STAKEHOLDER APPROACH IN BRANDING: EVIDENCE FROM OIL AND GAS SECTOR OF PAKISTAN

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ABSTRACT

Early research has mainly focused on customer perspective in brand value creation. However, recent researchhas identified the importance of brand valueinto non-customer areas. The main objective of this case study is to reflect stakeholders' relations and their role in the brand value creation for the energy companies in Pakistan. For this purpose, we conducted a qualitative case study of a large Pakistani oil marketing company (OMC). Our results show that brand value in energy sector depends upon many stakeholders which are linked in a network with each other. As compared to the customers, other stakeholders are also important sources of brand value for petrochemical industry of Pakistan. Especially, the role of suppliers, distributers and government is very important source of brand value in Pakistani energy industry. These stakeholders' role is of primary importance in Pakistani environment and this role is more than a supportive role. Every stakeholder has different expectations from the company which results in different outcome of relation for each stakeholder. Energy companies' managers should find important variables which might be the requirement of each stakeholder's group in their respective companies. These variables may change from time to time. Therefore managers should contentiously find those relevant variables so that companies may wholly or partially fulfill stakeholders' expectations. Finally, OMCs' managers should also measure the outcome of

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the relations and for this purpose they should use multiple and different relevant criteria for each stakeholder's group.

KEY WORDS: Branding; brand value; corporate branding; stakeholder approach in branding; oil & gas sector branding; branding in developing countries

1- ISSUE OF BRANDING FOR OIL AND GAS SECTOR IN PAKISTAN

The economic growth of Pakistan depends upon the energy sector which mainly depends upon the performance of oil and gas companies.Pakistan has more than 300 million barrels of proven oil reserves and 0.85 trillion cubic meters of gas reserves. However, total output in the country is 30.8 billion cubic meters of gas and 65,000 barrels per day of oil(Hydrocarbon Development Institute, 2010).These statistics clearly show that Pakistan has a huge potential of oil and gas reserves but unfortunately they are still not fully explored(Ahmed & Kumar, 2008). There is a huge demand for petrochemical products in Pakistan. Product differentiation in oil and gas sector is difficultdue to two reasons; first, the product (fuel) is the same with minor variation in the quality and second, packaging is normally not possible in oil and gas business. Hence corporate branding is widely used by the companies in Pakistan. Under these circumstances, brand value creation is not easy as it is more directly associated to the reputation of the company. The narrow approach of branding or the customer focused approach is still widely used in developing countries and normally companies ignore the role of other stakeholders(Haig, 2006).

Petrilli (2003) WorldBank report on Pakistan energy sector explainsthat high government involvement and control till 1999 discourage foreign companies to invest. However, governmenthas changed its policiesnow in two ways. First, the privatization of stateowned corporations and second, the introduction of newattractive petroleum policy to encourage multinational companies (MNCs) in Pakistan (Ministry of Petroleum and Natural Resources, 1997).In the present situation, government involvement is less as compared to the past which encourage MNCs. Most of the MNCs are working independently or in the form of joint venture and partnership with local companies in Pakistan (Petrilli, 2003). In spite of all this, energy industry is still heavily influenced by the bureaucratic style of governance which is conservative rather than adaptive leavingless room for modern branding approaches.MNCs and local companies in Pakistan are struggling hard to retain and improve their brand value position. This

is particularly more difficult for local companies because now they are competing with the world's best energy companies like Shell, British Petroleum (bp), CALTEX and TOTEL.

By considering the fact that product differentiation is difficult, energy companies in Pakistan are using corporate branding techniques. When companies choose corporate branding, the brand equity is not just about the consumer satisfaction only. In case of energy companies, the consumer involvement is not very high. It depends upon the whole performance of the relationships for the company and a range of external factors (Jones, 2005). The brand value and brand equity not only depend upon the customers but also depend upon other indicators which can measure the overall performance of the company. This includes corporate reputation which comes from the brand equity of all important stakeholders. Strong relations and networking with all stakeholders is very important to maintain a reputed corporate image. Gregory (2004) explains that companies are legally and ethically bound to maintain good relations with its stakeholders for a long term growth. Brand equity cannot be limited to one stakeholder and customer satisfaction cannot give a guarantee of successful and profitable business (Doyle, 2000). All relevant stakeholders are very important for the company and firm's performance is directly linked to the stakeholders (Greenley & Foxall 1997). OMCs are highly dependent on some other important stakeholders such as relations with distribution channel and HSE agencies(Harris & Chernatony, 2001).

Pakistan state oil (PSO), being the market leader in Pakistan and having the largest retail network in the country faced a huge loss 6.7 Billion rupees in 2009 (PSO, 2009). This loss was first ever in the company's history since it started its operations in 1976. Surprisingly, the company's sales increased from 583.2 billion rupees to 719.3 billion rupees in 2009(PSO, 2009). The main reasons of this loss were the unpredictable international oil prices and company's relations with its main stakeholders like government, industrial suppliers and B2B customers. This loss badly affected the brand value of the company in the eyes of other stakeholders like foreign investors, media, employees and suppliers. In result, foreign investors are hesitant to purchase the company's shares; employees are trying to switch their jobs; and suppliers are unwilling to supply on long duration credit terms.In another case, Shell private oil transporters in Pakistan went on strike in 1998. This caused a huge monetary and nonmonetary loss in the shape of brand image to the company (Chaudhry, 2007).

It is observed now-a-days that brand equity can be achieved through many external sources in energy sector. It is cleared from the above mentioned examplesthat brand value and equity was affected by other stake holders e.g. media, government, distributors, environmental agencies etc. The stakeholders are in network and their interrelation makes the monopolistic condition almost impossible for energy companies. Here the strategic element in energy sector is that the stakeholders are in a chain. If distributors are on strike, then oil supply will be affected and customers will also be indirectly effected which could be a cause of poor brand equity (Ambler et al., 2002). This also proves the importance of brand equity for all stakeholders. The stakeholder's relationship understanding can create high brand value for oil and gas companies. Furthermore, it is also important to understand the nature of the relationships and how value can be created through these important relationships (Jones, 2005). In Keller (2003) words, it is the value based brand management which explains the sources and outcomes assessment of brand equity.

2- RESEARCH OBJECTIVE

The new trends of brand management have put more burden of responsibility on the brand managers' shoulders particularly in the oil and gas sector. Managers have to broaden their brand relationship management view by considering all stakeholders who can create brand value in oil and gas business. Moreover, they also have to assess the relationships with different stakeholders and their worth for organization and stakeholders both (Jones, 2005). The main objective of this research is to explore stakeholders' relations and their role in the brand value creation for the oil and gas companies in Pakistan. The key question is how brand value can be created through stakeholders for oil and gas companies in Pakistan.

3- LITERATURE REVIEW

3.1 Branding in customer and non-customer areas

Recent research shows that branding concepts can not only be used in consumer marketing but also in business to business (B2B) marketing (Keller, 2003; Aaker, & Joachimsthaler, 2000). Branding, especially brand equity and brand value has many applications in this area(Aaker et al., 2007). Oil and gas companies normally have both B2B and individual customers and these concepts can be applied in this sector. Business researchers are convinced that branding concept

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is powerful in defining and examining relationships and value creation. These recent developments have introduced two important areas in the business and the brand management field. First, the importance of stakeholders relationship management; and second, brand value and equity cannot be accomplished by the relationship between the brand and single stakeholder (particularly consumer). Instead, it is accomplished by the relationship between the brand and all important stakeholders (Mitchell, 2002).

Although, financial profitability is the main criteria of success in petrochemical companies. However, stakeholders want justification of the activities and investments in terms of value creation (Black et al., 1998). This applies more in oil and gas sector as they need to justify their activities and investments (i.e. HSE activities). It is so important that Royal Dutch Shell included another "S" in their corporate policy as health, safety, security and environment -HSSE(Shell, 2009). This is the reason that marketing specialists insist on value based marketing and recognize 21st century as the century of value based marketing where all stakeholders have an important role to play (Doyle, 2000b; Keller, 2003). Vargo and Lusch (2004) show the same view in their research. Marketing is mainly related to co-creation of value and relationships; and linking it to a stakeholder approachon brand value (Jones, 2005).

3.2- The stakeholder approach and its use for branding in energy industry

Jones (2005) is of the view that managers still need better understanding of the brand performance and factors that affect brand performance. This is possible if the managers can apply stakeholder approach to their branding issues. Based upon the stakeholders approach, managers may rebuild or enhance brand value. The stakeholder approach tells us that company is not only bound to serve the single stakeholder's (e.g. customers, shareholders etc.) needs but also bound to serve all important and relevant stakeholders; and responsible for having good relationships with them (Jones, 2005). There are different ways to define these responsibilities such as legal, moral or fiduciary responsibilities towards stakeholders (Clarkson, 1995). The stakeholder theory validates the concept of corporate citizenship (Clarke and Clegg, 1998). Research show that weak or strong moral responsibility between the company and its stakeholders has tremendous negative or positive effects on firm's performance (Greenly and Foxall, 1997). By following the stakeholder approach, energy companies can achieve sustainable growth and make their brand sustainable.

3.3 Existing brand value models and loose frameworkof research

Marketing researchers have proposed several frameworks to create brand value. Doyle (2000a) suggests shareholder assessment value model which can remove the traditional accounting limitations. Doyle's work can help shareholders to understand marketing activities that may create value fororganization. Keller's (2003) explains the importance of the brand value chain model which links the marketing inputs, consumer's reaction, market's performance, and shareholders' value. However, this framework is not covering all relevant stakeholders. Kotler and Armstrong (2009) concentrated upon the consumer's aspects of branding which is also not valid for all relevant stakeholders. Day (1999) suggests the cyclical model for the value creation. He explains that value can be created through self-reinforcement process. This process cycle runs through the definition, development, delivery and maintenance of the values. Day (1999) also highlights the importance of interactive marketing which is about focusing on the "use of information from the customer". The traditional way of "information use about the customer" is outdated in the modern marketing (Keller, 2001). The narrow definition of single stakeholderand the linear nature (e.g. cause and effect relation) are the major drawbacks of the existing models (Jones,2005). Based upon our research purpose and considering the drawbacks of existing models and theories, we find "stakeholders brand value model"developed by Jones (2005) more appropriate. We argue that this model is more systematic and it is covering all important stakeholders' concerns. Therefore, our six step loose framework (shown in figure 1) is mainly based upon Jones (2005) model.
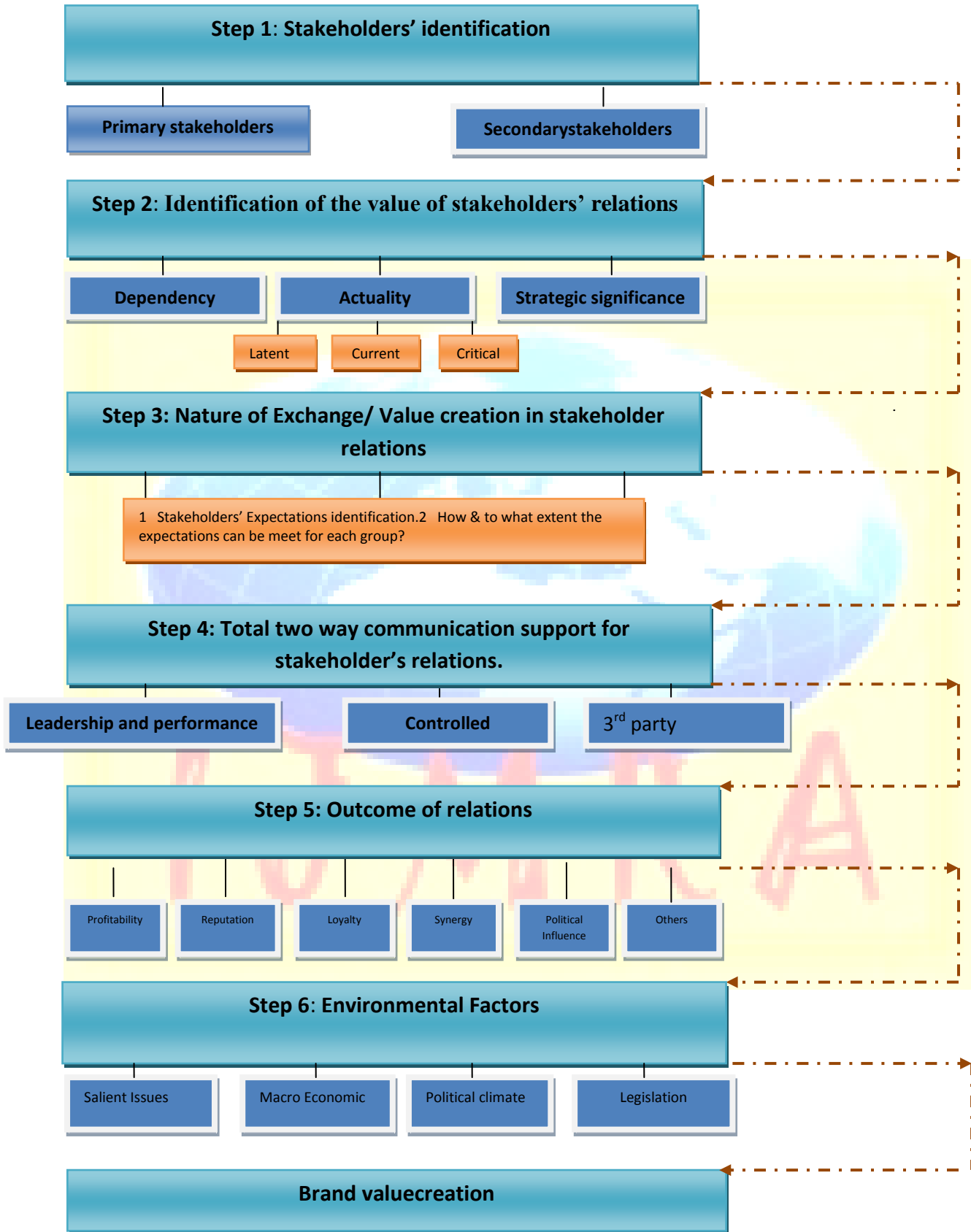
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Step 1: Stakeholders' identification

Primary stakeholders

Secondarystakeholders

Step 2: Identification of the value of stakeholders' relations

Dependency

Actuality

Strategic significance

Latent

Current

Critical

Step 3: Nature of Exchange/ Value creation in stakeholder relations

1   Stakeholders' Expectations identification.2   How & to what extent the expectations can be meet for each group?

Step 4: Total two way communication support for stakeholder's relations.

Leadership and performance

Controlled

3rd party

Step 5: Outcome of relations

Profitability

Reputation

Loyalty

Synergy

Political Influence

Others

Step 6: Environmental Factors

Salient Issues

Macro Economic

Political climate

Legislation

Brand valuecreation

Fig. 1: Six step loose theoretical framework for Brand value creation

For our exploratory research, we have used qualitative case study approach. We selected a multinational OMC of Pakistan. The company did not allow us to use their name in published journals. Therefore, we have used ABC as company's name. Single case study allowed us to investigate in-depth problem of one firm that may be applied to the all other OMCsin Pakistan.This led us towards an increased understanding and in-depth analysis within a limited time. We aremore concerned about the systematic approach to create brand value through stakeholders.The company selection was based upon a numbers of important factors;Firstly,data collection in other MNCs was not possible because most of them had their branding departments outside the Pakistan; and they were relectant to share their data.On the other hand, Selected company has a well established branding department inside the country and branding department shown a very positive response for coperation.Finaly, ABC was a large reputed firm having almost all type of important stakeholders for our study.We collected the primary data through in-depthface to face interviews of 27 branding and marketing professionals of ABC company. Where possible, we also used company's documents. A semi structured questionare was developed and sent to the participants in advance so that interviewees may collect all relevent information in advance.

5- ANALYSIS AND DISSCUSSION

5.1- Relevant stakeholders identification in ABC firm

We find14 important stakeholders groups in ABC firm given in table 2.For the categorization of stakeholders, we used the criteria used by Jones (2005) given in the table 1.

Categorization	Criteria for Categorization
Primary stakeholders	enerally contribute more towards the brand value
Secondary stakeholders	Less interaction with company & or active occasionally on some special issue.

Table 1: Stakeholder Criteria

No.	Stakeholders	Categorization
1	Customers	Primary
2	BOD & Top Management	Primary
3	Employees	Primary
4	Suppliers	Primary
5	Distribution Partners	Primary
6	Competitors	Primary
7	Government	Primary
8	Shareholders & Investors	Primary
9	Banks	Primary
10	Business Partners	Primary
11	Media	Secondary
12	NGOs	Secondary
13	General Public	Secondary
14	Trade & Workers Unions	Secondary

Table 2: Categorization of ABC stakeholders

5.2- Identify the value of stakeholders'relationship in ABC firm

After identifying the primary and secondary stakeholders we explored the value of the stakeholders' relations.We asked managers to prioritize each stakeholder group. In case of primary stakeholders, this can be done by identifying the dependency and strategic significance of each primary stakeholder's group. In case of secondary stakeholders, the actuality should be identified.

5.2.1- Primary stakeholder's analysis

Figure 2 is showing the dependency and strategic significance of stakeholders.

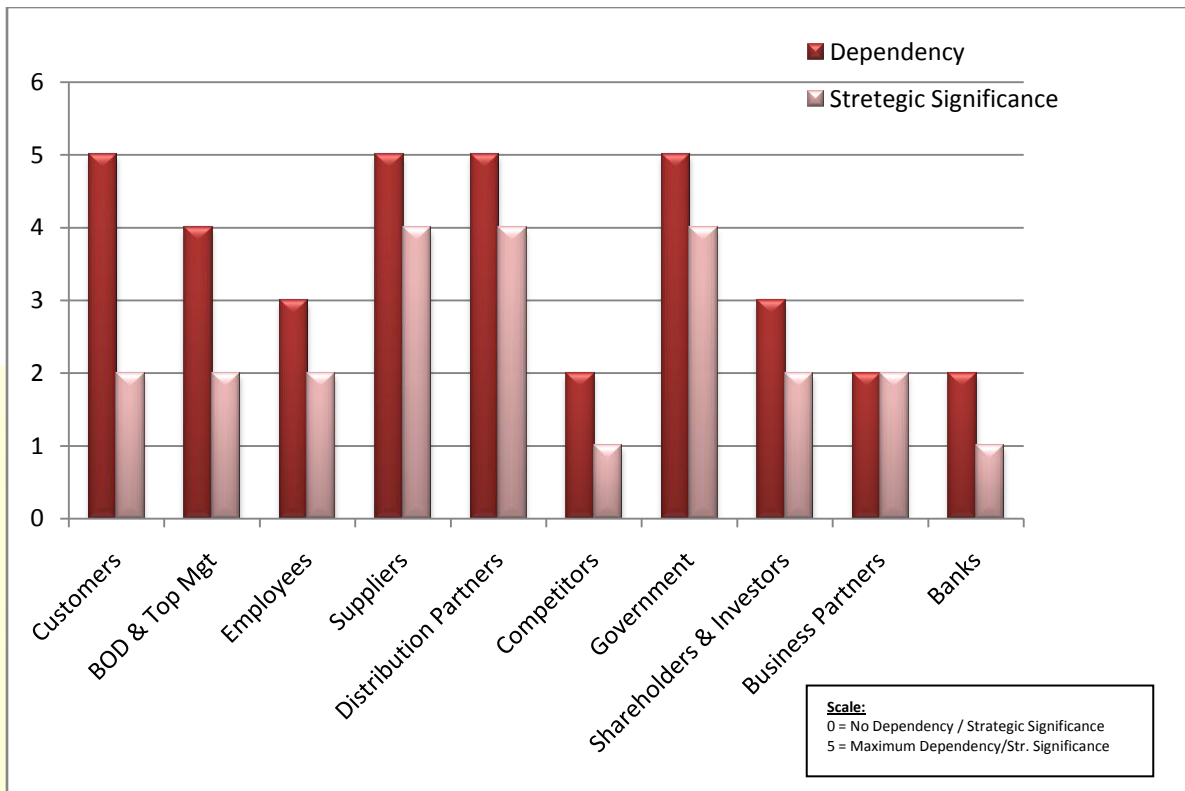| Primary Stakeholders	
Dependency	How much PSO depend upon each stakeholder group.
Strategic Significance	Strategic value and ability to create strategic thrust by each stakeholder group.

Fig. 2: Primary Stakeholders Dependency and Strategic Significance

Figure 2 is based upon the response of the company's brand and marketingmanagers. ABC is highly dependent upon customers, suppliers, distributors and government. Most of the key industries are owned by the government and the biggest B2B market for petroleum products is government itself. Therefore,government regulatory role cannot be ignored.OMCs are highly dependent upon their suppliers and distributors for successful operations of the business andcustomers cannot be ignored like every business.The least dependency is upon banks, business partners and competitors. The strategic significance of suppliers, distributing partners and government is high which may cause a thrust for the company's business. The company is making its efforts to improve its supplies through the acquisition of National Refinery and better supply agreements with importers. This may also create a strategic thrust for the company.

5.2.2- Secondary stakeholder's analysis

The actuality is associated with the secondary stakeholders. These secondary stakeholders can be active on some specific issue and when they are active, they may affect the company's reputation. In case of ABC, the major secondary stakeholders are media, NGOs, general public, trade and worker unions. Here our aim was to identify the actuality of each secondary

stakeholder group. We have used the criteria of latent, current and critical actuality where latent means that the secondary stakeholder is not active in the present situation; current means active but urgency level is low; and critical means high active and need high attention and investment by the management.
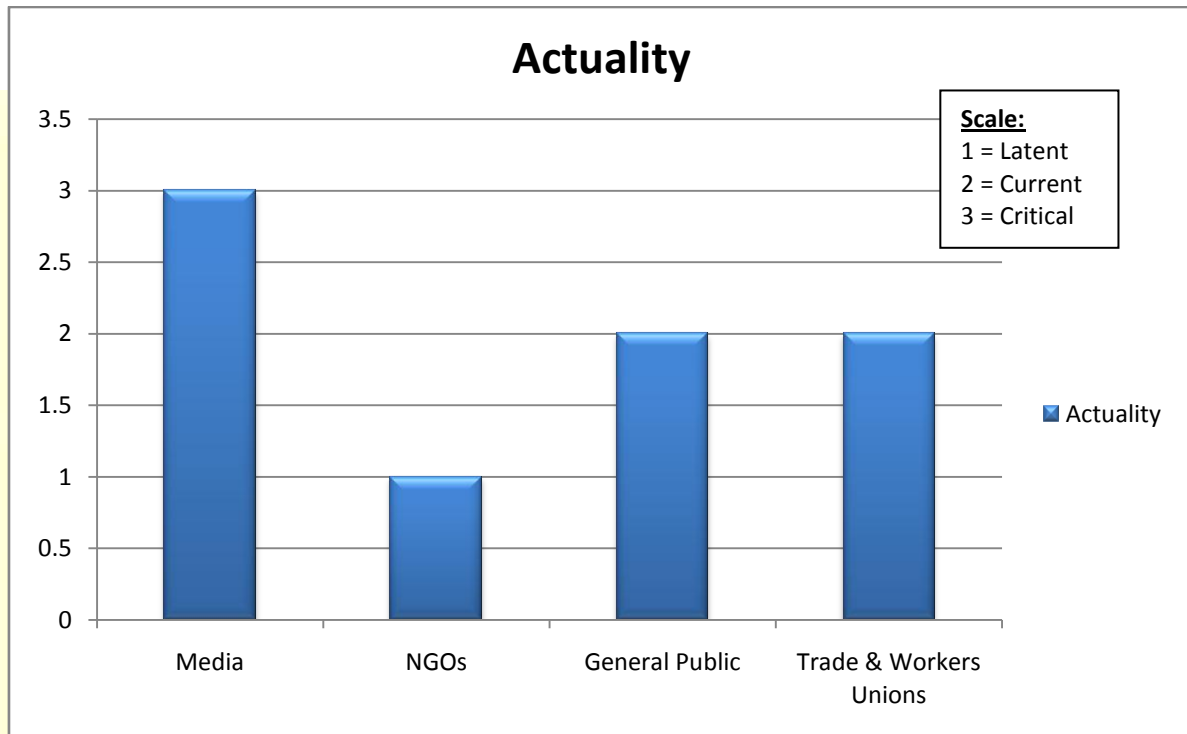

Figure 3: Secondary Stakeholders' Actuality chart.

The media has the highest rate of actuality in ABC firm which means critical. Media is always a vital factor for the company to receive a positive coverage. It can benefit ABC through attracting more new customers; keeping the loyalty of the existing customers; and portraying the positive image and reputation of the company. According to the respondents, the critical nature of media is due to the company's first ever loss in its 33 years history during financial year 2008-2009. ABC has good relations with the majority of the media sources. However, it has bad relations with some of the private media channels. The other 02 remaining stakeholders(general public and unions can be considered as the current. Surprisingly, one of the important stakeholders (NGO) is latent. The respondents explain that as compared to developed countries,NGOs' role is limited in developing countries and environmental awareness level is also low among different

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stakeholders. This is the reason that NGOs are seldom active in Pakistan.ABC firm also maintains good HSE practices in its operations. Respondents also say that media and union categories are normally considered more critical in their firm and they are frequently active 4- 5 times a year.

5.3- ABC firm analysis of exchange for value creation

We explored two important questions. First, what are the main expectations of each stakeholder's group in ABC? Second, to what extent ABC can meet those expectations. If ABC knows the expectations of each stakeholder's group then it can try to meet them. Respondents identifiedthe main expectations of each stakeholder's groupwhich are given in table 4.

Stakeholders	Main Expectations
Customers	High quality, accurate quantity, better mileage, low price, brand reputation, convenience, better credit terms
BOD & Top Management	Company reputation, independency, expansion of business
Employees	Company reputation, high salary and Bonuses, job security, better working conditions
Suppliers	Market growth, Brand strength, reputation.
Distribution Partners	Constant supplies, Brand's strength, reputation of company, Better credit terms and conditions.
Competitors	Positive competition, alliance on mutual issues and mutual growth
Government	More tax revenue, more profit, expansion of business, constant supply to power companies, better credit terms and conditions, maintain HSE standards, Job creation opportunities, responsible to society
Shareholders & Investors	Increase in share price, more dividend, company's growth and reputation
Media	Responsible behavior in social, environmental, ethical, legal, financial issues
NGOs	Good social & HSE behavior, Funding for HSE friendly projects.
General Public	Responsible to society and environment
Trade & Workers Unions	Job security, More facilities for employees, better working and HSE conditions, better terms and conditions
Banks	More deposits and borrowing
Business Partners	More business together for mutual growth.

Table 4: Main expectations of stakeholders in ABC firm

After the identification of the main expectations of each stakeholder's group in ABC firm, we were interested to know that to what extent ABC firm was able to meet those expectations. The managers' response is shown in figure 4.
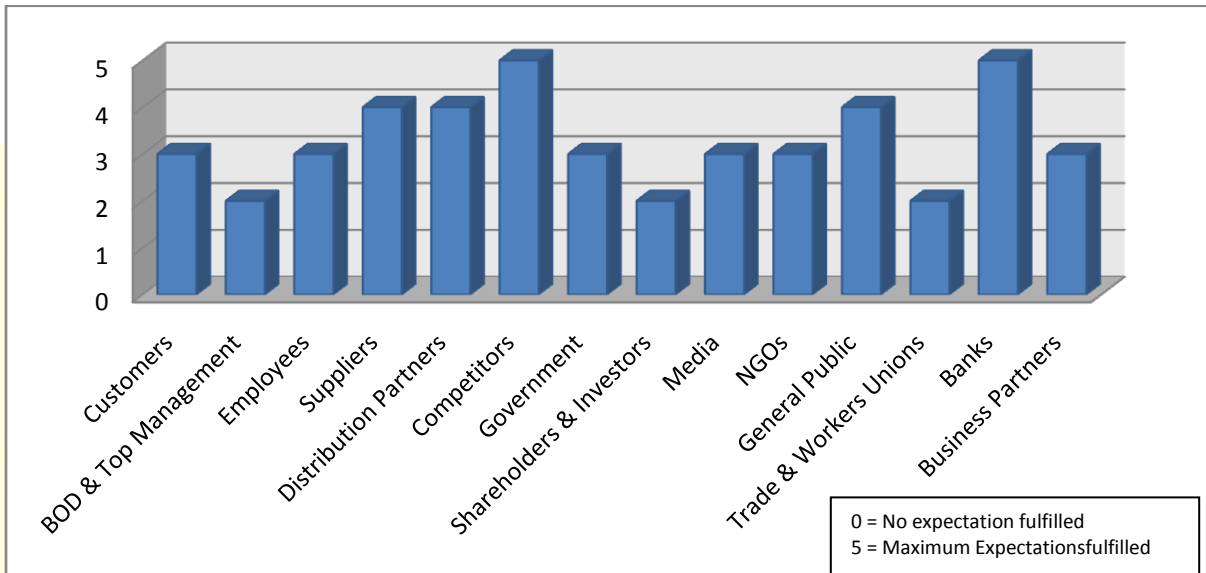

Figure 4: To what extent ABC can meet stakeholders' expectations.

The expectations of BOD and top management, shareholders and investors and unions need considerable attention in ABC. Government has the major share and influence in the company. Therefore BOD, and top management need more independency in their decision especially investment and expansion decisions of the company. Shareholders and investors need more dividend and they are concerned about good reputation and share price of the company which is affected by the loss in the financial year 2008-2009. Worker unions are currently active because they need better pay and bonuses. Furthermore,government is considering the option of privatization of ABC firm which is a threat for unions in terms of job security for workers.

5.4- Total communication in ABC firm

As explained by Jones (2005) no company can meet all the expectations. Therefore, ABC should use two way communications with all its stakeholders so that it may effectively communicate its point of view about the expectations of each stakeholder. It also helps the company tominimize the bad effects of relationship. ABC should communicate its point of view and justification about why company is unable to meet the expectations. The feedback from stakeholders should befurther used to improve communication. The communication should be from all the sources

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including leadership's behavior and firm's performance; controlled communication and Public relations; and 3rd party communication. Communication portrays the overall evaluation of the ABC's performance in the eyes of different stakeholders. The effective communication of the brand is a great source of trust, reputation and goodwill which contributes towards the brand value. ABCtop management team is of the view that company's performance is highly linked to the quality of leadership effectiveness. Respondentsfurther say thatABCmanagement always tries to meet the requirements in building good communication to all its stakeholders not only just in the regard of profitability but also in mutual understanding. The company has started to encourage the feedback loops and trying to have better access with every stakeholder. ABCis also using 3rd party communication to communicate with its stakeholders including potential investors. Company's media and PR campaigns play important role to communicate it point view.

5.5- Performance (outcome) of the relationship in ABC firm

Performance outcome is the most important step. Here, ABC should judge the outcome of the relationship which will guide about the performance of each relationship. Each relationship should be judged separately. Each stakeholder expectations are different. Therefore, each stakeholder has its own criteria of judgment. We have identified five different possible criteria to measure the relationship performance which are also defined by Jones (2005). Each stakeholder's group relationship performance can be measured through some or all of the criteria which are in terms of sales/profit, reputation, loyalty, synergy and political influence.

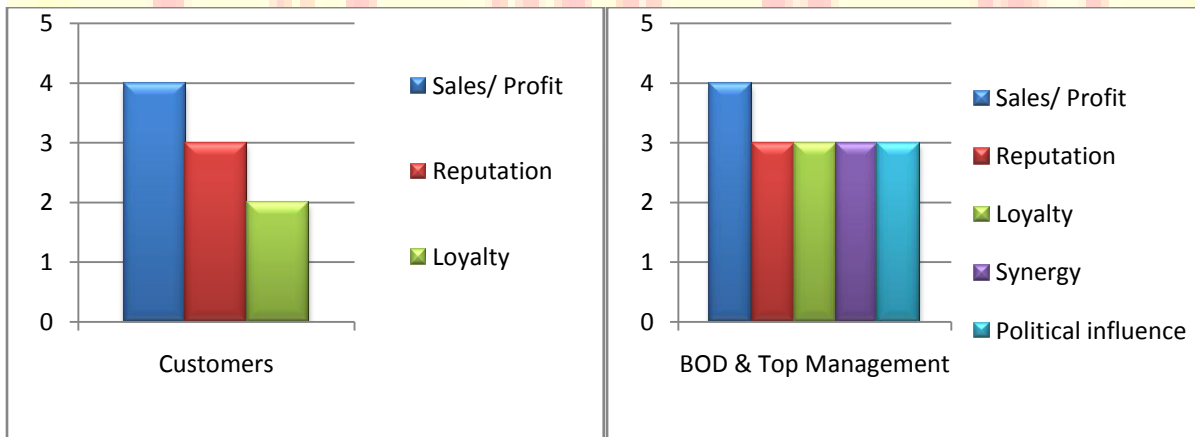### *5.5.1- Performance outcome of customers, BOD and top management*

Figure 5a   **Figure 5b**

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According to the respondents, normally they treat the customer performance in terms of sales/profit growth, reputation and brand loyalty which is shown in figure 5a. Customer's performance outcome in terms of sales is very good. However this is mainly due to wide retail and B2B network of the company. Marketing department is more concerned about the weak areas especially loyalty of the customers. Respondentsfurther explain that customers are more loyal to its competitors (e.g. Shell, bp) for which they still need to work hard. BOD and Top management's performance outcome can be measured through all five variables. In 2009, sales of the company were very high but the loss was mainly due to unpredictable international oil prices for which BOD or top management cannot be fully blamed. Higher command of ABC also shows acceptable record in terms of other variables like reputation, loyalty, synergy and political influence (figure 5b).

5.5.2- Performance outcome of employees and suppliers
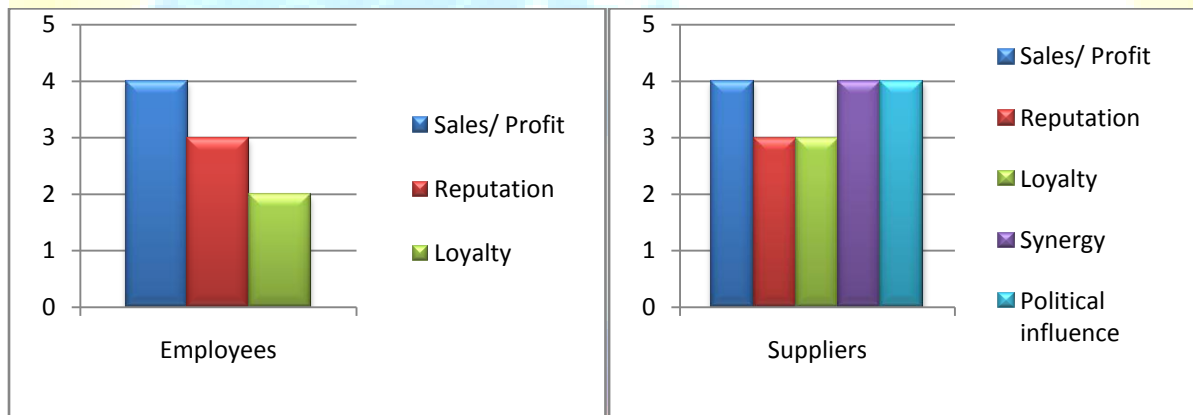
  Figure 5c   **Figure 5d**

Employees' performance outcome can be measured in ABC in terms of sales/profit, reputation and loyalty. Respondent explains that employees are feeling some in security due to government's plans of privatization. Therefore job switching of employees is the weak area for the company now-a-days (fig. 5c). Suppliers' performance can be measured through all five criteria. Here ABC has a strong position in most of the areas but loyalty and reputation is somewhat affected by some of the suppliers (Fig.5d).

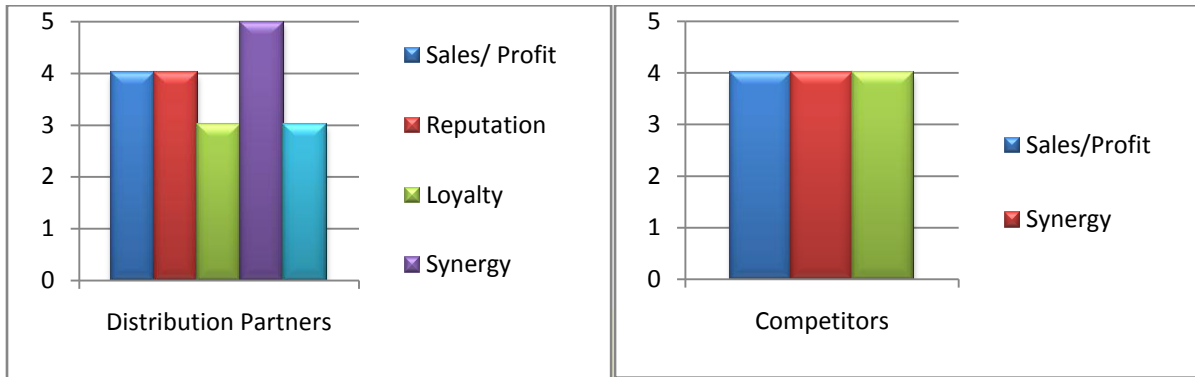*5.5.3-Performance outcome of distribution partners and competitors*

Figure 5e   **Figure 5f**

Distribution partners' performance can also be measured by all factors. ABChas made major agreements with some of the big distributors like Petronas and National Refinery which will cause strong synergetic effects on all companies (5e). Competitors' relationship performance can be measured through three main criteria; political influence, synergy and reputation. Respondents explain that ABC has good relationship with its competitors and they are all uniting on mutual interest/cause and synergy. This is the reason that all OMCs share oil and gas supply pipe lines and use each other depots and a positive competition exists among all companies (5f).

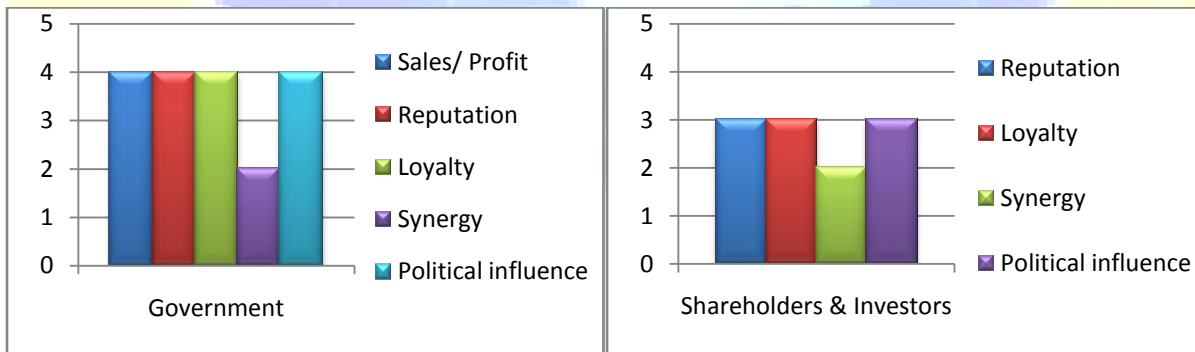*5.5.4-Performance outcome of government, shareholders and investors*

Figure 5g   **Figure 5h**

ABCis unable to maintain better synergetic relations with government. In 2009, most of the government owned companies defaulted and delayedABC's payments which badly affected the company's account payable and receivable cycle(5g). Private shareholders and investors performance outcome is weaker. Loyalty isbadly affected by no dividend policy in 2009. ABC is also weak in synergetic relations with shareholders and investors (Fig.5h).
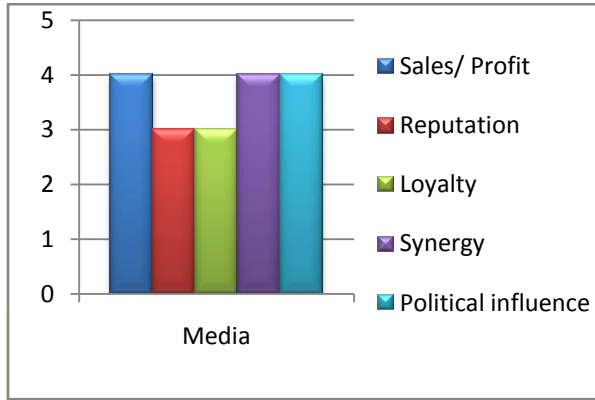
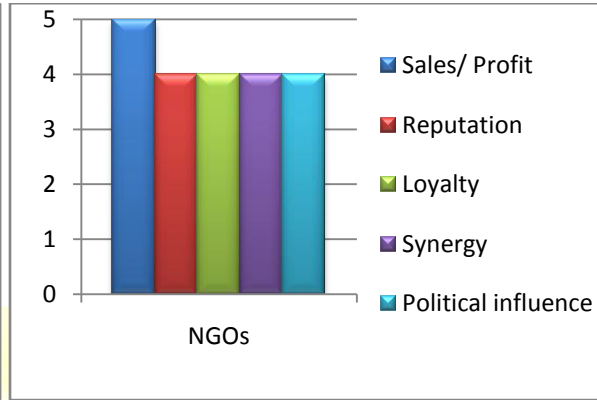### 5.5.5-Performance outcome of media and NGOs

Figure 5i

Figure 5j

Media performanceoutcome is satisfactory (Fig 5i). It especially boosted the company's point of view during the hard time of 2009 when company was heavily criticized due to heavy loss.ABCalso has very good relations with NGOs. This is due to its good HSE record and inactivity of NGOs in Pakistan (fig 5j).

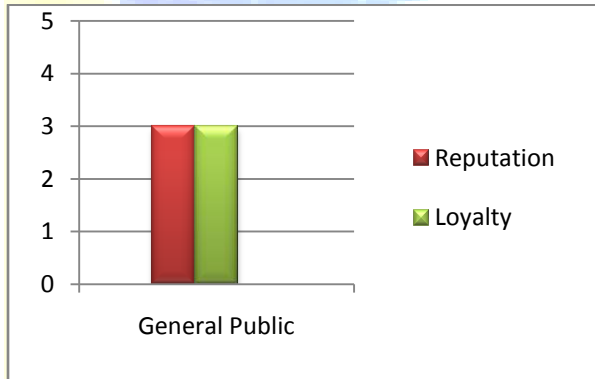### 5.5.6-Performance outcome of general public, trade and worker unions
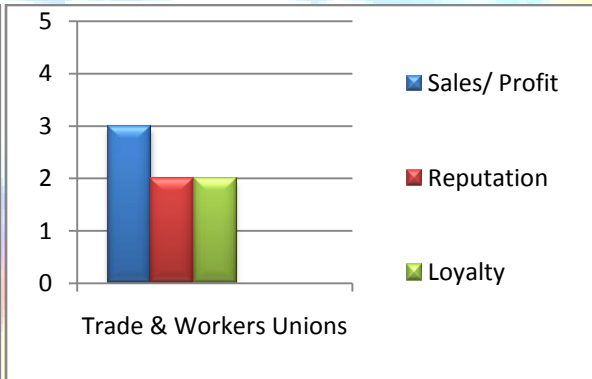

Figure 5k

Figure 5l

General public relationship performance can be measured through reputation and loyalty in ABC. Firm need more efforts as there is still more room of improvement (fig. 5k). Trade and workers unions are very active now-a-days in ABC. Their loyalty and reputation towards the company is sharply declining which is dangerous and need thorough consideration in terms of time and investment (fig. 5l).

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5.5.7-Performance outcome of banks and business partners
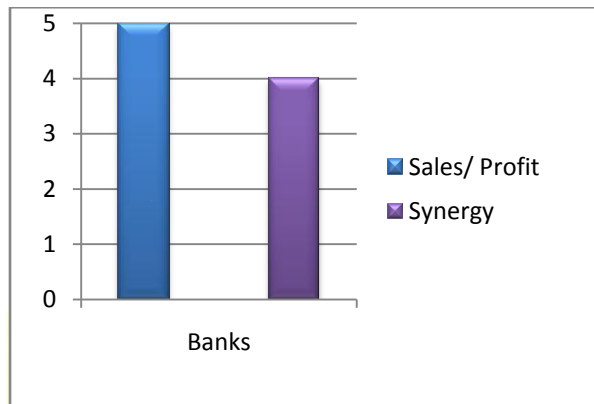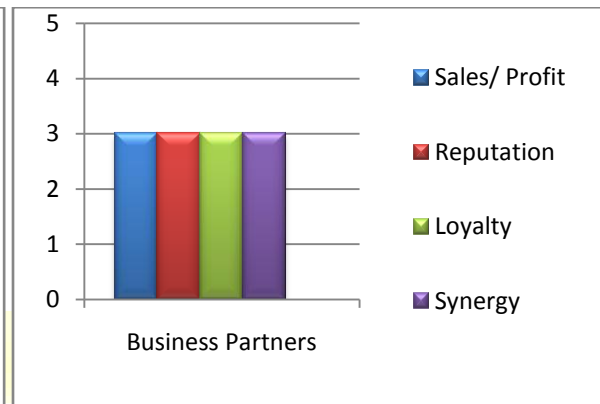

Figure 5m   **Figure 5n**

Banks relationship performance can be measured in terms of sales/ profit and synergy. ABC has very good relations with banks (5m).Business partner stakeholders' relationship performance outcome is satisfactory. However, it has more room of improvement especially in terms of synergetic relations and sales/ profit. ABChas signed a major agreement with a bank through which it will sale fuel through fuel credit cards. This type of business partnership agreements can be further improved.

5.6- Environmentalfactors

After measuring the outcome of relationship's performance in all relevant stakeholders, managers should look at the environmental factors. The environmental factors like macro-economic factors, salient issues, political climate and legislationwhich may also affect brand value. The respondentssay that ABCis also facing some of the important environmental factors. Company is highly affected by the international oil prices which heavily influenced the brand value. The unpredictable international oil prices influence its business and in fact one of the main causes of loss.The company suffered a huge loss on inventory due to wrong estimation of oil prices.The devaluation of Pakistani rupees against the major currencies is also the problem because ABCimports huge quantity of oil products. The political instability and worse law and order situation in some areas of Pakistan should also be kept in mind and it also has bad impacts on the brand value of ABC.

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6- CONCLUSION AND IMPLICATIONS

Brand value and brand equity play very important role for stakeholders in energy companies of Pakistan. Brand value is important to define the relationship in creation of value whereas brand equity is important for the assessment of this value which is the outcome of the relationship.Energy companies in Pakistan should focus on more holistic approaches which may help them in identifying other sources which may create brand value for their companies. The traditional or customer focused approaches are not valid and become obsolete in the emerging world now-a-days. For this purpose, Jones' Stakeholders Brand Value Model can be used which override consumer focus. It can be used to identify different sources of brand value. Energy companies can apply this model to assess brand value and link its different streams to their respective companies accordingly. Energy companies in Pakistan should keep a number of important points in their mind regarding brand value creation.**Firstly,** the brand value in energy sector depends upon many stakeholders which are linked in a network with each other's to affect brand value in a positive or negative way.For higher brand value, energy companies should achieve synergy between these relations which can be done by improving the value of positive relationship performance and by minimizing the effects of negative relationships.**Secondly,**as compared to the customers, other stakeholders are also important sources of brand value for petrochemical industry of Pakistan. The role of suppliers, distributers and government is very important source of brand value in Pakistani energy industry. These stakeholders role is of primary importance in Pakistani environment and this role is more than a supportive role. Therefore energy companies should not ignore any of the relevant stakeholders.**Thirdly,**Pakistani energy companies should keep in mind that brand value is not equal to the sum of all stakeholders' relationship value. Simultaneously, the brand equity is not the sum of all positive individual stakeholders' equities and deducting the negative individual equity from it. Managers should treat and consider each stakeholder's relationship on separate basis because value creation basis for each stakeholder is different. Every stakeholder has different expectations from the company which results in different outcome of relation for each stakeholder. Furthermore every relationship has its separate logic. This logic can determine the nature of the interaction and the measurement of the performance outcome.Managers in energy industry should find important variables which might be the requirement of each stakeholder's group in their company. For examplein Pakistan's energy sector environment, more dividend and

high share price are the main variables for shareholders; more tax revenue and constant supply of fuel to the power plants are the main variables for the government; good quality and low price are the main variables for customers. However these variables may change from time to time. Therefore,managers should find those relevant variables so that they may be wholly or partially fulfill stakeholders' expectations.**Finally,**Brand value can be created/ co-created by relations between the brand and the relevant stakeholders in energy industry of Pakistan. The energy companies should prioritize the stakeholders on the basis of significantly contributing relations for the success of their respective brands. This prioritization of stakeholders may vary from company to company. Therefore brand managers should use their own judgment. However while prioritizing the relations, managers should keep in mind that what really matters and who really matters. Furthermore, managers should also measure the outcome of the relations and for this purpose they should use multiple relevant criteria for each stakeholder's group.

7- LIMITATIONS

Our case study is concentrating upon the stakeholder perspective of the brand value. Moreover, it was not possible to provide detailed analysis of every stakeholder group and sub group in a limited time.

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