweden consists of middle aged men that listen to a lot of metal and other music genres, especially other complex music forms such as classical music. She believed that these men had regular jobs and are soft and emotional men but with hard attributes such as clothes, jewelry and long hair. Sascha Twele, founder and owner of Merchland, believed that In Flames’ fan base have changed quite a lot the last couple of years. According to him, the audience is much younger today than before and the young fan base is also the segment that is growing the most. He believes that a large part of In Flames fans are looking for complements to the standard metal merchandise such as the tour t-shirt. He believed that In Flames fans today are looking for merchandise in other colors, with better fit and with smaller prints. However, he confirms that the younger audience still buys a lot of standard merchandise at concerts. The journalist Gustaf Höök and the author Mattis Lindeblad divided, independently of each other, In Flames fan base into three segments; the “old school” segment that have listened to In Flames for a long time, the “Bandit rockers” and the “average Joe’s” that listen to In Flames sporadically and are ordinary family fathers and the “kids” or the “new school” segment that mainly listen to In Flames latest albums. They both believed the “new school” segment to be growing the most. However, according to Gustaf Höök the “old school” segment is still important since the credibility of In Flames depends on their view of the band. Mattias Lindblad mentioned that the fan-base consisted of people from both genders and that in the younger audience the largest share of females is found.

Focus groups
One aim with the focus groups was to get an in-depth perspective of perceived fan-segments. When the participants discussed which fan-segments they believe In Flames has their view was quite overlapping. All participants identified one segments as the “old school” or “old school rockers” which have listened to In Flames since their first albums and mainly like the old sound. The participants thought that this segment was divided into two branches; one branch that could not stand In Flames’ new sound and one branch that both like the old and the new sound. The perception was that the “old school” segment mainly consisted of males in the upper middle age with a high willingness to pay for physical albums and exclusive merchandise.

In the middle the participants identified one quite diffuse segment that they called “Svensson”. This segment consisted of regular people that listen to In Flames since they want to get outlet for life’s frustrations and a place to escape to.
The participants identified a third segment as “the younger audience” or “new school”. They believed this segment was experiencing the largest growth. The fans in this segment preferred the new metalcore/deathcore sound that is perceived as softer and catchier. Most fans in this segment have not even listened to the early albums of In Flames. In this segment the majority of the fans are still males but the female part of the segment is larger compared to the other segments. The participants believed this segment streamed In Flames music and seldom bought physical albums. They also believed this fan segment bought a lot of standard merchandise such as tour t-shirts at concerts.

Survey
One aim with the survey was to collect quantitative demographic and geographic data about the fan base. For a complete overview of the questions asked in the survey, see appendix III.

Each respondent to the survey was required to leave information about gender, age and country of residence. Aggregated and detailed information about the respondents’ gender and age distribution are presented in graph 5 and 6 below:

Graph 5: Aggregated age and gender distribution among respondents.

Graph 6: Detailed gender and age distribution among respondents.
Distributions of the respondent’s country of residence are presented in graph 7 below. The graph outlines the distribution among the top ten countries with the highest numbers of respondents.

Graph 7: Distribution of number of respondents between the ten countries with most total respondents.

5.6 Analysis – In Flames’ main customer segments

The aim with the brand exploratory was two-folded. The first aim was to clarify how the band members and fans perceive the In Flames and the second aim was to identify the main customer segments of In Flames and their respective consumption behavior. The first aim was analyzed in section 5.4 and the second aim will be analyzed below. The result of the analysis was used as input in the idea generation, evaluation and implementation phase.

Both quantitative and qualitative data about the fan base gender and age distribution, geographic location and consumption behavior was collected. Data collected by different methods did not overlap but the trends and the holistic picture appears to be credible to the authors of this thesis.

According to the secondary data extracted from In Flames official Facebook page the fan segment 18-24 years represent approximately 50 percent of In Flames fan base. The data collected in the survey about this segment confirm these numbers. The quantitatively data collected about the age group 35 and up are homogeneous, approximately six percent. In the segment 13-17 years there is a slight differences between the numbers collected in the survey compared to the numbers extracted from Facebook. The same issue is found in the segment 25-34 years. However, the exact numbers is not too important in this study since the authors try to look at the big picture and identify macro segments.

The secondary data extracted from Facebook is based on 830 000 people and thus should the sample be generalizable to the population of In Flames fans. However, since the data is collected from Facebook there is a concern regarding which parts of the population that is
present at social media sites. In an attempt to raise the quality of the data and provide a more accurate indication about the population of In Flames fans have the secondary data extracted from Facebook been normalized. This has been done by dividing the data with each age groups presence on social media sites. In Olle Findahl’s report “Swedes on the internet” from 2011 data was found regarding the percentage of people from different generations who visit social networks. There are however issues with this particular normalization as well. The biggest concern is that the data is based on the Swedish population’s internet behavior. As illustrated by Seybert (2011) Sweden are in forefront when it comes to internet access and use in the world. Some countries primarily use other social networks than Facebook as well. Nevertheless, the authors think that the normalization of the data provides a more accurate indication about the population of In Flames fans since the presence at social media sites are substantial lower for the age group 35 and up. Graph 8 below illustrates the normalized data set:

![Graph 8: Data extracted from Facebook and normalized by number of social media users in Sweden.](image)

The normalized data indicates that the segment with people 35 and up stand for approximately seven percent instead of six percent and the segment 25-34 stand for approximately 28 percent instead for 26 percent. However, from a macro perspective, the differences between the normalized data and the raw data are minor. The qualitatively data collected about the fan base overlap with the quantitatively data collected. The interviewees and the focus group participants estimated that the young segment was the largest. This is confirmed in graph 8 above since approximately 60 percent of the fans consist of the age group 13-24.

When it comes to gender distribution the quantitative data show that the fan base consists of approximately 20 percent females. Several band members independently thought that their fan base consisted of around 20 percent females which supports the result of the quantitative study. The qualitative data also indicated that the female part of the fan base was larger in the younger audience. This was confirmed by the quantitative data. As can be seen in graph 8 above is the relative share of females largest in the age group 13-17 years. Approximately one
third of the fans are females in this segment compared to roughly 25 percent females in the segment 18-24 and a marginally less share of females in the other segments.

The band members, the external interviewees and the focus group participants had a quite homogenous view about the consumption behavior in different age segments. It was pointed out that the older fans preferred to buy collector’s items such as limited editions Vinyls and LPs. The interviewees thought an outsider can identify them as metal fans since they wear typical hard-rock clothes and attributes. This segment was believed to have a higher willingness to pay for band merchandise. The higher willingness to pay can neither be dismissed nor supported by the data collected in the survey, see appendix III. Based on the qualitatively data has this segment been identified to be in the age group 30 years old and up and is given the name “Hardcore Oldies”.

One identified segment is the “Average Joe’s”. This segment was described as family fathers and people that listen to In Flames since they want to get outlet for their frustrations and a place to escape to. This segment is characterized by regular people that cannot, by the outer appearance, be identified as an In Flames fan. Due to the descriptions in the interviews and the focus groups have the authors identified this segment to be in the age group 21-35.

The last identified segment is the “Kids”. This segment do the interviewees think are growing the most and as shown in the quantitative data does it contain the relative largest part of females, approximately one third or maybe slightly below. The qualitative data suggest that this segment buys a lot of standard merchandise such as tour t-shirts and caps but are looking for merchandise that fits their preferences and taste. The qualitative data also indicates that females buy less merchandise relatively to the males in this segment. This segment is indentified to be in the age group 13-20.

By analyzing the numbers in appendix III it can be seen that the consumption behavior in the age span 13-14 years old to 44 years old are quite homogenous. About 40 percent of the respondents buy merchandise each year between US$ 16-75 and approximately 30 percent of the fans buy merchandise for US$ 75 or more. The answers to the survey thus provides the authors with the indication that the fans have a high willingness to pay for band merchandise. The quantitatively data differed regarding geographical location of the In Flames fans. Based on the secondary data In Flames have most fans in USA followed by Germany and then Sweden. The survey data indicates that Sweden is the location with the most In Flames fans. It can however be concluded that the data indicates that the four biggest markets, in terms of number of fans, are USA, Sweden, Germany and Canada.

5.6.1 Summary – In Flames’ main customer segments
The fan base of In Flames can be divided into the following main segments and markets:

- The “Kids”
  - Age span: 13-20 years old.
  - Segment size: Large segment but number two in size.
Segment characteristics: Segment is growing, it contains the largest relative share of females and the typical fan buys standard merchandise but is looking for alternatives.

- The “Average Joe’s”
  - Age span: 21-35 years old.
  - Segment size: The largest segment.
  - Segment characteristics: Regular people and not “typical” metal fans.

- The “Hardcore Oldies”
  - Age span: 30 years+
  - Segment size: The smallest segment.
  - Segment characteristics: Hardcore metal fans with hard attributes and typical metal-clothes. Buy collector’s items.

- Biggest markets geographically
  - USA, Sweden, Germany and Canada.

5.7 Empirical data - In Flames’ assets and capabilities

The aim with investigating RQ3 was to be able to identify suitable brand extension opportunities for In Flames. Thus, the thesis authors needed to understand what internal assets and capabilities the band have and can contribute with. To create a holistic view of the In Flames assets and capabilities the authors have used Sarasvathy’s (2001) ideas about expert entrepreneurs. She states that all entrepreneurs should begin with three sets of means; “who are we?”, “what do we know?” and “whom do we know?”. To fit the structure of the band the “what do we have?” question has also been investigated. This question focuses on the members’ time and financial resources. The interviews that form the basis of this section are the following:

- Andreas Werling, In Flames PR and marketing manager, face-to-face interview held 24th of October, 2012.
- Anders Fridén, In Flames member, face-to-face interview held 20th of September, 2012.
- Björn Gelotte, In Flames member, face-to-face interview held 24th of September, 2012.
- Daniel Svensson, In Flames member, face-to-face interview held 17th of September, 2012.
- Niclas Engelin, In Flames member, face-to-face interview held 27th of September, 2012.
- Niklas Jansson, In Flames assistant, face-to-face interview held 24th of September, 2012.
- Peter Iwers, In Flames member, face-to-face interview held 19th of September, 2012.

Who are we?
This question has been answered by the description of In Flames, see section 1.1.1, and the brand audit, see section 5.1-5-6.
What do we know?
The band has become a world famous metal band and this implies that the band members have experience and deep insight into the music industry. However, several members of the band also have entrepreneurial experiences outside In Flames. For example, Magnus Strömblad has successfully been running his own business since 2004, Anders Fridén has built a business around his own beer brand, FrEQency. Björn Gelotte and Peter Iwers is together running restaurant 2112 in Gothenburg. When it comes to education and in-depth knowledge the following data have been gathered: Björn Gelotte is an educated control and regulation mechanic, Daniel Svensson has studied marketing and has carpenter skills, Andreas Werling is a web designer, Anders Fridén is a whiskey connoisseur and Niklas Jansson is a guitar technician and light technician. When it comes down to interests the following fields have been mentioned; football, fishing, beer and wine, food and cooking, furniture’s, restaurants, clothes and sailing.

Whom do we know?
In general, the answer to this question has been that the band has a wide network of contacts that includes investors and people with senior positions in different companies. More explicitly, the following contacts have been mentioned:

- Callaway Golf - Lars Aldskogius, Corporate Sales Manager Northern Europe.
- Hemköp - Björn Fredriksson, owner of the supermarket in Sävedalen
- Junkyard - Thomas Löfgren, founder and owner.
- Bands - Dregen, Hardcore superstars, Hellacopters.
- MRX - Marshall and Gibson.
- Toyota Gothenburg – top management.
- Johan i hallen - the financial and economic manager.
- Kobalt – various people high up in the company.
- Various people who own nightclubs.
- A skilled contract negotiator that have worked with In Flames since 1997 – Carsten Otterback.
- Serial entrepreneur and successful business man – Johan Sköld.

What do we have?
The views on what the band members and surrounding crew has to offer differed. Magnus Strömblad does not have time at the moment but would be able to reprioritize his time if the idea were projected to be financially rewarding. Niclas Engelin replied that he wanted to see results before he can consider if he want to invest time and money on a brand extension opportunity. Anders Fridén would be willing to invest both money and time if the idea is interesting and fun. Peter Iwers would be willing to invest time in a project but says he is less willing to invest money due to bad experiences of recent projects. Björn Gelotte on the other hand points out that he is willing to invest money but have limited time to invest in a project. Daniel Svensson says he is willing to invest time, especially when the band is out touring, but he also says that he is restrictive with financial investments due to previous failed experiences. Andreas Werling would be willing to invest time in the project if it overlaps with
his interests. His company, Crows, seldom invest money in external projects so a financial investment is unlikely according to him. No financial assets have been collectively saved by the band over the years.

5.8 Analysis - In Flames’ assets and capabilities
The authors of this thesis needed to understand what internal assets and capabilities the band can contribute with in a future brand extension. In this thesis Sarasvathy’s (2001) thoughts are used regarding which means to start with. As concluded in the methodology and theory section 3.4, what idea to recommend (the end goal), is not known in advance. Thus, an effectual logic is found more suitable to use in this case. However, Sarasvathy’s model was complemented with the mean “what do we have?” since the band members financial assets and ability to invest time in a projected also need to be evaluated. The imagined ends in Sarasvathy’s model are the identified ideas. Through a process of evaluation the most suitable idea were recommended to In Flames and an implementation plan was created for one brand extension idea. Thus, the result of RQ2 and RQ3 were used as input for RQ4-RQ6.

The recommended idea should be leveraged by the In Flames brand and not dilute the brand. Therefore, the In Flames brand is identified as the most important asset in this particular thesis. The individual band members’ knowledge, identity and network are thus secondary. In Flames can probably acquire the necessary skills and expertise from the outside if the idea is found promising. The logic above can be summarized in the following way. The potential of an idea should mainly be evaluated from the fit with the In Flames brand and a fit with the individual members’ identity and knowledge are an advantage but not a requirement. This is much in line with the previous reasoning regarding a credible background story as a potential success factor.

The members of In Flames have collectively a large network. From the basis of these contacts several ideas have been identified. Contacts can simplify the implementation of an idea. They can also invest in ideas if In Flames lack the financial resources needed or if the band wants to spread the financial risk. Thus, In Flames’ wide network of contacts present several advantages for a future brand extension. Experiences and expertise that the authors have identified as advantageous for future brand extensions are the members’ entrepreneurial experiences and Andreas Werling’s IT related knowledge. These experiences are valuable in a large number of settings. The value of In Flames knowledge and network will be analyzed on an idea specific basis.

The section that concerns “what In Flames have” showed upon the divergent answers among the members. Some members are willing to invest both time and money while other members are only willing to invest time or money. However, one part of the members’ answers to this question is consistent. Everybody is saying that the amount of time and financial assets they are willing to invest depends on the idea recommended. Neil Lim Sang\textsuperscript{17} pointed out that the time the band members are able and willing to invest on a brand extension are very limited. Since the members’ answers diverged, Neil Lim Sang’s knowledge about the band and the

\textsuperscript{17} Neil Lim Sang, toured with the band during several years and initiated their fan site, telephone interview held 26\textsuperscript{th} of September, 2012.
first purpose of this thesis one criterion the identified ideas should be evaluated from should be “amount of effort required by band members”. Ideas that demand little effort and financial resources but relatively high return should be prioritized.

5.8.1 Summary - In Flames’ assets and capabilities

- The In Flames brand is identified as the most important asset for a future brand extension. The members’ identities and knowledge are secondary means.
- The members’ entrepreneurial experiences and IT knowledge are assets identified as advantageous for many different future brand extensions.
- In Flames have a large network of contacts, containing both potential investors and business partners.
- The amount of effort required by band members should be used as a criterion from which ideas are evaluated upon.
6. Identification, evaluation, selection and implementation of brand extensions

In this chapter the areas regarding the actual process of identifying potential brand extensions and narrowing them down to a final proposal are presented. The chapter is divided into three parts, representing RQ4, RQ5 and RQ6. These are identification of brand extension opportunities, evaluation and selection of the brand extension to proceed with and the creation of the business model for the selected extension.

6.1 Empirical data - Identification of brand extension opportunities

Four main sources were used to identify possible brand extension opportunities for In Flames, as shown in figure 8:

- **Fans**
  In the focus groups and survey the fans were asked to tell what they wanted the band to deliver to them, whatever it might have been. The fans and their needs were also the basis for the brainstorming sessions.

- **Experts**
  In interviews with academic and professional experts in several fields (marketing, brand strategy, advertising and the music industry) the question have been discussed in various forms and several ideas have been extracted.

- **Internally**
  The thesis authors, band members, fellow students and people in the In Flames organization participated in two brainstorming sessions where ideas were generated. The thesis authors have also conducted individual brainstorming.

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Figure 8: The four main ideation sources and their respective components.
Benchmarking

Extensive research has been conducted on what other artists and bands have done when it comes to brand extensions. Bands in the same or similar genre were studied as well as artists with totally different artistic expressions. Other more or less unrelated industries have also been studied to see if feasible ideas could be identified.

The basis for identifying brand extension opportunities have for all four sources been to satisfy a need within one or several of the fan segments. When fans were asked in the survey and focus groups they only needed to go as far as to themselves and their friends. Band members and other internal sources have good knowledge about the fans and they were also presented the findings from the brand audit during the process.

Experts in different fields answered from their various experiences with In Flames or the music genre in general. Some had deep knowledge about the band and its fans while others knew almost nothing. Many, having deep knowledge or not, believed that the need of standing out and show their music preferences in many settings were important sources for finding successful extensions. Alcoholic beverages, clothing, energy drinks, tobacco products and piercings were examples of ideas that were suggested with this need in mind. Enjoying life was another need that was found to be most apparent among older fans and this spurred ideas such as a food and beverage book, exclusive shows and barbeque sets.

Kiss is considered among most people to be the band that has taken brand extensions further than anyone could have ever guessed. They were a natural start of the music industry benchmark and later on followed other successful bands and artists such as Grateful Dead, Motörhead and Jay-Z. No ideas came directly from this research but spurred many interesting discussions that led to other ideas. They were also used in the presentation held before the brainstorming sessions. After the most flawed ideas had been deleted the initial long-list contained 56 ideas, see appendix IV for examples, which were taken into the evaluation and selection phase.

6.2 Analysis - Identification of brand extension opportunities

The ideas that have been generated are diverse in the sense that they span from pure services (e.g. travel agency and band workshops) to pure products (e.g. music instruments and beef) and aims at different segments with various value propositions. There might be several reasons for this. This result reflect the broad appeal that In Flames have created over the last decade moving away from the traditional metal audience and adding new groups of fans as was identified in the brand audit section 5.2. By looking at all these groups of people in the ideation process, ideas will most likely differ vastly since they aim at satisfying a need or solving a problem for customer segments that have different sets of characteristics (see description of the three main segments, section 5.6).

The use of four different sources to generate these ideas might also have affected the result. The internal ideation process created many ideas that can be considered as rather far-fetched and spanning across many type of ideas. The fans focused mainly on what can be classified as line extensions, such as Blu-ray live DVD and different types of live shows. The experts often
suggested ideas taken from another field or band which means that they were, to some extent, already tested and rarely were seen as innovative in its true sense. The time constraint during the interviews might have also affected the outcome since no real brainstorming and expansion of the ideas could be made. Benchmarking other businesses and bands gave inspiration to further elaborate on these already tested brand extensions and functioned therefore much in the same way as ideas given by experts.

**6.2.1 Summary – Identification of business opportunities**

- Four sources were mainly used to generate potential brand extension opportunities; internally, fans, experts and benchmarking.
- The focus during the ideation process has been to identify needs within the three main customer segments identified and generate solutions that will satisfy them.
- 56 ideas that were not rejected instantly were generated and taken to the evaluation phase.

**6.3 Empirical data - Idea evaluation and selection**

The 56 ideas that were generated in the ideation phase were first screened with basic “gut” feeling, advised by idea evaluation expert David Andersson. Twelve ideas were eliminated straight away due to their unappealing features to the authors.

**6.3.1 Checklist**

After the initial evaluation 44 ideas remained for the first screening according to Cooper’s model, the MUST criteria evaluation. Four different criteria were identified as hygiene factors that had to be covered for in each of the ideas in order for them to be taken further in the process. Each criterion included a set of questions that had to be answered with a “yes” in order to be perceived as accepted. Table 3 presents the four different criteria used in the checklist. To each criterion a description of it is presented and also the questions that had to receive a “yes” are included in the table. Finally, the sources used for the formulation of each criterion are presented in the furthest right column.

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18 Andersson, David, Idea evaluation expert, PhD Student, face-to-face interview held 31st October, 2012.
<table>
<thead>
<tr>
<th>Criterion</th>
<th>Description</th>
<th>Questions to consider</th>
<th>Sources</th>
</tr>
</thead>
</table>
| Perceived fit   | The extension needs to be extended into a product category/class that is perceived to be similar to either what the brand represents or In Flames current offers. The perceived fit can be based on a shared intangible and emotional connection between In Flames brand and the extension or a tangible connection between the brand and the extension. | • Is there an intangible or tangible fit between the extension X and what the brand In Flames stands for?  
• Is the extension X product category/class either emotional or tangible connected to what In Flames brand stand for or the current offering of In Flames? | Hem et al (2001), Bottomley and Doyle (1996), Interviews with Peter Zackariasson, Martin Ridderfors and Jonas Bjälesjö.                                                                                          |
| Support from band members | The extension needs to be supported by the band members since it is their brand that should be utilized. The In Flames members need to be able to stand behind the extension and explain why they have performed it, failure to do so can hurt their authenticity and could thus in the end dilute the In Flames brand. | • Have the band members expressed support for extension X or is it reasonable to think that they would support it? | Völckner and Sattler (2006), interviews with band members, Michael Brandvold and Neil Lim Sang |
| Satisfying a need | The extension needs to fill or fit a specific need or consumption behavior within one of the three main identified fan segments.                                                                                     | • Does extension X fit or fill a need or a consumption behavior for one or several of the three identified main customer segments?                                                                                      | Monga and John (2010), Aaker (1990), interviews with Michael Brandvold, Petter Askergren and Peter Zackariasson.                                      |
| Feasibility      | The extension needs to be technically and operationally feasible. To judge if the extension is suitable for implementation it needs to be evaluated if it fits In Flames’ assets and capabilities or if it could fit with In Flames network’s assets and capabilities. | • Is the extension X technological and operationally feasible?  
• Do In Flames have the necessary assets and capabilities to perform extension X?  
• Can the necessary assets and capabilities to perform extension X be found in In Flames’ network? | Saravasthy (2001)                                                                                                                                         |

Table 3: Criteria used in the initial screening step according to Cooper’s (1986) model.

If these questions were all answered with a “yes”, the brand extension opportunity was taken further to the next step of the evaluation process.

6.3.2 Scoring model
21 ideas passed the first screening and were then taken into the scoring model for further evaluation. Since all ideas that were taken to this step were considered to possess the basic requirements a more refined review was necessary to filter out the ideas with real potential. Each criterion used in the scoring model was given an individual weight depending on how important they were considered to be. The seven criteria are presented and motivated in table
4. The table also includes a description of each criterion, followed by the individual weight and motivation for it. The last column presents the sources from where each criterion stems.

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Description</th>
<th>Weight</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amount of effort required from band members</strong></td>
<td>The purpose with this thesis is to identify business opportunities that will generate passive incomes and this implies that that band members’ long term efforts should be limited.</td>
<td>In order for an extension to be successful the band should not be required to, over time, actively be involved. However, some effort will most likely be required so the criterion receives a medium negative weight (-3).</td>
<td>The purpose of the thesis, interviews with band members and people in the band’s organization.</td>
</tr>
<tr>
<td><strong>Risk of diluting the brand and losing authenticity</strong></td>
<td>In all interviews conducted with people with connections to the music industry the authenticity is mentioned as the main asset together with the music catalogue that a band or artist possesses. A badly chosen and performed brand extension can jeopardize this critical intangible quality.</td>
<td>It is vital to maintain the authenticity of the band and an extension should not affect this negatively in the long term perspective. Therefore this criterion received the highest negative weight (-5).</td>
<td>Keller and Sood (2003), Interviews with band members, Patrik Larsson, Jonas Bjälesjö, Lars Lillienstam and Martin Ridderfors.</td>
</tr>
<tr>
<td><strong>Long product life cycle</strong></td>
<td>The business opportunity chosen should create a passive revenue stream that will continue for a substantial amount of time.</td>
<td>The life time of the extension is important but an extension that creates a short but substantial stream of revenue should also be considered. Therefore the criterion receives a medium/low positive weighting (+2).</td>
<td>The purpose of this thesis and interviews with band members.</td>
</tr>
<tr>
<td><strong>High quality extension</strong></td>
<td>The extension has to be considered as a high quality product in order to deliver on the promise of the brand. High quality products send a message that the band is not trying to “rip off” their fans.</td>
<td>Being perceived as a high quality band, delivering high quality extensions is of great importance. This criterion is therefore given a high positive weight in the scoring model (+4).</td>
<td>Aaker (1990), Interviews with band members, marketing specialist and music industry experts.</td>
</tr>
<tr>
<td><strong>Uniqueness</strong></td>
<td>To deliver an extension that is unique in a way that creates positive attention has, according to many of the people interviewed, an effect on the result that cannot be neglected. The attention that these extensions are given on the internet and in media act as excellent promotion and sales figures will most likely be affected positively.</td>
<td>Being unique is still not crucial to the success of an extension. A well motivated extension that is implemented correctly can still fulfill the purpose of this thesis without being considered unique. Based on this, the criterion receives a medium positive weight in the scoring model (+3).</td>
<td>Jones (2012), interviews with music industry experts, brand strategists and marketing specialists.</td>
</tr>
<tr>
<td><strong>Potential for further extensions</strong></td>
<td>Some extensions will further open up for other extensions to follow and in this case an increased number of revenue streams can be created and the entire life span of the brand extensions can be prolonged.</td>
<td>This is considered more of an attractive bonus criterion rather than a critical success factor and therefore receives a medium/low positive weight (+2)</td>
<td>Interviews with Peter Zackariasson and Michael Brandvold</td>
</tr>
<tr>
<td><strong>Potential market size</strong></td>
<td>An extension will have little potential of success if there are no fans willing to buy/use it.</td>
<td>The criterion should be considered as very important and receives the highest positive weight (+5) in the scoring model.</td>
<td>Aaker (1990), Luh (2000) and interview with Michael Brandvold</td>
</tr>
</tbody>
</table>

Table 4: Criteria used and their respective weights used in the scoring model
The final result of the scoring model revealed four ideas that scored among the top three in either one of the segments or in total. The entire scoring model can be found in Appendix V. The ideas that passed this screening were:

- In Flames beer
- In Flames whiskey
- In Flames headphones
- Collaboration with fashion label for new type of merchandise.

These four ideas were taken to the last step of the evaluation phase.

6.3.3 Financial aspects and further discussion

With the information received from interviews with band members and people in the In Flames organization low amount of initial investment was chosen as one of the main criteria. The different willingness to invest that existed within the group would have most likely hindered the progress of the implementation process. Volume and profit margin were the other two criteria since these two make up the profit levels of the brand extension during its life cycle.

**In Flames whiskey**

The idea of an own whiskey brand comes very natural due to the emotional connection between metal music and liquor that exists in people’s minds. Adding to this, the singer Anders Fridén is a whiskey collector and enthusiast which is commonly known among the fans. However, after further discussions with the band it was obvious that the volume would never reach a satisfactory level since exclusivity and limited numbers were important to the band and therefore this idea were not taken further in the financial analysis. Starting an own whiskey brand would also demand rather substantial investments for the band members. There were also questions within the band if alcoholic beverages were something they should become involved with considering their broad appeal to younger people (the “kids” segment). The whiskey idea also scored the lowest out of these four ideas in the scoring model. The idea was therefore eliminated rather quickly in the last screening step.

**In Flames beer**

The idea of creating an In Flames beer scored the highest in the “Hardcore oldies” segment. This idea follows, to a large extent, the same reasoning as the whiskey idea. The music genre is in many people’s minds connected to alcoholic beverages and the band members are often seen drinking beer in pictures on social media. Anders Fridén has its own beer brand and Björn Gelotte and Peter Iwers run their own restaurant which is known for its quality beer offering. However, in a market with fierce competition and other hard rock bands already established in the beer market (Motörhead, Mastodon etc.) the potential of large volumes is limited. The question of cannibalizing on Anders Fridén’s already established beer brand is also apparent. The discussion regarding if In Flames should promote alcoholic beverages exists here as well. With all this in consideration no further investigations were made into this idea.
In Flames Headphones
Licensing the In Flames brand to a producer of headphones has shown to be an attractive idea according to the set up criteria. Due to the fact that the idea is intended as licensing the In Flames brand to a headphone producer the initial investment will be close to zero. The product would mainly target the younger fans that have a need of showing their preferences to the public. The perceived fit between a band and headphones is apparent and has successfully been conducted by American hip hop artist Dr. Dre (Beats by Dre). However, without producing the headphones on their own, the initiative will most likely only be a short term partnership with a producer. With this in mind and the fact that the margins will be rather low since In Flames will only receive a licensing fee from a stronger party (the producer) the total profit level (volume and margin combined) will be rather low. Taken together, the idea was stopped and no further efforts were invested in the idea.

Fashion collaboration
Collaborating with a fashion brand/designer to create a new and unique merchandise line received the highest score in the “Kids” and “Average Joe” segments and also the overall score was the highest among the 21 ideas in the scoring model. The idea consists of a long-term collaboration between a known clothing brand and In Flames to create limited merchandise collections. The products are intended to have a more conventional design targeting fans of In Flames who do not want to wear the standard merchandise (big prints on standard clothing). The idea emerged after the brand audit. It was revealed that many fans of In Flames fall outside the description of a normal metal fan but the merchandise offered have not been adapted to this new listeners with different preferences compared to the old fan base.

Even though each collection will have a limited number the volumes are to be regarded as high due to the long-term approach where several collections are released over time. The margins are also to be considered as high falling back on the margins on the standard merchandise. The collaboration will most likely have higher production costs but the intention is to charge a premium price on these collections.

The biggest concerns that arose in the last evaluation step for the fashion collaboration idea was the importance of finding the right fashion brand to collaborate with and the risk of cannibalizing on existing merchandise products. Both these issues were considered to be manageable if the extension were well planned and performed correctly.

The fashion collaboration was, with all aspects considered, regarded as the best idea and the thesis authors decided to create an implementation plan for it. This is presented in chapter 7.

6.4 Analysis - Idea evaluation and selection
The criteria and customer segments used in the screening process reflect the guidelines given in interviews, the purpose of this thesis, the focus groups, survey and literature research. The evaluation phase therefore represents the entire process in the sense that it synthesizes the conclusions drawn from all data collection methods and analysis performed on these.

19 Sascha Tweele, founder and co-owner of Merchland, telephone interview held 19th of November, 2012.
The results from the idea evaluation and selection phase showcases what many researchers and interviewees highlighted during the beginning of this project. Perceived fit between the parent brand and the extension is crucial. All four ideas that went through the first screenings have a strong connection to In Flames in one way or another and this is something that should not be neglected. It is crucial to know the brand and make sure the extensions reflect the promise made by it. Fans do not want to feel exploited or that the band is selling out (i.e. losing their authenticity). However, as long as the band stays within the borders of what is perceived acceptable by fans, there are few restrictions to what can be done. The question is rather if there is a need and that the execution of the project can be done correctly. This is where the support from band members becomes vital. Extensions should stem from the band members themselves or be fully supported by them.

The four ideas that scored the highest in the scoring model can be defined as different types of brand extensions according to Tauber (1988) which are presented in section 2.2.1. What can be said for all of them is that each fall under the description of several types of brand extensions.

The In Flames beer and whiskey can be categorized as extensions utilizing the expertise and the image/status of In Flames and also, to some extent, targets the same customer base. The expertise lies mainly in the Anders Fridén’s outspoken interest in whiskey and beer which have been manifested through an own beer brand and in TV appearances where he has been seen desperately searching for an internet connection on tour in order to attend whiskey auctions. Björn Gelotte and Peter Iwers’ restaurant also sends a message of certain expertise in this field. It is also likely that these extensions would to a large extent be sold to existing fans and thereby utilizing the existing customer base. The fans buying the beverage will do so partly because of the image or status In Flames have. A metal fan who likes In Flames might also like to showcase his/her interest and support in the choice of alcoholic beverage.

The headphone extension mainly falls under companion products type, same customer base and image/status extension. In Flames delivers music and while consuming music headphones are often used hence a companionship can be identified. The value proposition to the customer would mainly be to receive a pair of quality headphones which stands out compared to the normal branded ones. Instead of showcasing what producer made them they would show what music that the fan prefers and the image which comes with it. With this in mind it is not far-fetched to conclude that the costumers will to a large extent be existing fans of In Flames (same customer base).

The designer collaboration to create new and creative merchandise cannot entirely be described as a brand extension since In Flames clothing and other merchandise have existed for a long time. In this aspect it falls under the description of a line extension. However, this type of merchandise would entail a movement towards focusing on the clothes themselves and not just the print on them which would mean that the In Flames brand is being stretched outside existing offering. The extension itself can be described as a product in a different form and at the same time leveraging the image/status and the same customer base as the parent brand, In Flames. Even though In Flames main product is producing and performing music
they have also offered merchandise for almost 20 years so this type of fashion collaboration would be a transformation of an existing product into another form. From the typical standard t-shirt with large prints of record art work and tour dates to more simplistic designs that are made of high quality fabric. This constitutes a movement towards fashion brand in a sense but with the promise and message from the In Flames brand (i.e. it is an extension utilizing the image/status of the parent brand).

As seen in the categorization above, image/status and existing customer base is utilized in all ideas. These are two of the main assets of the In Flames brand and an idea that would not incorporate that fact will have little chance of succeeding.

Another characteristic that the all four ideas share is the limited active participation from the band that they require. Over the course of this project it has become clear that to ensure success the ideas should not demand continuous actions from the band members. There are several reasons for this. The first and most apparent is their current situation as active musicians, touring all over the world for major parts of the year. Another reason is the apparent risk of members dropping off, something that happened the last time in 2010. If one member becomes significantly involved in the implementation and then quits the extension might suffer.

6.4.1 Summary - Idea evaluation and selection
- The screening process involved four main steps, following Cooper’s (1986) model that incorporated evaluation criteria obtained during the process of this thesis. These were used in different parts of the evaluation and some were considered as MUST criteria while others were seen as SHOULD criteria.
- The first three screenings identified four ideas that were taken to the last and more extensive evaluation step. These are presented below with their respective identified strengths and weaknesses:
<table>
<thead>
<tr>
<th>Idea</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Flames whiskey</td>
<td>• Good perceived fit</td>
<td>• Limited numbers and exclusivity equals low volume</td>
</tr>
<tr>
<td></td>
<td>• Background story</td>
<td>• Perceived as obvious and boring</td>
</tr>
<tr>
<td></td>
<td>• Targets “Hardcore oldies” with greater financial means than the other segments</td>
<td>• Initial investments demanded</td>
</tr>
<tr>
<td></td>
<td>• Good margins</td>
<td>• More related to Anders Fridén than In Flames</td>
</tr>
<tr>
<td></td>
<td>• Knowledge within the band</td>
<td>• Short product life cycle</td>
</tr>
<tr>
<td>In Flames beer</td>
<td>• Good perceived fit</td>
<td>• Potential conflict of interest</td>
</tr>
<tr>
<td></td>
<td>• Background story</td>
<td>• Competitive market</td>
</tr>
<tr>
<td></td>
<td>• Targets “Hardcore oldies” with greater financial means than the other segments</td>
<td>• Done before and might be seen as boring and just trying to capitalize on their fans</td>
</tr>
<tr>
<td></td>
<td>• Knowledge within the band</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Long product life cycle</td>
<td></td>
</tr>
<tr>
<td>In Flames Headphones</td>
<td>• A good start for further extensions</td>
<td>• Volume will be medium to low</td>
</tr>
<tr>
<td></td>
<td>• Very low risk of diluting brand as long as the quality is ensured</td>
<td>• Low share of revenue</td>
</tr>
<tr>
<td></td>
<td>• No real investments since it is a licensing project</td>
<td>• The partnering headphone company will have strong bargaining power</td>
</tr>
<tr>
<td></td>
<td>• Can use the existing distribution channels</td>
<td></td>
</tr>
<tr>
<td>Fashion collaboration</td>
<td>• Extension of already existing merchandise sales</td>
<td>• Might be difficult to find the right partner</td>
</tr>
<tr>
<td>CHOSEN</td>
<td>• Potential of increasing online sales (non-tour related)</td>
<td>• Lower margins than normal merchandise</td>
</tr>
<tr>
<td></td>
<td>• Unique</td>
<td>• Risk of cannibalizing on standard merchandise sales</td>
</tr>
<tr>
<td></td>
<td>• Fits needs of many fans</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• High volume</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• If updated, long product life cycle</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• In line with their progression in music style, appealing to non-metal clothing style</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• In Flames have a very flexible visual brand that can be altered</td>
<td></td>
</tr>
</tbody>
</table>

Table 5: Summary of the four highest scoring ideas and their respective strengths and weaknesses.

6.5 Empirical data - Creating implementation plan
The chosen idea needs a business model which states the value proposition it will deliver to the customers and other vital aspects of it. In total, it gives In Flames a recommended path forward where all important functions are included. The collaboration should follow the same dualithic sub-branding strategy as In Flames already use, according to the definition of Riezebos et al (2003), see section 2.3. This means that In Flames and the collaborating fashion label should be connected in the sub-brand that will be created for the new merchandise. An example would be “In Flames by fashion label”. This would, according to Sood and Keller (2012), further mitigate the brand dilution risk.

The business model for In Flames fashion collaboration is presented following the business model canvas brought forward by Osterwalder and Pigneur (2010) and is visualized below. The business model canvas itself is not an implementation plan but acts as a guide for further more detailed implementation planning since it covers all major aspects of a new business branch (Osterwalder & Pigneur, 2010).
**Key Partners**
- Fashion brand (design, production and brand)
- Merchland (Distribution)

**Key Activities**
- Design an appealing merchandise line
- Marketing
- Build successful long-term relationship with fashion brand

**Value Proposition**
- Innovative and limited merchandise
- Show support without sacrificing interest in clothes
- Feel connected to the In Flames community
- Better quality
- Better fit

**Customer Relationship**
- Same relationship as with other merchandise
- Social media followers and concert visitors are first in line

**Customer Segments**
- Kids
- Average Joe

**Key Resources**
- Brands
- Social media channels
- Distribution channels
- Existing large fan base

**Channels**
- Merchland
- Social media
- Tours

**Cost Structure**
- Design cost
- Production cost
- Distribution cost
- Marketing cost

**Revenue Streams**
- Sales of merchandise, (example: 50% of the profits to IF, 50% to fashion label)
- Profit margins for the band today:
  - 50% (12-13 € per T-shirt) on tour
  - 25% (5-6 € per T-shirt) on the webshop

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**Key Partners**
There are mainly two key partners identified in this business model. The fashion brand will be of utter importance since it will create the merchandise line in collaboration with In Flames and also distinguish the products with its own brand.

Merchland will be the main distributor. The distribution is already set up and running without any major issues so there are no concerns at the moment for this part of the business model. If the collaboration turns out to be a success and sales figures are high the collections could also be presented and sold in stores in locations with an high density of In Flames fans (Gothenburg for instance).

**Key activities**
To create an appealing merchandise line has to be considered the most important activity in the initial phase of this collaboration. The outcome of this extension will mainly be affected by how the targeted fans perceive the design, quality and price of the products. If they meet or
exceed the expectations of the fans the sales will most likely be satisfying and add a considerable amount of revenue to the band. Considering that merchandise sales are responsible for approximately 40 percent of the total revenue for the band\textsuperscript{20}, this is not a bold statement.

Marketing is another key activity and if done correctly it will aid in create awareness among fans and showcase the key features of the products (high quality, “tailored fit” and another approach to interpreting In Flames than usual).

The above mentioned activities are both relying on a fruitful collaboration with the chosen fashion brand. To reach the success intended with this business model the collaboration should not just count for one single merchandise line at a given point in time but instead a long term relationship should be established where new collections are released when it is appropriate.

**Value proposition**
The customer will be offered merchandise that has a different and more casual design than normal band apparel. The idea is to offer products that will allow fans who have an interest in clothes that does not fall into the hard rock category to also be able to show support and connection to the community of In Flames. The quality of the fabrics will be high and the possibility of using ecological cotton should be evaluated.

The merchandise will also be produced in limited numbers to create additional attractiveness to the collection. The products are recommended to first be available to members of the official fan club of In Flames (Jesterhead.com) to show appreciation to loyal fans.

**Customer relationship**
The customer relationship will not differ significantly from the normal merchandise sales apart from the exclusive early introduction to fan club members.

**Customer segments**
The targeted customer segments will mainly be “Kids” and “Average Joe” which have been presented earlier in this thesis. The reason for this is that both segments have characteristics that match the value proposition of this brand extension. Both segments include a large share of fans who listen to In Flames without the outer appearance of a typical metal fan. This merchandise line allows them to show support for their favorite music without changing their way of dressing.

**Key Resources**
There are four key resources identified in this business model. The brands of both In Flames and the fashion partner will play a major role when launching this collaboration. They will affect the amount of media exposure, perceived quality from the fans’ point of view and international spread. With the brands come the fans and these are most likely the most valuable resource of this extension.

\textsuperscript{20} Magnus Strömblad, In Flames business manager, face-to-face interview held 1\textsuperscript{st} of October, 2012.
The existing social media channels will play an important role in delivering the message to potential customers and communicating with these. In Flames’ Facebook page alone has over 850 000 followers (November 2012) so the importance of these channels cannot be stressed enough. It is an almost invaluable resource in this business model due to the free exposure to a large share of the targeted customers.

To also have the distribution up and running decreases the initial investments and risks even further. The extension will basically be launched into an existing and well functioning distribution channel so little has to be altered.

**Revenue streams**
The revenues will be generated through sales of merchandise through the chosen channels. The merchandise connected to the collaboration will be priced above the normal offering due to the higher quality, limited number, additional design work and the brand equity from the fashion label. The recommended price for the different merchandise is about 25 % above the price for normal merchandise. This price level was recommended by Sascha Twele\(^\text{21}\) and the authors agree with this suggestion. The recommended volume for the different products will, according to Sascha Twele, vary depending on the type of product and what price will be charged to it. As an example, if a leather jacket is offered as limited edition through this collaboration and the set price is 300 € then an acceptable volume would be about 100 items. Meanwhile, a T-shirt for 35 € can be produced up to at least 2000 pieces and still be considered limited. The payment to the fashion label will be conducted through revenue sharing which gives both parties incentives to create and execute a successful collaboration.

**Channels**
Merchland is proposed be the main distributor of the new collaboration merchandise. This entails that the main channels will be based on the internet which makes sense with the global spread of In Flames’ fans and the existing structure that have been functional for several years. Other external web shops such as Junkyard, where In Flames merchandise is sold today, should also be used.

Social media channels are recommended to be used to redirect traffic to Merchland and as a communication channel due to the fact that this is where many of the potential customers are and they expect to be met there.

Merchandise tents on tours are the best selling channel today and also offer the highest margins and this will be another important channel. However, the intention with this initiative is mainly to increase the web based sales figures and by offering the limited items to fans on the internet so the first goal is to drive traffic to the site instead. It is also believed that the fans who attend concerts and at the same time buy merchandise mainly request the standard offering while internet is better suited to offer alternative products where the customers can be informed about the collaboration and its uniqueness and superior quality.

\(^{21}\) Sascha Twele, founder and co-owner of Merchland, telephone interview held 19\(^{\text{th}}\) of November, 2012.
In total, In Flames sells about 110 000 T-shirts every year\textsuperscript{22}. 45 % of these are sold through retail stores and another 45-50 % is sold on tour. The remaining five to ten percent is generated through the web shop.

Retail in general is not recommended as a channel in this business model. There are two main reasons for this. First, the margins on merchandise through this channel are the lowest (about 10-15 percent). Secondly, the limited edition strategy offered to fan club members first entails that the distribution should be focused to a few channels and retail is the least efficient one and has nothing to do with the fan club.

**Cost structure**

Design will be a factor mainly consisting of labor. The fashion label and In Flames will have to dedicate a considerable amount of time to design the products that will be included in the collaboration collection.

Production cost will be a major part of the cost structure and will differ depending on the decision of ecological fabrics, type of fabric and design of the merchandise. Distribution costs will be the same as of today since the same existing channels will be used.

Marketing costs will mainly consist of producing material to use in In Flames’ and the fashion label’s own channels (social media and web sites) and press material for magazines, blogs, websites and other external channels. Little paid advertising is recommended.

**6.5.1 Evaluating and selecting potential partners**

In order to find suitable partners that can be contacted with this collaboration proposal the same scoring model was used as in the idea evaluation phase. The difference was that relevance for “Hardcore oldies” was deleted since they are not a targeted segment. Each criterion used in the scoring model was given an individual weight depending on how important they were considered to be. The six criteria are presented and motivated in table 4. The table also includes a description of each criterion, followed by the individual weight and motivation for it. The last column presents the sources from where each criterion stems.

\textsuperscript{22} Sascha Twele, founder and co-owner of Merchland, telephone interview held 19\textsuperscript{th} of November, 2012.
<table>
<thead>
<tr>
<th>Criterion</th>
<th>Description</th>
<th>Weight</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matching background</td>
<td>The chosen fashion company’s background should be part of creating the background story which will be used in the marketing material and create authenticity to the collaboration.</td>
<td>The obvious connections that are sought after is Swedish and preferably from Gothenburg since In Flames is globally known as a Gothenburg sound band. This is not vital for the success but should not be neglected either and is therefore given a medium positive weight (+3).</td>
<td>Interviews with Agnes Stenberg-Schentz and Petter Askergren.</td>
</tr>
<tr>
<td>Fashion brand awareness</td>
<td>How well-known the brand is among fans will play a part in how they perceive the collaboration.</td>
<td>Fashion brand awareness is considered to be of a rather low importance (+2). Collaborating with a large well-known brand might even spur the feeling of selling out among fans.</td>
<td>Herr et al (1996) and Aaker (1990).</td>
</tr>
<tr>
<td>Ecological fabrics</td>
<td>Producing the merchandise using ecological cotton will differentiate this extension even further. Both from an ethical point of view as well as perceived quality. Some companies have specialized in producing their products with only ecological raw materials.</td>
<td>Whether ecological cotton will be used or not will not be decisive for the success of the collaboration but may aid in differentiating and creating attention around the merchandise and is therefore given a medium/low weight (2).</td>
<td>Jones (2012), Interviews with Martin Ridderfors and Petter Askergren.</td>
</tr>
<tr>
<td>Pricing</td>
<td>The price level of the fashion label will affect the price level of the merchandise collaboration.</td>
<td>Price is an important factor and even though a premium is motivated the price level of normal band merchandise does not allow too expensive products. Expensive merchandise might also create negative attention from fans and press. The negative effect of this criteria is therefore rather high which is reflected in the weight (-4).</td>
<td>Aaker (1990), Interview with Martin Ridderfors.</td>
</tr>
<tr>
<td>Perceived fit: In Flames and Fashion brand</td>
<td>The chosen fashion brand should be perceived to fit In Flames in a way that makes the collaboration natural even though it might be surprising.</td>
<td>As mentioned many times before in this thesis, perceived fit between parent brand and the extension is vital and the weight can only be the highest possible (+5).</td>
<td>Hem et al (2001), Bottomley and Doyle (1996), Interview with Jonas Bjälesjö.</td>
</tr>
</tbody>
</table>

Table 6: Criteria and their respective weights used in the scoring model for potential design partners.

A scoring model with this criteria and weights were produced and eleven fashion labels were evaluated in it. The entire scoring model is presented in Appendix VI and revealed that WESC, Nudie, Cheap Monday and Sweet Skateboards were the brands that scored the highest. It should be noted that there exist many more clothing brands that might be suitable than the ones presented in the model.

6.5.2 Timing

The collaboration should be launched in between tours and album releases since it does not focus on any of these. The collaboration is a stand-alone merchandise collection that is not connected to a certain album or tour and should instead be something that is done in a period where less attention is directed towards the band. This will ensure that the launch will not drown in other offerings or news from the band and will also help spur sales in periods where few merchandise purchases are made.
6.5.3 Taking the idea further
In order for the proposed brand extension to be fully utilized certain initiatives need to be undertaken. A person within the In Flames organization needs to be assigned as responsible for the project with full support from the rest of the stakeholders. The person assigned to the project should have the ability to act as a bridge between the band members, the fashion brand and the distributors. The assigned person should also be responsible for the marketing and communication with the fans. This entails that the person assigned should primarily have competencies within marketing, communication and project management in order for him/her to be suitable for the initiative.

Making sure that the agreement between In Flames and the fashion brand is beneficial for both parties is the other key initiative in order for the idea to succeed. This is also supported by Schilling (2010). A rather concrete and precise proposal should be finalized before approaching the desired fashion brands in order to have a basis for further discussions. The person assigned to the project should be present in the conversations between the two parties in order to create a relationship early on in the collaboration.

The authors believe that creating a merchandise line in collaboration with a fashion brand do not diverge all that much from a normal merchandise collection launch and should therefore not demand that many additional resources.

6.6 Analysis - Creating implementation plan
The presented business model involves one main issue to solve. To find a fashion brand partner that is perceived to fit the brand of In Flames and in collaboration create an appealing merchandise collection. There are also uncertainties regarding how the earnings will be divided among the involved parties and three alternatives are given in the theory section 7.7.1 (licensing, bartering and fixed price). Licensing, where a fixed share of the revenues is reserved for the fashion label, is recommended to use in this case. This is due to the low amount of initial payments it involves and the mutual interest from both parties to make the brand extension a success. The distribution and marketing channels already exist and In Flames’ existing fan base includes the targeted customer segments which are larger than many clothing companies’ potential customer base. Overall, the business model is perceived to be fairly easily implemented once the right partner has been identified.

The companies that scored the highest in the initial scoring model share some characteristics that can be identified. They are all Swedish brands, however, not all from the Gothenburg region (Cheap Monday is based in Stockholm). They are also fairly young brands with a young customer base. Even though the screening model did not include all potential clothing brands some conclusions can be drawn from this. The sought clothing brand should preferably be from Sweden to help create the background story that has been emphasized in interviews with professionals. Overall, the importance of creating an appealing background story to go with the brand extension should not be neglected and will, according to the interviewees²³,²⁴, mitigate brand dilution and strengthen the authenticity of the collaboration. The clothing

²³Peter Askengren, rap artist and entrepreneur, face-to-face interview held 5th of October, 2012.
²⁴ Agnes Stenberg-Schentz, Art Director Forsman & Bodenfors, telephone interview held 30th of October, 2012.
company should have reached a certain size and attained a reputation but still small enough to achieve considerable gains from the collaboration with In Flames. Both In Flames and the fashion brand will be able to achieve increased revenues and expanded market access, as Chesbrough (2007) identified. In Flames will also be able to increase their creative capabilities when it comes to clothing creation and production.

The suggestion to mainly focus the sales to the internet might at first seem to lack a proper rationale behind it. The band sells most of its merchandise on tour and the margins are significantly higher. However, the goal with this thesis has been to identify passive revenue streams and even though on tour merchandise is considered passive it still requires the band to be on tour. As soon as they pause touring the on tour sales drops to zero. To drive traffic to the web shop will ensure a steady flow of revenue. This might be even more important if the band decides to reduce their intense touring schedule in order to focus on their many other engagements. To launch the collaboration in between tours and album releases is therefore in line with this long-term strategy.

6.6.1 Summary - Creating implementation plan

- The business model proposed is considered to act as a guide for a more detailed implementation plan and covers all important factors. No real thresholds for its realization have been identified.
- The most notable characteristics to the business model is that it will primarily focus on internet as the sales channel, produced and sold in limited numbers and offer products that stand out in the metal community.
- The most important issue to solve going forward is to identify and come to an agreement with a suitable fashion label and the criteria presented in this chapter is recommended to use as guidelines when doing so.
7. Implications for the academic research within brand extension in the music industry

This chapter answers the last research question (RQ7) regarding what the combined literature and empirical research can add to the academic research within brand extension in the music industry. The interviews that form the empirical basis for this chapter are:

- Peter Zackariasson, Marketing Researcher, face-to-face interview held 7th of September, 2012.
- Elisabeth Widlund, CEO Musiksverige, telephone interview held 18th of September, 2012.
- Michael Brandvold, Former marketing manager for Kiss, telephone interview held 1st of October, 2012.
- Agnes Stenberg-Schentz, Art Director Forsman & Bodenfors, telephone interview held 30th of October, 2012.
- Peter Askengren, rap artist and entrepreneur, face-to-face interview held 5th of October, 2012.

The key to a successful brand extension within the music industry lies in understanding the brand and how the fans perceive it. This is pointed out by most interviewees and by leading researchers such as Aaker (1990). Conducting a thorough brand audit and matching the brand with extensions that are perceived to fit it will mitigate most risks connected to this type of expansions. As Tauber (1981) explains it, by identifying the key qualities a brand has extensions that leverage these will have a high success rate. This view implies how important it is to thoroughly dissect the brand and identify these key ingredients that customers/fans identify the brand with. However, an idea is not better than the execution of it and much thought has to be put in to this phase as well. Failing at delivering a good idea might even dilute the brand since many fans will feel used if they buy a product with the band’s brand on it and it does not meet the expectations associated with it.

Maintaining credibility/authenticity is crucial since it is a main component of a band’s brand equity. However, Keller and Aaker (1992), Romeos (1991) and Keller and Sood (2003) all show that a parent brand is more resistant to brand extension failures than many believe. Martin Ridderfors also believes that artists’ and bands’ brands are even more resistant to brand dilution caused by a failed extension. Artists and bands are supposed to be creative and this also goes for their offerings. This implies that music artists’ and bands’ brands might be more elastic than many other industries’ brands. This is supported by van Riel et al (2001) and their conclusion that brand extensions are more suitable for service providers since they provide experience based products. There also exist a possibility that in the future the music industry will follow in the same path as football clubs and their supporters have, as identified by Abosag et al (2012), where it is a common knowledge that additional revenues are needed in order to survive and stay competitive. This is something that will be very difficult to anticipate but is still a possibility that could spur further research. Whatever happens in the future, it is still important to know your brand through a brand audit in order to identify its limitations and what will be perceived as a good fit or not.
It might also be difficult to achieve high profitability with the first brand extension. As Peter Zachariasson and Michael Brandvold mentioned, several extensions might have to be sequentially implemented in order to reach a satisfying level of revenues. The first extensions should not only focus on these revenues but also on increasing the elasticity of the brand among its customers/fans. This can be achieved by slowly stretching the offering and eventually launching extensions that originally would not have been perceived to fit the brand but due to the history of incremental extensions is now accepted by the fans. This is not mentioned in any of the literature found on the subject but during the project, discussions with different stakeholders and experts, this theory has been given strong support so there is at least reason to investigate the strategy of incremental extensions.

The question can also be raised if creating another substantial revenue stream has to be one of the main goals of a brand extension in the music industry. Extensions could also be seen as expanding the fan experience. Enhancing emotional connectedness between the fans and their favorite bands will help ensure long term popularity of the band, following the thoughts of Apostolopoulou (2002) and Elisabeth Widlund. This strategy would not add another stream of revenue to the band but instead it could possibly increase the already existing revenue streams (selling more concert tickets, downloads, records and merchandise).

A brand extension can also be an artist’s or a band’s answer to a change in their fan base that require different offerings than before, a reasoning much relevant to the case of In Flames. A change in musical direction might change the characteristics of the fan segments and if the band does not adjust to this there might emerge a mismatch between the offered products and fan preferences, a reasoning much in line with Ambler and Style’s (1997).

Another aspect of brand extensions that has not been found in the theories researched is the positive effect uniqueness might have on the outcome. This was a feature that was mainly focused on when interviewing people with professional experience from the music industry or experts within advertising and branding. The reason for the difference between practitioners’ and researchers’ view on this subject might be that uniqueness is not a success factor itself but rather have the quality of supporting and strengthening an already well motivated and executed brand extension. Measuring the impact that the sense of novelty might bring is also difficult and it is almost impossible to derive isolated figures to this feature. However, it is not a far-fetched conclusion that launching an extension in the music industry that has not been done before will receive more attention than if it had been done before by another artist or band. If it is a well motivated extension, a unique idea might also be perceived as creative, as noted by Martin Ridderfors, rather than exploiting the existing fans.

Apart from uniqueness, another feature of brand extension within the music industry that has not been found in related articles and books is the need for an authentic background story. A perceived fit between the extension and the parent brand might be created if there is a rational explanation behind it. This might vastly increase a music brand’s elasticity and the tolerance for these non-core activities among fans might also increase. The fans do not want to feel used and therefore, connecting an extension to a larger setting than just the product or service itself
might assist in it being perceived as a part of the band and not something partly disconnected from the other offerings.

As could be anticipated, brand extensions that leverage the image/status of the brand and its existing fan base are shared among all ideas that went through the screening process. This might be explained by the fact pointed out by Martin Ridderfors, that a brand in the music industry almost entirely rely on emotional associations and that little rationale is used when fans become engaged. A person who does not like an artist or a band would most likely not buy a product from that source since he or she does not have any major positive emotional associations with it.

Given the exploratory nature of this thesis and the fact that no other research reports have been found conducting an in-depth study on a band with the intention of identifying potential brand extensions, the research design and process used can also be seen as an addition to academic research itself. A lot of effort has been put into discussing and designing the process in order to cover all important aspects that are necessary in order to fulfill the purposes of this thesis. The different phases presented in this thesis all hold information that can be valuable for researcher interested in conducting a similar project and the process should act as a guideline to be adapted for the specific setting.

7.1 Summary - Implications for the academic research within brand extension in the music industry
Several interesting observations were made during the conduction of this thesis that the authors believe have implications for the academic research regarding brand extensions in the music industry.

- There are reasons to believe that a music brand is more elastic than many traditional brands due to the fact that these brands are almost entirely built up by emotional associations. The fans also expect artists and bands to be creative and therefore allow them to experiment on their offerings as well.
- The thought of incremental implementations of brand extensions that slowly increases the span of offering was mentioned several times during this process. The rationale behind it is to make the fans accustom to a broader use of the brand and eventually reach extensions that have the potential of being financially rewarding.
- Another alternative implication for academic research is that brand extensions should not be judged by their financial returns at all, as long as they break even. To increase the emotional connectedness with the fans and expand the customer base in order to increase other, more traditional, revenue streams could instead be the main goal.
- Features of the extensions that were not mentioned as success criteria in literature but were mentioned several times in the interviews were a logical background story behind the extension and the uniqueness of the extension.
- The process used to conduct this thesis should be seen as an addition to the academic research itself. The different steps undertaken during the project have been carefully selected and constructed and should act as guidelines for future work with similar features.
8. Recommendation

In this chapter the recommendations that are directed to In Flames are presented. The chapter also includes recommendations for further studies in regards to academic research.

8.1 In Flames

The first purpose of this thesis mainly surrounds the specific case of In Flames and how they are supposed to utilize their existing brand equity through extending the use of it.

In Flames are recommended to use the proposed implementation plan and find a suitable partner according to the identified criteria presented earlier in this report. The fashion collaboration was chosen because it featured all identified success factors to some extent and at the same time involves little risk of diluting the In Flames brand. Extending the brand into more conventional fashion apparel is considered to reside within the borders of what is perceived acceptable by the fans and is also an answer to the change in fan base that has been identified in the brand audit. The plan might have to be adapted with regards to the choice of partner and their respective interests. The collaboration is intended to be a long-term partnership so that should be the intention when initiating contact. Along the process of this thesis many interesting ideas were generated and there are reasons to believe that some of them, even though not chosen in this thesis, have the potential of becoming successful brand extensions in the future.

Primarily the three ideas that went through the scoring model but did not end up as the selected brand extension should be further considered by In Flames and its organization. These ideas are presented below:

- In Flames beer
- In Flames whiskey
- In Flames headphones

As extensions are implemented over time there is reason to believe that the elasticity of the brand will increase and therefore ideas that were not considered to have enough perceived fit today will have the potential to succeed later on. The process of developing the In Flames brand and its offerings is therefore a continuous work process that involves many small incremental steps towards the goal of satisfying the fans and at the same time creating substantial passive revenue streams.

The potential extensions that are considered have to be evaluated as a part of the entire organization and not a separated entity. The best case scenario would be extensions that create synergies between itself and the parent brand, in the same way as Sony playstation and Sony have succeeded with.

Even though In Flames are recommended to implement several brand extensions over time there should be a cautious evaluation behind each and the criteria proposed should all be fulfilled. Mistakes have been stated by researchers not to be the end of the world for brands such as In Flames but to repeatedly launch extension that are not appreciated among the fans will most definitely dilute the brand and cause loss of credibility. Credibility have been stated to be one of the most important assets In Flames possesses so this is something that has to be
carefully evaluated in each case. A scenario analysis might be appropriate to undertake before each brand extension where the worst case is explored and if this is acceptable then there is a clear sign to go ahead with the implementation.

8.2 Academic research within brand extension in the music industry
The second purpose was intended to identify aspects in the field of brand extensions in the music industry that would be applicable as additions to the academic field. The findings in this thesis suggest that further studies should be conducted on several areas.

An issue that has to be further elaborated on in order to create a deepened understanding regards the balance between extending a music brand and keeping the credibility among the fans. This thesis reveals that bands and artists might be too careful about their brand and that the elasticity of their brand and the fans tolerance might be more extensive than what is commonly believed. However, this hypothesis needs to be tested further in order to conclude that this is actually true in general.

Another field within brand extension in the music industry that need more attention is what different strategies that should be preferred when implementing new uses of a band’s brand. An interesting approach that was identified during this thesis was incremental implementations of smaller brand extensions to slowly extend the brand in question. Another part of this is regarding what brand management strategy to use. This thesis suggests that a sub-branding strategy is to be preferred due to the decreased risk of diluting the brand but still utilize the existing brand equity.

Apart from the already proven success factors mentioned in literature, two new criteria are recommended to be added in to the evaluation. These are uniqueness and a credible background story. The actual effect of these factors, if any, needs to be decided through more extensive studies.
9. Conclusion
This thesis has investigated the possibilities to extend the In Flames brand in order to create new passive revenue streams. By answering the seven research questions that have set out the path for this thesis the two main purposes can be answered.

The first purpose was to identify, evaluate and develop brand extension opportunities where the In Flames brand is being utilized in order to create passive revenue streams. This purpose has been answered by RQ1-RQ6. The second purpose was to, via extensive literature reviews and interviews, add to the academic research within the area of brand extension in the music industry. This purpose has been answered by RQ7.

RQ1. What brand extension success factors and brand dilution mitigation strategies can be identified for In Flames?
The main identified brand extension success factors in literature are perceived fit, marketing support, satisfying the core fan groups and high quality extensions. Empirical unpublished sources also points out uniqueness and a credible background story as particularly important in the music industry. Sub-branding and smaller, incremental brand extensions are two brand dilution mitigation strategies that have been identified and are believed to be applicable on the In Flames case and on the music industry in general.

RQ2. How do the band and the fans perceive the brand In Flames and what main customer segments can be identified?
The brand In Flames is connected to several words and values. However, the brand is in particular connected to good live shows, high quality and creativity. Three main segments were identified in the brand audit; the “Kids”, the “Average Joe’s” and the “Hardcore oldies”. The segments represent fans in different age groups with diverging characteristics and consumption behaviors.

RQ3. What are the internal asset and capabilities of In Flames and how can they be utilized?
In Flames most important asset for a future brand extension is the In Flames brand. In Flames large network of contacts, containing both potential investors and business partners, have been used to spur brand extension ideas and could be used by the band in the recommended brand extension and in future brand extension endeavors.

RQ4. What business opportunities, existing or innovative, can be identified?
Four main sources (fans, experts, internally and benchmarking) were used to identify possible brand extension opportunities for In Flames. 56 non-ICT brand extension ideas were generated. The ideas were grouped into the following domains: beverages, food and snacks, BBQ, music related, apparel, travel and shows, books and albums, Gothenburg related and other. They spanned from strict services to pure products but all were generated with the same intention – to satisfy a certain need within at least one of the identified three fan segments.

RQ5. Which of these brand extension opportunities has the greatest possibility of creating passive revenue streams without diluting the brand?
Identified ideas went through a customized idea evaluation screening based on a stage-gate
process that involved four main steps; (1) a “gut feeling” screen, (2) a checklist with MUST criteria, (3) a scoring model with SHOULD criteria and (4) an in-depth analysis. The screening model used revealed that a fashion collaboration between In Flames and a fashion brand has the greatest potential relative the identified success factors.

**RQ6. How could this brand extension be implemented?**

An implementation plan is proposed and it is intended to cover all important areas of a business model. The authors have not identified any real threats for its realization. However, the most important issue to solve is to identify and come to an agreement with a suitable fashion label. Characteristics of the business model is that it will primarily focus on internet as the sales channel, the clothes are recommended to be produced and sold in limited numbers and offer products that stand out in the metal community.

**RQ7. How can the findings in this thesis add to the academic research of brand extensions in the music industry?**

The findings conclude that many of the already known success factors (perceived fit, marketing support, satisfying the core fan groups and high quality extensions) are also valid in the context of this thesis. In addition to this, characteristics that are not mentioned in theory have been identified as potential success factors for a brand extension within the music industry. These are uniqueness, a credible background story and an incremental brand extension implementation strategy.
10. List of References
In this thesis both published references and unpublished interviews have been used. In section 10.1 a list of the published references are presented. A list of used unpublished interviews is presented in section 10.2.

10.1 Published references


### 10.2 Unpublished interviews


Askengren, Peter, Rap artist and entrepreneur. 2012. Interview held 5th of October, Face-to-face, 45 min, Brand Management and brand extensions in the music industry. Category inherence: Semi-structured interviews with professionals.

Bjälesjö, Jonas, Researcher Economics and Culture, Linneus University. 2012. Interview held 27th of September, Face-to-face, 30 mins, Focus area of interview: Brand extensions in the
music industry / literature ideas. Category inherence: Semi-structured interviews with academics.

Bondesson, Niklas, Ph.D. Assistant Professor in Brand management and brand equity, Lund University, School of Economics and Management. 2012. Interview held 21st of September, Telephone, 30 min, Focus area of interview: Brand extensions in the music industry / literature ideas. Category inherence: Semi-structured interviews with academics.

Brandvold, Michael, Marketing guru and former marketing manager for Kiss. 2012. Interview held 1st of October, Telephone, 30 min, Focus area of interview: Brand extensions in the music industry. Category inherence: Semi-structured interviews with professionals.

Dall’Olmo Riley, Francesca. BA, PhD, Reader Strategy, Marketing and Entrepreneurship, Kingston Business School. 2012. Email, 21st of September, Focus area of interview: Brand extensions in the music industry / literature ideas. Category inherence: Semi-structured interviews with academics.

Engelin, Niclas, In Flames member. 2012. Interview held 27th of September, Face-to-face, 60 min, Focus area of interview: Brand audit / brand extensions in the music industry / asset and capabilities. Category inherence: Semi-structured interviews with band members and surrounding crew.

Fridén, Anders, In Flames member. 2012. Interview held 20th of September, Face-to-face, 60 min, Focus area of interview: Brand audit / brand extensions in the music industry / asset and capabilities. Category inherence: Semi-structured interviews with band members and surrounding crew.

Gelotte, Björn, In Flames member. 2012. Interview held 24th of September, Face-to-face, 60 min, Focus area of interview: Brand audit / brand extensions in the music industry / asset and capabilities. Category inherence: Semi-structured interviews with band members and surrounding crew.

Höök, Gustaf, Swedish journalist. 2012. Interview held 8th of October, Face-to-face, 45 min, Focus area of interview: Brand audit / Brand extensions in the music industry. Category inherence: Semi-structured interviews with industry and In Flames experts.

Iwers, Peter, In Flames member. 2012. Interview held 19th of September, Face-to-face, 60 min, Focus area of interview: Brand audit / brand extensions in the music industry / asset and capabilities. Category inherence: Semi-structured interviews with band members and surrounding crew.

Jansson, Niklas In Flames assistant. 2012. Interview held 24th of September, Face-to-face, 60 min, Focus area of interview: Brand audit / brand extensions in the music industry / asset and capabilities. Category inherence: Semi-structured interviews with band members and surrounding crew.
Larsson, Patrik, Artist and repertoire and manager, Playground music. 2012. Interview held 4th of October, Telephone, 30 min, Focus area of interview: Brand extensions in the music industry. Category inherence: Semi-structured interviews with professionals.

Lillienstam, Lars, Professor Music Science, University of Gothenburg. 2012. Interview held 20th of September, Face-to-face, 30 min, Focus area of interview: Brand extensions in the music industry / literature ideas. Category inherence: Semi-structured interviews with academics.

Lindeblad, Mattias, author of several hardrock books and radio presenter. 2012. Interview held 30th of October, Face-to-face, 60 min, Focus area of interview: Brand audit / Brand extensions in the music industry. Category inherence: Semi-structured interviews with industry and In Flames experts.

Lim Sang, Neil, Toured with the band during several years and initiated their fan site. 2012. Interview held 26th of September, Telephone, 45 min, Focus area of interview: Brand audit / Brand extensions in the music industry. Category inherence: Semi-structured interviews with industry and In Flames experts.


Stenberg-Schentz, Agnes, Art Director Forsman & Bodenfors. 2012. Interview held 30th of October, Telephone, 40 min, Focus area of interview: Brand Management and brand extensions in the music industry. Category inherence: Semi-structured interviews with professionals.

Strömblad, Magnus, In Flames business manager and are responsible for accounting and administration. 2012. Interview held 1st of October, Face-to face, 45 min, Focus area of interview: Brand audit / brand extensions in the music industry / asset and capabilities. Category inherence: Semi-structured interviews with band members and surrounding crew.

Svensson, Daniel, In Flames member. 2012. Interview held 17th of September, Face-to face, 60 min, Focus area of interview: Brand audit / brand extensions in the music industry / asset and capabilities. Category inherence: Semi-structured interviews with band members and surrounding crew.

Twele, Sascha, founder and owner of Merchland. 2012. Interview held 10th of October and 19th of November, Telephone, 30 min and 20 min, Focus area of interview: Brand audit / Brand extensions in the music industry / Brand extension implementation. Category inherence: Semi-structured interviews with industry and In Flames experts.

Werling, Andreas, In Flames PR and marketing manager. 2012. Interview held 24th of October, Face-to-face, 45 min, Focus area of interview: Brand audit / asset and capabilities. Category inherence: Semi-structured interviews with band members and surrounding crew.
Widlund, Elisabet, CEO Musiksverige. 2012. Interview held 18th of September, Telephone, 30 min, Focus area of interview: Brand audit / Brand extensions in the music industry. Category inheritance: Semi-structured interviews with industry and In Flames experts.

Zackariasson, Peter, Marketing Researcher, University of Gothenburg. 2012. Interview held 7th of September, Face-to-face, 45 mins, Brand extensions in the music industry / literature ideas. Category inheritance: Semi-structured interviews with academics.
Appendix I – Interview templates

Interview template – Brand extension in the music industry and previous performed brand extension

- What is a brand extension/ Can you define what a brand extension is?
- In your opinion, are there any distinct differences between a conventional brand (for example Volvo) and a brand in the music/cultural industry?
- In your opinion how large is the risk of brand dilution when brand extensions are performed, generally and specifically in the music/cultural industry?
- Which factors do you think are important to succeed with a brand extension in the music industry in general / within hard rock?
  o in Sweden
  o Internationally
- Can you think of any examples of brand extension in the music industry / within hard rock?
  o in Sweden
  o Internationally
- Which examples do you think / know have been successful, in other words profitable and or brand strengthening?
- Which examples do you think / know have been unsuccessful, in other words unprofitable and or negative for the brand?
- Have you seen or heard about any interesting books/articles or other sources of information that deals with brand extensions in the music industry?
- Can you recommend any person that are knowledgeable or an expert in the area that we should talk to?

Interview template - internal assets and capabilities

- What can you as a band and organization contribute with in terms of time?
  o high risk - high reward project
  o low risk - low reward project
    ▪ Competences?
    ▪ Contacts?
    ▪ Efforts?
- How much money would you be willing and are able to invest in an extension idea?
  o high risk - high reward
  o low risk - low reward
- How much money would the band be willing and are able to invest in an extension idea?
  o high risk - high reward
  o low risk - low reward
- What are you really good at?
  o within music
  o in other areas
- Do you have any particular good contacts, like investors or people high up in companies that could promote an extension, help out with production or distribution or invest money in an extension
- Do you know any other person that you think could be valuable to a future extension?
Interview template - brand exploratory

- From your perspective, who and what is In Flames?
- What does the In Flames brand stand for?
- What do you think characterize and distinguish people that listen to hard rock /In Flames?
- Which categories would you divide In Flames fan base into?
- What characterize the different categories? For example:
  - Age
  - Gender
  - Nationality
  - Loyalty
  - Social status
  - Political position
  - Willingness to buy merchandise
  - Consumption pattern
- How do you think the different segments perceive your band?
  - Which words would you choose to describe In Flames with?
  - Which words do you think your fans would describe In Flames with?
  - What are the difference between In Flames and other bands in the same genre?
  - Why do you think people go to your concerts and buy your merchandise?
- If In Flames was an animal, what animal would it be?
  - Why would it be that animal?
- How has the brand In Flames changed over time?
  - Why, what influenced the change?
- Which messages do you try to convey?
  - Which messages do you think reach the fans?
- In which channels do you think the fans primarily receive information about your products and services?
Appendix II – Focus group

Focus group held 1st of October.

Participants – Gender / Age / Nationality

- Male / 23 / Swedish
- Male / 24 / Swedish
- Male / 24 / Swedish
- Male / 24 / Swedish
- Male / 30 / Swedish

Focus group held 2nd of October

Participants – Gender / Age / Nationality:

- Female / 31 / American
- Male / 24 / American
- Male / 48 / British
- Male / 30 / German
- Male / 19 / Norwegian
- Male / 26 / Swedish
- Male / 43 / Swedish

Questions

Image:

- If In Flames were an animal, what animal would it be? Why, what are their shared attributes? Take a moment to write down your answers.
- Write down at least 2-3 good and 2-3 bad things about In Flames and their reputation, as generally perceived by fans.
- What message do you think In Flames is trying to convey (not just their music, but their entire image)? (for instance, any political message, or any ideology or emotion).

Fans:

- Try to divide In Flames fan base into a couple of categories.
  - For each category, put a label on the category and write down a few characteristics for each category.
  - What categories of fans would you say are most common in your country? (What are their characteristics? What makes the fans in your country special, compared to those in other countries?)
- How is In Flames’ image perceived by the fans in your country?
  - What words would they use to describe In Flames?
  - What feelings to you think fans associate with In Flames? (Hope, rage, sadness, discontent etc)
  - What aspects today, do you think attracts people to start listening to In Flames?
  - How has In Flames’ image changed over time?
Brand extensions:

- What do you think is the best product or service that In Flames has offered (except for albums and gigs)? Why?
- What areas do you think In Flames’ fans would appreciate them expanding into and offering more of?
- What do you think In Flames should avoid when expanding their business into new areas (for instance selling new products), in order to not deter or alienate their fans?

Exit question

- Is there anything else you think is relevant about In Flames’ that should be brought up today, that already hasn’t?

Instructions to the moderator of the focus group

Procedure
During the process, the researchers will maintain a private chat with you, to provide feedback and questions for the group. This may be distracting, but always keep your attention on the discussion.

If anyone asks: the focus group is part of a Master thesis project that’s being conducted by four students at Chalmers University of technology in Gothenburg, for In Flames. The group is currently working on a brand audit where they’re trying to segment In Flames’ fan base and see how In Flames’ brand is perceived.

1. Start by making sure that everyone is online and ready. We can provide a maximum 15 minutes for people to join and adjust their microphones, if necessary. In the meantime, make small talk and make the participants feel comfortable. If someone’s audio doesn’t work, ask him or her if they think they’ll be able to fix it shortly. If not, go ahead with the session. They may join the discussion later, if it hasn’t been too long.
2. Remind them that their individual answers will not be shared with anyone else, and In Flames will not be made aware of their individual opinions. The researchers are not part of In Flames’ organization.
3. Describe the agenda: We will ask them a couple of questions, for them to discuss. After each question, they will have about a minute to write down the answer for themselves. Remind them to have something to write down their answers on. We won’t gather their notes; it’s for their own sake so they don’t forget their own answers during the discussion.
4. Introduction: introduce the participants by name and country; try to make them feel comfortable with each other.
5. Go through the questions.
6. Final: Thank them for helping out.
General advice

- Set the tone; participants should have fun and feel good about the session.
- Make sure every participant is heard; draw out quieter group members. Before moving on to the next question, specifically ask for answers from individual participants who haven’t answered yet.
- Get full answers (not just "we need more money" but "we need more money to hire a receptionist to answer phones").
- Monitor time closely; don’t exceed time limits. Give them a minute to write answers for each question (depending on how difficult the question is). After that, ask if everyone’s finished. If not, give them a moment and continue anyway, if we’re short on time.
- Keep the discussion on track; try to cover all or most of the questions.

Instructions to participants of the focus group

What is the purpose of the session?
You will be part of a focus group consisting of 6-8 participants. The aim of the session is to gather some insights into the characteristics of In Flames’ fan base, and how these perceive In Flames.

The results from the focus group will be used to generate a survey that will be distributed to the general fan base. Your specific answers will NOT be shared with anyone other than the focus group moderator and the researchers. Key observations and results will be presented in anonymous form in a final, public report.

Prior to the session, you will be asked to provide some demographics and other basic information. This information will only be available to the researchers and will be used to determine the overall characteristics of the focus group. Any information presented in the final report will be in anonymous and aggregated form.

What else do I need to prepare?
In order to be able to join the discussion, you will be required to prepare the following:

- Make sure you have a pen and a paper available during the session. After each question, you will be given time to write down your answers before discussing them in the group.
- Use headphones (rather than speakers) during the session, to avoid audio feedback.
- Make sure you have a stable Internet connection, faster than 0.5 Mbps.
- Prior to the focus group session, fill out the following form:
Appendix III - Survey
Questions and instructions

Welcome to this survey regarding In Flames' fan base. We want to know more about all the great fans in different countries who support In Flames and listen to their music. By answering this survey, you will allow In Flames to learn more about who their fans are, where they are, and what they think about In Flames.

The survey takes around **5-10 minutes** to complete, and all answers are **anonymous**.

The survey is conducted by a team at Chalmers University of Technology in Gothenburg, Sweden. If you have any questions or concerns, please send an e-mail to inflamessurvey@gmail.com.

**In order to be able to answer the survey, you will have to have some basic awareness of In Flames. Have you, during any period, considered yourself a fan of In Flames or listened to their music actively?** *This question is required.*

- Yes
- No

1. **Gender** *This question is required.*
   - Male
   - Female

2. **Age** *This question is required.*
   - Under 14
   - 14-17
   - 18-24
   - 25-34
   - 35-44
   - 44-54
   - 55-64
   - 65+

3. **Country** *This question is required.*
   Please select where you've lived for at least 3 years, or where you consider "home".

4. **Marital status**
   Please select the answer that best describes your current marital status.
   - Married
   - Divorced/Widowed
   - Separated
   - Cohabitation (living together long-term, but not married)
   - Never married
5. Do you have any children or step-children?
  - Yes
  - No

6. What is your current job function? *

7. What are your hobbies and interests?
   Please select all categories that you consider a personal hobby or interest.
   - Arts (photo, painting etc.)
   - Beverages
   - Board games or card games
   - Cooking
   - Dancing
   - Extreme sports (snowboarding, skateboarding, downhill skiing etc.)
   - Gaming (PC games or consoles, including handheld)
   - Gardening
   - Hifi/audiophile
   - Home improvement
   - Listening to music
   - Literature (novels, comics, poetry etc.)
   - Motor sports (racing cars, motorcycles etc.)
   - Movies or TV-series
   - Personal fitness (body building, running, yoga etc.)
   - Pets (including horses)
   - Playing sports
   - Producing, playing or writing music
   - Religious activities
   - Sailing
   - Sewing
   - Social media (Facebook, Twitter etc.)
   - Socializing
   - Traveling
   - Volunteer or organizational work
   - Watching sports
   - Wildlife (fishing, hunting, hiking etc.)

8. What music genre(s) do you listen to regularly?
   - Classical
9. How many physical music albums would you estimate that you buy each year, on average? *This question is required.

Only count physical media, such as CDs, vinyl records and cassette tapes. Please include EPs, albums and collection albums.

- 0
- 1-3
- 4-7
- 8-16
- More than 16

10. How many live shows and festivals would you estimate that you attend each year, on average? *This question is required.

- 0
- 1-3
- 4-7
- 8-16
- More than 16

11. How much money would you estimate that you spend on band- or artist-related merchandise each year, on average? *This question is required.

Examples of merchandise are hoodies, t-shirts, pins, posters etc.

- I buy very little or no merchandise
- Less than 15 USD
- 16-75 USD
- 76-225 USD
- 226-750 USD
- More than 750 USD

12. On average, how many hours a day would you estimate that you listen to music on a streaming service? *This question is required.
Examples of music streaming services are Spotify, Rdio, WiMP and Grooveshark.
- I don't use music streaming services
- 0-2
- 3-5
- 6-10
- More than 10

13. Around what year did you first start listening to In Flames? *This question is required.

14. How many physical music albums by In Flames would you estimate that you've bought? *This question is required.
Only count physical media, such as CDs, vinyl records and cassette tapes. Please include EPs, albums and collection albums.
- 0
- 1-3
- 4-7
- 8-16
- More than 16

15. How many In Flames live shows would you estimate that you've attended, in total? *This question is required.
- 0
- 1-3
- 4-7
- 8-16
- More than 16

16. How often do you listen to In Flames on a music streaming service? *This question is required.
Examples of music streaming services are Spotify, Rdio, WiMP and Grooveshark.
- Never
- Rarely
- Several times a month
- Several times a week
- Several times a day

17. How much money would you estimate that you've spent on In Flames merchandise, in total? *This question is required.
Examples of merchandise are hoodies, t-shirts, pins, posters etc.
- I've never bought In Flames merchandise
- 0-15 USD
- 16-75 USD
18. **Do you participate in any online forums or other communities where you're able to discuss with fans of In Flames?** *This question is required.*

Please select the option that best fits you.
- No
- Yes, but very rarely
- Yes, every other month
- Yes, about once a week
- Yes, several times a week

19. **From what sources do you gather news or information about In Flames?**
You may select several options.
- The band's Facebook page.
- The band's Twitter page.
- The band's Myspace page.
- The individual members' Twitter pages.
- The band's web page (inflames.com)
- The Jesterhead web page (jesterhead.com)
- Music-related magazines
- Music-related news sites
- Music-related blogs
- Online forums or communities (other than Jesterhead)
- Television
- Radio
- Mainstream newspapers
- Other, please specify Please enter an 'other' value for this selection

20. **What words do you think best describe In Flames?**

Please select a maximum of 5 words that best describe In Flames. If you have more than 5 words, please select the ones that you consider the most important.
- Skilled
- Rebellious
- Enjoy life
- Close to their fans
- Sophisticated
- High integrity
☐ Cheerful
☐ Entrepreneurial
☐ Honest
☐ Modern
☐ Professional
☐ Genuine
☐ Tough
☐ Old school
☐ Innovative
☐ Accessible/broad appeal
☐ Humble/thankful
☐ Down to earth
☐ Creative
☐ Humorous
☐ High quality
☐ Good live shows

21. Lastly, we'd like to ask you an open question where you can answer anything you want:
If you could tell In Flames what they should do, what would you say? We're not looking for any specific type of answer, feel free to write whatever you think.

Result used but not presented before

<table>
<thead>
<tr>
<th>How much money would you estimate that you spend on band- or artist-related merchandise each year, on average?</th>
<th>14-17</th>
<th>18-24</th>
<th>25-34</th>
<th>35-44</th>
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<td>I buy very little or no merchandise</td>
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<th>How much money would you estimate that you've spent on In Flames merchandise, in total?</th>
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<th>18-24</th>
<th>25-34</th>
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Appendix IV – Brainstorming and ideas

Brainstorming session, held 17th of October

Participants – Gender / Age / Nationality

- Male / 26 / Swedish
- Male / 26 / Swedish
- Male / 27 / Swedish
- Male / 23 / Swedish
- Male / 23 / Swedish
- Male / 26 / Swedish
- Male / 26 / Swedish
- Male / 28 / Swedish

Brainstorming session, held 19th of October

Participants – Gender / Age / Nationality

- Male / 26 / Swedish
- Male / 26 / Swedish
- Male / 23 / Swedish
- Male / 23 / Swedish
- Male / 38 / Swedish
- Male / 35 / Swedish
- Male / 39 / Swedish
- Male / 37 / Swedish

Example of ideas

Instantly rejected

- Restaurants/Cafe
  - Local supplies
  - Extreme foods inspired - own barbeque souce etc. inspired by their logo - good fit! Hells kitchen inspired
  - Quiz + invite artist, business profiles and celebrities to come and eat
  - Make exclusive appearances on the restaurant and play/socialize - create a hype buzz around it on social media.
- Styling products ”The In Flames Look”
- In Flames Perfume

Taken further to scoring model but not scoring among top 3 in any category

- Golf equipment
- Food and beverage book
- Beer sausage
Appendix V – Scoring model

<table>
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<th>No.</th>
<th>Business opportunity</th>
<th>Evaluation criterion</th>
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<td>Amount of effort required from band members</td>
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<td>Risk of diluting brand and losing authenticity</td>
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<td>Long life span</td>
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<td>High quality extension</td>
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<td>Potential for further extensions</td>
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<td></td>
<td>Relevance to kids</td>
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<td></td>
<td>Relevance Hardcore oldies</td>
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## Appendix VI – Potential partner evaluation

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