# UNIT-4

## Branding:

**Meaning:**

Branding has been around for centuries as a means to distinguish the goods of one producer from those of another. A brand is a specific term that may include a name, sign, symbol, design or a combination of these, with an intention to identify goods or services of a particular seller.

In fact, the word 'brand' is derived from the Old Norse word brander, which means 'to bum'. Branding helps to develop customer loyalty and it is advertised by sellers under their own name. A good brand develops a corporate image. Usually customers prefer brands as they can easily differentiate the quality.

Thus, branding facilitates product differentiation. Managing a brand is a major task in marketing. The battle in the market takes place not between companies but between brands, and every firm tries best to develop its brand image.

**Definition:**

According to Kotler and Amstrong, ***'a brand is a name, term, sign, symbol or design or a combination of these that identifies the maker or seller of a product, or services'.***

**Significance of Branding:** Branding provides benefits to buyers and sellers.

**To Buyer:**

1. A brand helps buyers in identifying the product that they like/dislike.
2. It identifies the marketer.
3. It helps reduce the time needed for purchase.
4. It helps buyers evaluate quality of products, especially if they are unable to judge a product's characteristics.
5. It helps reduce buyers' perceived risk of purchase.
6. The buyer may derive a psychological reward from owning the brand (e.g., Rolex watches or Mercedes).

**To Seller:**

1. A brand differentiates product offering from competitors.
2. It helps segment market by creating tailored images.
3. It identifies the companies' products making repeat purchases easier for customers.
4. It reduces price comparisons.
5. It helps the firm introduce a new product that carries the name of one or more of its existing products.
6. It promotes easier cooperation with intermediaries with well-known brands
7. It facilitates promotional efforts.
8. It helps in fostering brand loyalty, thus helping to stabilize market share.
9. Firms may be able to charge a premium for the brand.

**Essentials of Good Branding:**

1. A good brand should be easy to pronounce.
2. It should be easy to remember.
3. It should be able to attract attention.
4. It should suggest the company or product image.
5. It should be easy to recognize.
6. The brand identity should be very clear.
7. The brand name should be registered.
8. A good brand should be easy to translate into all languages in the markets where the brand will be used.
9. A good brand should suggest the product benefits or suggest its usage.

**TYPES OF BRANDS:**

We often talk about "brand" as if it is one thing. It's not of course – in fact, the meaning and the use of the term differs, quite markedly, depending on the context. By my reckoning, brand is categorized in at least 21 different ways. (So much for the single minded proposition!). In no particular order:

**1. Personal brand** – Otherwise known as individual brand. The brand a person builds around themselves, normally to enhance their career opportunities. Often associated with how people portray and market themselves via media. The jury's out on whether this should be called a form of brand because whilst it may be a way to add value, it often lacks a business model to commercialize the strategy.

**2. Product brand** – Elevating the perceptions of commodities/goods so that they are associated with ideas and emotions that exceed functional capability. Consumer packaged goods brands (CPG), otherwise known as fast moving consumer goods brands (FMCG), are a specific application.

**3. Service brand** – Similar to product brands, but involves adding perceived value to services. More difficult in some ways than developing a product brand, because the offering itself is less tangible. Useful in areas like professional services. Enables marketers to avoid competing skill vs skill (which is hard to prove and often devolves to a price argument) by associating their brand with emotions. New online models, such as subscription brands, where people pay small amounts for ongoing access to products/services, are rapidly changing the loyalty and technology expectations for both product and service brands – for example, increasingly products come with apps that are integral to the experience and the perceived value.

**4. Corporate brand** – Otherwise known as the organizational brand. David Aaker puts it very well: "**The corporate brand defines the firm that will deliver and stand behind the offering that the customer will buy and use**." The reassurance that provides for customers comes from the fact that "a corporate brand will potentially have a rich heritage, assets and capabilities, people, values and priorities, a local or global frame of reference, citizenship programs, and a performance record".

**5. Investor brand** – Normally applied to publicly listed brands and to the investor relations function. Positions the listed entity as an investment and as a performance stock, blending financials and strategy with aspects such as value proposition, purpose and, increasingly, wider reputation via CSR. As Mike Tisdall will tell you, done well, a strong investor brand delivers share price resilience and an informed understanding of value.

**6. NGO (Non-Governmental Organization) or Non Profit brand** – An area of transition, as the sector shifts gear looking for value models beyond just fundraising to drive social missions. Not accepted by some in the non-profit community because it's seen as selling out. Necessary in my view because of the sheer volume of competition for the philanthropic dollar. **This paper is worth reading**.

**7. Public brand** – Otherwise known as government branding. Contentious. Many, including myself, would argue that you can't brand something that doesn't have consumer choice and a competitive model attached to it. That's not to say that you can't use the disciplines and methodologies of brand strategy to add to stakeholders' understanding and trust of government entities. That's why I talk about the need for public entities to develop trustmarks rather than brands. Jill Caldwell takes this idea of how we consider and discuss infrastructure further and says we now have private-sector brands that are so much a part of our lives that we assume their presence in much the same way as we assume public services. Caldwell refers to brands like Google and Facebook as "embedded brands".

**8. Activist brand** – Also known as a purpose brand. The brand is synonymous with a cause or purpose to the point where that alignment defines its distinctiveness in the minds of consumers. Classic examples: Body Shop, which has been heavily defined by its anti-animal-cruelty stance; and Benetton, which confronts bigotry and global issues with a vehemence that has made it both hated and admired.

**9. Place brand** – Also known as destination or city brands. This is the brand that a region or city builds around itself in order to associate its location with ideas rather than facilities. Often used to attract tourists, investors, businesses and residents. Recognizes that these groups all have significant choices as to where they choose to locate. A critical success factor is getting both citizens and service providers on board, since they in effect become responsible for the experiences delivered. Most famous example is probably "What happens in Vegas stays in Vegas". **Other place brand examples here**.

**10. Nation brand** – Whereas place brands are about specific areas, nation brands relate, as per their name, to the perceptions and reputations of countries. Simon Anholt is a pioneer in this area. **Some good models comparing nation and place branding here**.

**11. Ethical brand** – Used in two ways. The first is as a description of how brands work, specifically the practices they use and the commitments they demonstrate in areas such as worker safety, CSR and more – i.e. a brand is ethical or it is not?. Secondly, denotes the quality marques that consumers look for in terms of reassurance that the brands they choose are responsible. Perhaps the most successful and well known example of such a brand is Fairtrade. These types of ethical brands are often run by NGOs – e.g. WWF's Global Forest and Trade Network.

**12. Celebrity brand** – How the famous commercialize their high profile using combinations of social media delivered content, appearances, products and gossip/notoriety to retain interest and followers. The business model for this has evolved from appearances in ads and now takes a range of forms: licensing; endorsements; brand ambassador roles; and increasingly brand association through placement (think red carpet).
**13. Ingredient brand** – The component brand that adds to the value of another brand because of what it brings. Well known examples include Intel, Gore-Tex and Teflon. Compared with OEM offerings in manufacturing, where componentry is white label and simply forms part of the supply chain, ingredient brands are the featured elements that add to the overall value proposition. A key reason for this is that they market themselves to consumers as elements to look for and consider when purchasing. In this interesting piece, Jason Cieslak wonders though **whether the days of the ingredient brand are drawing to a close**. His reasons? Increased fragmentation in the manufacturing sector, lack of space as devices shrink, stronger need for integration and lack of interest amongst consumers in what goes into what they buy.
**14. Global brand** – The behemoths. These brands are easily recognized and widely dispersed. They epitomize "household names". Their business model is based on familiarity, availability and stability – although the consistency that once characterized their offerings, and ruled their operating models, is increasingly under threat as they find themselves making changes, subtle and otherwise, to meet the cultural tastes and expectations of people in different regions.
**15. Challenger brand** – The change makers, the brands that are determined to upset the dominant player. While these brands tend to face off against the incumbents and to do so in specific markets, "Being a challenger is not about a state of market; being number two or three or four doesn't in itself make you a challenger," says Adam Morgan of **Eat Big Fish**. " … It is a brand, and a group of people behind that brand, whose business ambitions exceed its conventional marketing resources, and needs to change the category decision making criteria in its favor to close the implications of that gap."
*16.* ***Generic brand – The brand you become when you lose distinctiveness. Takes three forms. The first is specific to healthcare and alludes to those brands that have fallen out of patent protection and now face competition from a raft of same-ingredient imitators known as generics. The second form of generic brand is the brand where the name has become ubiquitous and in so doing has passed into common language as a verb – Google, Xerox, Sellotape. The third form is the unbranded, unlabelled product that has a functional description for a name but no brand value at all. This last form is the ultimate in commoditization***.
**17. Luxury brand** – Prestige brands that deliver social status and endorsement to the consumer. Luxury brands must negotiate the fine line between exclusivity and reality. They do this through quality, association and story. These brands have perfected the delivery of image and aspiration to their markets, yet they remain vulnerable to shifts in perception and consumer confidence and they are under increasing pressure from "affordable luxury" brands. Coach for example struggled with revenues in 2014 because of declining sales growth in China and Japan, two of the world's key luxury markets.
**18. Cult brand** – The brands that revolve around communities of fierce advocates. Like the challenger brands, these brands often pick fights with "enemies" that can range from other companies to ideas, but pure-play cult brands take their cues from their own passions and obsessions rather than the market or their rivals. They tend to have followers rather than customers, set the rules and ask people to comply and, if they market at all, do so in ways where people come to them rather than the other way around.
**19. Clean slate brand** – The pop-ups of brand. Fast moving, unproven, even unknown brands that don't rely on the heritage and history that are so much a part of mainstream brand strategy. These brands feed consumers' wish for the new and the timely. **Read more about them here**.
**20. Private brand** – Otherwise known as private label. Traditionally, these are value-based, OEM-sourced retail offerings that seek to under-cut the asking price of name brands. They focus on price. There is significant potential though in my view for these brands to become more valuable and to play a more significant role at the 'affordable premium' end of the market. For that to happen, private brands will need to broaden their appeal and loyalty through a wider range of consideration factors.
**21. Employer brand** – The ability of a company to attract high quality staff in much-touted competitive markets. Often tied to an Employee Value Proposition. Focuses on the recruiting process though it is sometimes expanded to include the development of a healthy and productive culture. Sadly, given the process obsession of too many HR staff and the lack of interest from a lot of marketing people to venture into people-issues, this tends to be a brand in name rather than a brand by nature. Great potential – but, given the very low

satisfaction rates across corporate cultures globally, a lot more work is needed to realize the full potential of this idea.

# Generic Brand

**What is a 'Generic Brand?'**

A generic brand is a type of consumer product that lacks a widely recognized name or logo because it typically isn't advertised. Generic brands are usually less expensive than brand-name products due to their lack of promotion, which can inflate the cost of a good or service. Generic brands are designed to be substitutes for more expensive brand-name goods. Generic brands are especially common in supermarket goods and pharmaceuticals, and tend to be more popular during a recession.

**Breaking Down 'Generic Brand'**

Generic brands are often known for their trimmed-down packaging and plain labels, as well as their lower prices. For example, a supermarket may offer its own generic product next to a name-brand product to appeal to a cost-conscious customer. A variation of a generic brand is a private label brand (also "store brand," "own brand" or "private brand"), in which an item carries the brand of a store. Some stores offer both value and premium versions of the same private label product.

Generic brands may be made on the same production line as name-brands or made by lesser-known manufacturers. They may be of the same quality as a similar name-brand product. Despite the difference in cost between name-brand and generic brands, there is little taste or nutritional difference between them. In some cases — without factoring in cost — some generics may even be preferable to name brands. Still, most consumers believe that generics are of a lesser quality compared to brand names. When comparing generic and brand-name products consumers tend to pay close attention to and compare their lists of individual ingredients.

**Generic Brands and Drugs**

A generic drug or pharmaceutical may be created when a name-brand drug's patent expires. In the U.S, which is responsible for most drug patents, the patent term length is 20 years. There is also an exclusivity period, whose length depends on the drug type and its use. Once a patent ends and an exclusivity has been satisfied a single manufacturer is permitted to produce a generic, chemically identical version of the brand-name drug. At the end of the generic's period of exclusivity, any other manufacturer that can prove that it can achieve the same drug efficacy may make a generic version of that drug.

Some manufacturers may even create a generic version of their brand-name drug, either by manufacturing it themselves or contracting it out to another manufacturer. This strategy makes sense because insurance company policy often dictates that a generic, when available, must be prescribed. Generics are sold at a discount from brand-name drugs, often about 80% less. Because of competition, margins on generic drugs can be very thin. As recently as 2015, it was estimated that generic drugs had saved U.S. consumers about $1 trillion over the previous decade.

**Generic Brands: Brand-Name Generics**

Some well-known name brands have become genericized. This can happen when a company loses trademark protection or if a name enters the lexicon:

- Aspirin is trademark in 80 countries, but is the name used by any company in the U.S. for any acetylsalicylic acid product.
- Dumpster was a trademarked type of mobile garbage bin, but is now the general name for any product serving this purpose.
- Zipper was a trademark of rubber products maker B.F. Goodrich used in rubber boots.
- Escalator was a trademark of Otis Elevator. Now it refers to any such device.

**ELEMENTS OF BRAND MANAGEMENT**

Elements of brand management include following points to study:

**1) Brand equity**: Brand equity refers to the marketing efforts and outcomes that accrue to a product with its brand name compared with those that would accrue if the same product did not have the brand name

**2) Brand knowledge**: Brand knowledge refers too the knowledge that a consumer has over the brand. Brand knowledge measures are sometimes called “customer mind-set”measures because they capture how the brand is perceived in the customers mind.

**3) Brand identity**: A visible element of brand (such as colours, design, logotype, name and symbol)that together identifies and distinguishes the brand in the customers mind is termed as brand identity.
**4) Brand image**: Brand image is the current view of the customers about a brand. It can be defined as a unique bundle of associations within the minds of target customers. It signifies what the brand presently stands for .It is a set of beliefs held about
**5) Brand Building**: Brand building means enhancing a brands equity directly through advertising campaigns and indirectly through promotions such as cause championing or event sponsorship
**6) Brand Awareness**: Brand awareness means the extent to which a brand associated with a particular product is documented by potential and existing customers either positively or negatively
**7) Brand association**: brand association is anything which is deep seated in customer's mind about the brand .Brand should be associated with something positive so that the customers relate your brand to being positive.Brand associations are the attributes of brand which come into consumers mind when the brand is talked about.
**8) Brand personality**: Brand personality is the way a brand speaks and behaves. It means assigning human personality traits/characteristics to a brand so as to achieve differentiation. These characteristics signify brand behaviour through both individuals representing the brand (i.e-its employees)as well as through advertising, packaging etc.
**9) Brand positioning**-Brand positioning means the process by which marketers try to create an image or identity in the minds of their target market for it product, brand or organization.
**10) Brand Communication**: Brand communications is all about realizing the brands potential in the marketplace. Translating the marketing strategy into tactical integrated communications both online and offline, from promotional literature, direct mail, employee information, websites, digital applications and packaging to sponsorship collateral.

## Brand Management Process:

The process of strategic brand management basically involves 4 steps:

**1. Identifying and establishing brand positioning.** Brand Positioning is defined as the act of designing the company's offer and image so that it occupies a distinct and valued place in the target consumer's mind.
*Key Concepts:*
*Points of difference*: convinces consumers about the advantages and differences over the competitors
*Mental Map*: visual depiction of the various associations linked to the brand in the minds of the Consumers
*Core Brand Associations*: subset of associations i.e. both benefits and attributes which best Characterize the brand.
*Brand Mantra*: that is the brand essence or the core brand promise also known as the Brand DNA.

**2. Planning and Implementation of Brand Marketing Programs Product and Brand Management**

*Key Concepts:*
*Choosing Brand Elements*: Different brand elements here are logos, images, packaging, symbols, slogans, etc. Since different elements have different advantages, marketers prefer to use different subsets and combinations of these elements.
*Integrating the Brand into Marketing Activities and the Support Marketing Program*: Marketing programs and activities make the biggest contributions and can create strong, favorable, and unique brand associations in a variety of ways.
*Leveraging Secondary Associations*: Brands may be linked to certain source factors such as countries, characters, sporting or cultural events, etc. In essence, the marketer is borrowing or leveraging some other associations for the brand to create some associations of the brand's own and them to improve its brand equity.

**3. Measuring and Interpreting Brand Performance Key Concepts:**
*Brand Audit*: Is assessment of the source of equity of the brand and to suggest ways to improve and leverage it.

*Brand Value chain*: Helps to better understand the financial impacts of the brand marketing investments and expenditures.
*Brand Equity Measurement System*: Is a set of tools and procedures using which marketers can take tactical decision in the short and long run.

**4. Growing and Sustaining Brand Equity: Key Concepts:**
*Defining the brand strategy*: Captures the branding relationship between the various products /services offered by the firm using the tools of brand-product matrix, brand hierarchy and brand portfolio
*Managing Brand Equity over time*: Requires taking a long -term view as well as a short term view of marketing decisions as they will affect the success of future marketing programs.
*Managing Brand Equity over Geographic boundaries, Market segments* and Cultures: Marketers need to take into account international factors, different types of Consumers and the specific knowledge about the experience and behaviors of the new Geographies or market segments when expanding the brand overseas or into new market Segments.

# BRAND IDENTITY

The Oxford dictionary defines identity as “the fact of being who or what a person or thing is;” “the characteristics determining this.” The concept of identity has been widely used in the context of humans. Identity card is particularly employed as a devise to establish the identity of the owner. It describes who the person is. Military history is replete with instances where spies were sent to enemy territories to uncover battle plans and dig enemy strengths by hiding their identities. They attempted to establish in the enemy’s territories what they were not- by adopting their dresses, accents, languages, mannerisms, etc. The key consideration to their success was how effectively they established what they were not. The whole establishment of spying is based on a critical understanding of who you are- the real identity and what you want to be perceived as- the identity purported to be received by the receiver.

In other instances, the task is exactly opposite of what we have in spying endeavours. Now-a-days, in offices, where a large number of people work, identity becomes an important issue. It is for the safety and proprietary reasons that only legitimate persons should be allowed to gain entry. Establishing what/who a person is can be done in a number of ways- dress, language, code, mannerism, identity card, palm scanning and other electronic mechanisms. Here, in these instances, the idea is to establish congruence between who you are (not, who you are not in spying) and what you are perceived as.

Appreciation of this is critical because it draws a separating line as to what a person or thing is not. Accordingly it is easier to determine what is ‘in’ and ‘in sync’ with the identity and what is not. Many a time decision makers responsible for navigating the brand do not have any idea as to what the brand is. The result- they end up taking decisions that impact the brand adversely for they lack ideas about what is legitimate and what works in the interest of the brand. Some cases are discussed here in the following paragraph.

Cinthol, once a very powerful brand has been subjected’ to severe damages because of typical mistakes that brand, managers commit. It is the absence of understanding, may be, about what the brand is that has led to the present situation. The soap was initially positioned as containing a deodoring agent, which would boost the confidence of the user. In the first moves, Cinthol changed its track and want on to acquire a masculine image with up market hero/hunk user profile. The brand ambassadors hired for the job were Imran Khan, Vinod Khanna and later Akshay Khanna. As usually happens, the brand got entangled with HLL’s rival Liril. The rising popularity of Liril forced Godrej to position its Cinthol head on with Liril as a ‘freshness’ soap with lime associations. In fact, the brand communications depicted a slice of lime and a waterfall, which were very similar to those conveyed by Liril for years. If one removed the brand name from the advertisements and television commercials it would have been near impossible to identify the true sponsor. The brand further saw a spate of extensions- Cinthol Cologne, Cinthol Lime, Cinthol International. The focus shifted from brand user to brand ingredients and attributes. It seems that the brand suffered because of the absence of a charter guiding brand decisions. The actions of the managers have left the brand weak and vulnerable.

## BRAND IDENTITY LEVELS

The identity decisions begin with understanding the brand's fundamentals. The task of assembling brand elements in a cohesive whole cannot be accomplished unless one knows what the brand is and what it stands for. What is the core value proposition it intends to make to strike a chord with the customers? The most powerful brands on earth can be characterised to have well-articulated or defined identities while the brands, which do not leave any mark, are victims of the lack of it. Identity is essentially an issue that is in the hand of the brand steward, creator or manager. An observation of brands around us would reveal that brand identity has two levels: the central or fundamental identity and the peripheral identity (see Fig. 6.2).

### Central Identity (Inner Core)

The identity is the soft core of the brand, which is normally enveloped, with layers of peripheral identity elements. It represents the essential core of the brand. What is the brand actually meant for? What is the potion or essence of the brand? The central identity indicates the reasons why the brand has been brought into existences. It envelops within it the brand's unique selling appeal or preposition. For a brand to have sustainable identity, analyses of customers, competitors and self-appraisal of company's strengths and weaknesses is essential. It is not a cold-blooded rational exercise. Great brand identities are sometimes, based on the creator's gut feel or perception. Often a brand becomes what the man behind it is. It acquires a system of values that dominate the creator's mind. Brands for them, to begin with, tend to be not as much a business entity but an emotional creation. IBM brand greatly took its essential character from Sir Watson, which ultimately determined its identity and translated itself in to a key compelling value proposition.

### Outer Core of the Brand

The inner core of brand identity is about the spiritual centre. It is qualitative and philosophical. The brand manifests itself in brand identity elements like the product, symbol, user profile, personality, slogans, endorsers, characters, name, and packaging. All the brand elements get combined to make up brand identity. The outer core of the brand completes the picture and provides it meaning. It suggests what the brand stands for more tangibly in an easy to grasp fashion. It is somewhat operationalization of the inner core of the brand. Managing a brand would involve conscious decisions about picking up brand elements in a manner that a cohesive whole is created as intended by the brand's core identity. The brand's core sometimes may be too philosophical or abstract, which may pose difficulty in decoding a brand's intentions. It for this reason, tactically, the outer identity may be used to provide direction and meaning to the element selection.

| | |
|---|---|
| **Brand Identity** | **:** Liril |
| **Inner core** | : Freshness, fun and spirit. |
| **Outer core** | **:** |
| Product scope | : Soaps, perfumes, talcum powders. |
| Personality | : Youthful, spirited, mysterious, charming, energetic, indulgent. |
| Extensions | : Liril Rain fresh, Liril Talc. |
| User | : Young girls, urban. |
| Association | : Waterfalls, excitement, lime. |
| Slogan | : Liril freshness (la, la, la, ra, la …) |
| **Value proposition** | **:** Feeling of freshness, youthfulness and energy. |

## BRAND LOYALTY

Brand equity assets can add or subtract value for the customer and the firm. They add value to customers by providing help in information interpretation, processing and storage. The customers are able to process brand information faster and store a greater quantity. Brand equity assets (e.g., perceived quality and associations) can boost confidence in a buy decision and provide user satisfaction. Brand equity assets also provide value to the firm by way of their ability to charge premium, leverage brands into extensions, channel support and corporation, customer brand loyalty benefits, etc. Brands are valued depending upon the kind of assets and liabilities they represent. The brands like IBM, Ford, Boeing, Intel, and McDonald are perhaps the most valuable assets of their respective companies. These companies are able to generate wealth not because of conventional assets but for the brands they own. Their source of revenue stream lies not in factories or the machines rather it is the name and/or symbol that they put on their products.

Loyalty is at the heart of equity and is one of the important brand equity assets. What happens when customers pay very little or no attention to the brands and buy on the basis of other considerations? It suggests that a brand lacks hold on the customers. Brand is not the basis on which buying is done. A situation like this exhibits no equity creation by the brand. Brand loyalty is one of the important bases of equity creation. When customers show commitment to the brand, it creates equity. Brand loyalty has been one of key concerns of the marketers. It is valued for its ability to have a dramatic impact on a firm's marketing performance. Loyalty provides insulation against competitive assaults. It also allows the opportunity to command a premium. Earlier brand loyalty was viewed purely from the angle of a customer's response or behaviour. Now behavioural angle is combined with attitudinal dimension in defining loyalty. "Brand loyalty is the biased (i.e., non random) behavioural response (i.e., purchase), expressed over time by some decision making unit, with respect to one or more alternative brand out of a set of such brands, and is a "function of psychological (decision-making, evaluative) processes". Another definition of loyalty is proposed as "consisting of repeated purchases prompted by a strong internal disposition". Thus loyalty has both behavioural and attitudinal dimensions to it.

Brand loyalty is not a dichotomous construct. It may operate at different levels. Five levels of brand loyalty can be distinguished: from committed buyer at one extreme to switcher or indifferent buyer at the other extreme. The other three are in between states. Each state implies a different type of brand equity asset and different types of marketing challenges. At the lowest level, the indifferent buyer does not attach any importance to the brand. The buying is done on a basis other than brand like availability or price. These buyers are switchers and are indifferent to the brand. The second category is satisfied buyers of a particular brand (absence of dissatisfaction). These buyers have no reason to switch but may actually switch given the stimulation from the competitors. These can be called habitual buyers. They are vulnerable and can succumb to benefits offered by the competition. The third category of buyers is satisfied with the brand and they have switching costs in terms of time, money, and risk. This category is a little safe because they would switch only when competition is able to overcome switching costs for them. This set can be called switching cost loyal customers. In all these categories of customers a virtually negligible element of attitudinal commitment to the brand is visible. They all signify different shades of behavioural loyalty.

The fourth category of loyalty implies that the buyers like the brand. They tend to have some sort of emotional attachment to the brand. This attachment may get developed as the result of prolonged relationship (usage over a long period of time) or use experience or perceived high quality. People in this category consider a brand as a friend. It is an affect driven loyalty. At the next level of loyalty, the customers tend to be committed to the brand. The commitment is "an enduring desire to continue the relationship and to work to ensure it continuance". Customers get committed to a brand when the brand achieves personal significance for them. It happens when buyers perceive it to be a part of them. They identify with the brand. It becomes a vehicle of self-expression. The strong identification may be based on functionality or images/symbolism that it signifies. A case in point could be Coke as a ubiquitous symbol of what America is all about or Harley Davidson, which portrays something about the Harley rider which words, cannot express. The committed buyers are not usually available to the competition. They become a solid asset base. The committed buyers spread a lot of good word around about the brand and thereby generate a market for it.

Loyalty implies customers who would continue to buy the brand. It represents a future revenue stream. It also implies lesser loss of customers by way of defection or attrition. Hence firms with greater loyal customers would have relatively lesser marketing costs (lower advertising costs) and greater revenue (from increased purchases, price premiums). Brand loyalty is generally a function of product usage experience whereas other brand 'equity assets like awareness, associations, and perceived quality may not be related with usage experience. However these dimensions also contribute to loyalty, All brand equity dimensions tend to have causal relationships among each other. One may cause the other (e.g.,. perceived quality may be based on associations or association with a symbol may affect the awareness). The key premise is that for brand equity to exist the customers need to be loyal to the brand. When customers are not loyal to the brand, the equity is not likely to exist.

Customer loyalty is of strategic importance to the firm. It is an asset. Loyalty adds value in four ways. First, loyalty reduces marketing costs of the firm because it costs much less to do business with repeat customers than attracting new ones. Loyalty also imposes entry barriers on potential competitors, as customers are not easily available to be captured. Secondly, loyalty provides trade leverage. It is much easier to gain shelf space, trade cooperation when a brand has a loyal customer base. Thirdly, it allows a marketer to attract new customers because loyal customers signify and communicate assurance, confidence and faith in the brand to other prospective customers. A prospect can much easily be converted into a customer when a brand has loyal followers. Finally, loyal customers provide the firm with lead-time to respond to competitive moves (e.g., product improvement). Loyal customers do not move quickly to such competitive endeavours. Hence the firm gets the much-needed time to effectively counter competitive moves.

# BRAND EQUITY:

***Definition and meaning***

Brands are valued for their equity. Everyone in the marketing profession agrees that brands can add substantial value. It is also true, sometimes, that brands become a burden. The brand can be a value enhancer or decreaser. A variety of opinions exist about brand equity. Some of these are as follows:

"Brand equity can be thought of as the additional cash flow achieved by associating a brand with the underlying product or service" (Biel, 1992).

"Brand equity is a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers" (Aaker, 1991).

"Brand equity as the totality of the brand's perception, including the relative quality of products and services, financial performance, customer loyalty, satisfaction and overall esteem toward the brand. It is all about how consumers, customers, employees and all stakeholders feel about the brand" (Konapp, 2000).

"Brand equity is defined in terms of marketing effects uniquely attributable to the brands- for example, when certain outcomes result from the marketing of a product or service because of its brand name that would not occur if the same product or service did not have the name" (Keller, 1993).

The marketing literature is laden with works, which explore, interpret, and 'expose' the concept of brand equity. The advantages of brand equity direct the academic and the managerial attention to its measurement and management. There appears to be a broad consensus on the value of brand equity but it comes with a slight area of darkness around it. At the most fundamental level differing views guide our understanding as to what it is.

The best way to achieve this is by conceptualising the brand equity in terms of the input-throughput-output model. The product and its attributes both tangible and intangible- are the inputs to the equity model. It is the brand, which is the basis of equity or value. In the absence of a brand, achieving equity is impossible. It is the fundamental core/block. The value that a brand generates is not itself generated. A brand generates more value as a result of discriminating responses that customers exhibit in favour of a brand or the willingness to pay more for a brand. All these are outcomes. It is monetisation of these that is called financial worth or value that is added by the brand. But the most crucial link between the input and output is the consumer- the consumer's mental framework to be more precise. It is the consumers' knowledge structure or image or perceptions that a customer has about the brand that drive the outcomes. Operationally, it is the brand and its constellation of knowledge structure in a customer's mind that a brand manager needs to manage to achieve desired equity

A brand's ability to draw customers, again and again and command premium is directly related to what it stands for in a customer's mind. The brand perception or image is the key driver of brand pull and push away. A brand's strength lies in this intervening variable. A powerful brand symbolises a loyal customer base. It is this, which leads to financial benefits and reduced costs. At the heart of brand equity is the customer equity and an unwavering customer franchise, which stands by the brand. A brand adds value in two ways: for the customers and the marketers.

***Value to Customers***

Brand equity assets can enhance or decrease value for customers. A brand's equity is valuable to customers because:

It helps customers in information processing. A brand is useful in aiding customers in interpreting, processing, and storing information about the products and the brands. It simplifies this process. Brands are considered by customers as chunks of information, which can be easily decoded (drawn meaning thereof) and stored in a proper order (classification). It considerably reduces chaos possibilities that may occur in the absence of branding. Brands allow customers to store great quantities of information about brands without getting any confusion.

A Brand's assets enhance customer confidence in the purchase decision. One feels more confident in purchasing a brand (imagine buying an unbranded product e.g., like tooth paste). It happens because of familiarity with a brand. Familiarity creates confidence. Brand stands for consistency and assurance. It provides guarantee of promised delivery.

The final value to customer comes in the form of usage satisfaction. For instance, satisfaction from drinking Nescafe is different from drinking an unbranded coffee. Brands transform customer experience. The brand associations and quality move the product beyond its 'thingness' boundary enveloping it with images that customers value.

***Value to Marketer***

Brand equity also plays a critical role in enhancing value for the marketer. A firm benefits from the equity in the following ways:

The brand equity assets increase the effectiveness and efficiency of marketing programmes. The expenditure associated with a brand to achieve a goal generally tends to be less than an unbranded product aiming to achieve the same goal. For instance, retaining a customer is much costlier than retention when a product is unbranded; it may partially happen due to lack of brand loyalty and preference. Similarly, launching of a new product with extensions may be much simpler, easy and less costly.

Brand equity dimensions allow a firm to have greater customer loyalty. The customers can exhibit preference and commitment to a brand only. A greater number of loyal customers in the basket automatically reduce the expenditures that need to be incurred in maintaining a customer base. Fewer customers would need to be replaced. The expenditure would be lesser accordingly.

Brand equity allows a firm to change premium. That is, a customer may willingly support a brand in spite of greater sacrifice that needs to be made. In fact, brands, which enjoy strong equity in the market, command a premium price.

Brand equity provides great opportunities for growth. In fact, most of the firms now are relying on brand extensions- to achieve growth rather than launching new brands. Brand equity makes growth easier for the firms. It is how the value is added. For instance, RCI has grown into many product categories by relying on the brand equity of Dettol. Dettol soap is a very strong player in a highly competitive bathing soap market.

Brand equity is a good source of achieving leverage in distribution channels. It is easier to get access in the distribution chain when the brand has equity. The trade partner's exhibit disbelief in dealing with a brand without equity because of the uncertainties it brings along with it. Brand equity is an implicit assurance of success. Therefore, channels welcome brands with equity and give access to point of purchase displays, shelf space, etc. Channel Corporation is achieved easily when the brand enjoys equity.

Finally, brand equity is a provider of competitive advantage. It imposes barriers on the entry of competitors. Brands can build equity occupying positions and attribute associations in a pre-emptive fashion. Once these become proprietary to a brand, other brands are at a disadvantage. For instance 'Dettol' has so strongly entrenched itself with 'antiseptic' that other competitors are just notable to make a dent in its market. Johnson & Johnson's 'Savlon' is hardly able to compete in the market. It may be true for 'Fair and Lovely' in the fairness cream market. A strong brand equity blocks entry of rivals in a customer's mind on the same turf.

Brand equity holds immense potential to create economic value for the markets. The advantages listed above make compelling reasons in favour of creation, protection and enhancement of equity of a brand. It can only be done once it is understood what drives brand equity.

## BRAND PERSONALITY

*What is BrandPersonality?*

Brand personality is the way a brand speaks and behaves. It means assigning human personality traits/characteristics to a brand so as to achieve differentiation. These characteristics signify brand behaviour through both individuals representing the brand (i.e. it's employees) as well as through advertising, packaging, etc. When brand image or brand identity is expressed in terms of human traits, it is called brand personality. For instance - Allen Solleybrand speaks the personality and makes the individual who wears it stand apart from the crowd. Infosys represents uniqueness, value, and intellectualism.

Brand personality is nothing but personification of brand. A brand is expressed either as a personality who embodies these personality traits (For instance - Shahrukh Khan and Airtel, John Abraham and Castrol) or distinct personality traits (For instance -Dove as honest, feminist and optimist; Hewlett Packard brand represents accomplishment, competency and influence). Brand personality is the result of all the consumer‘s experiences with the brand. It is unique and long lasting.

Brand personality must be differentiated from brand image, in sense that, while brand image denote the tangible (physical and functional) benefits and attributes of a brand, brand personality indicates emotional associations of the brand. If brand image is comprehensive brand according to consumers‘ opinion, brand personality is that aspect of comprehensive brand which generates it‘s emotional character and associations in consumers‘ mind.

Brand personality develops brand equity. It sets the brand attitude. It is a key input into the look and feel of any communication or marketing activity by the brand. It helps in gaining thorough knowledge of customers feelings about the brand. Brand personality differentiates among brands specifically when they are alike in many attributes. For instance - Sony versus Panasonic. Brand personality is used to make the brand strategy lively, i.e, to implement brand strategy. Brand personality indicates the kind of relationship a customer has with the brand. It is a means by which a customer communicates his own identity.

Brand personality and celebrity should supplement each other. Trustworthy celebrity ensures immediate awareness, acceptability and optimism towards the brand. This will influence consumers‘ purchase decision and also create brand loyalty. For instance - Bollywood actress Priyanka Chopra is brand ambassador for J.Hampstead, international line of premium shirts.

Brand personality not only includes the personality features/characteristics, but also the demographic features like age, gender or class and psychographic features. Personality traits are what the brand exists for.

**The Five Dimensions ofBrand Personality (Elements)**

As we focus this month on Brand Communities, it is important to recognize that this is far from a new idea.

For more than four decades, marketers have used sophisticated techniques to segment their consumer universes into psychographic sets, the progenitors of today‘s online communities. These techniques have been able to reveal hidden truths underlying group actions as in the case of Helicopter Parents or Metrosexuals. As a result, they have allowed marketers to dig deeper than simple demographics to target messages much closer to the heart of action than general measures like age or sex. In fact, a case can be made that these older groupings have had far deeper roots than today‘s like- and tweet- based communities.

At the core of psychographic segmentation lies the recognition tha t all human behavior derives from a small set of fundamentals, the so-called Big Five Personality Traits. All the broad variation in human action, at heart, comes down to different mixes of these elemental traits. By isolating these human behavioral fundamentals using analytical techniques, marketers can build up full profiles of what is driving the behavior of their targets customers and prospects.

The Big Five was originally propounded way back in 1961, but only came into broader use in the 1980s. Since then, it has become a hallmark of marketing and psychology. Everyone who ever took a ―personality test‖ at work has experienced an expression of the Big Five. The Big Five attributes are:

- ***Openness to experience*** – (inventive/curious vs. consistent/cautious). Appreciation for art, emotion, adventure, unusual ideas, curiosity, and variety of experience. Openness reflects the degree of intellectual curiosity, creativity and a preference for novelty and variety. Some disagreement remains about how to interpret the openness factor, which is sometimes called –intellect‖ rather than openness to experience.
- ***Conscientiousness*** – (efficient/organized vs. Easy going/careless). A tendency to show self-discipline, act dutifully, and aim for achievement; planned rather than spontaneous behavior; organized, and dependable.
- ***Extraversion*** – (outgoing/energetic vs. solitary/reserved). Energy, positive emotions, urgency, assertiveness, sociability and the tendency to seek stimulation in the company of others, and talkativeness.
- ***Agreeableness*** – (friendly/compassionate vs. cold/unkind). A tendency to be compassionate and cooperative rather than suspicious and antagonistic towards others.

Neuroticism – (sensitive/nervous vs. secure/confident). The tendency to experience unpleasant emotions easily, such as anger, anxiety, depression, or vulnerability.

- ***Neuroticism*** also refers to the degree of emotional stability and impulse control, and is sometimes referred by its low pole – ―emotional stability‖.

So much for the history lesson. Now for the 64-dollar question for modern Social brand communities: Do brandpersonalitiesallderivefromTheBigFive,as if brands were themselvespeople?Or,doeseachbrandcreateitsown uniqueuniverse,withitsownunique set of core behavior elements driving the brand‘spersonality?

What researchers have found falls in the middle ground. Brands personality, in fact, is not derived directly from The Big Five, but neither does it stem from random, unique brand universes. Rather, there appears to be a separate set of universal markers that delineate brand personalities. People don‘t react to brands as people, but do, if appears, react to brands ina consistent, measurable way, call it the Brand Five.

The personalities of brands devolve from this separate Brand Five as noted in this chart:

**FIVE DIMENSIONS OF BRAND PERSONALITY**

| NAME | DIMENSION | TRAITS WITH THE HIGHEST ITEM-TO-TOTAL CORRELATION |
|---|---|---|
| Sincerity | 1 | Domestic, honest, genuine, cheerful |
| Excitement | 2 | Daring, spirited, imaginative, up-to-date |
| Competence | 3 | Reliable, responsible, dependable, efficient |
| Sophistication | 4 | Glamorous, pretentious, charming, romantic |
| Ruggedness | 5 | Tough, strong, outdoorsy, rugged |

The emergence of these two sets of fundamental markers for human behavior has made it possible for statisticians, and the marketers who rely on them, to craft rich and measurable analytical images of brands and their customers. These actionable ―brand personalities‖ and the psychographic sets they define have transformed the way marketers can approach target audiences. They have lead to the creation of techniques that drive the development of today‘s vibrant, social-network driven brand communities.

## BRAND IMAGE/CONSTELLATION

Brands reside in a customer’s memory in the form of a network of associations. Brand name represents the central mode to which a variety of informational nodes are connected. The nodes connected to brand name store information about attributes, benefits, typical user profile, etc. Hence the brand name is more than simply a label employed by the marketer to differentiate a product among a plethora of others. “It is a complex symbol that represents a variety of ideas and attributes. It tells the consumers many things, not only by the way it sounds (and its literal meaning if it has one) but more important, via the body of associations it has built up and acquired as a public object over a period of time”. Thus, brands acquire public image- a facade- which resides in a customer’s mind and which may be more important for the overall market performance of the brand than the technical aspects of the product. The meaning or perception that is contained in this memory network determines buyer behaviour towards a brand. Brand image can be defined as “perceptions about a brand as reflected by the associations held in consumer memory”. It can also be conceptualised as “culture of attributes and associations that consumers connect to the brand name”. Brand image is totality of associations that surround the brand. It is a perceptual concept. What is contained in a brand’s image may or may not be a result of marketing efforts. It represents how a brand lives in a customer’s very personal, subjective world. A consumer may develop a set of beliefs about a brand as to where it stacks up in terms of, e.g., attributes or benefits. It is this set of beliefs that a customer holds about a brand that make up the brand image. The image that consumers hold about brands does not tend to be uniform. Brand image is a perceptual construct. It varies depending upon the receiver’s (customer’s) own ‘looking glass’ or perceptual filter. Accordingly image may not be as intended or not as clear. According to Gardner and Levy, “the image of a product associated with the brand may be clear cut or relatively vague; it may be varied or simple; it may be intense or innocent.

Sometimes the notions of people have about a brand do not even seem very sensible or relevant to those who know what the product is 'really' like. But they all contribute to the customer's decision whether or not the brand is the one 'for me'.

Brand equity is the value side of the brand. Most often, this value is monetised and defined as economic terms. The incremental cash flows; which, could be traced to the brand name. How can brand name alter the nature and quantum of cash flows associated with a product? So long as a brand is taken as a label or a name passively, it does not offer much opportunity for value enhancement. A brand needs to be taken as some thing more than a name. A brand is a constellation of meanings and associations. These are not in the product that a brand enrobes; rather they are all engineered in the prospect's mind. They live, grow and die in the mind. They also add or subtract value. A brand is what it stands for in the consumer's perceptual space. It is an identity, which is at the core of equity creation. Brand name is just a cue. A subtle trigger makes a brand surface in the mind.

The key concept between the brand and the equity is the brand image. It is an intervening variable. As depicted in the Figure 6.5 the perception of a brand can adjust brand value upwards or downwards. For instance, a bottle of white petroleum jelly commands some monetary price that customers would be willing to pay. Now put a label on the bottle indicating 'Vaseline'. It would immediately adjust the jelly's worth upwards. What causes this alteration? It is the brand name. Upon getting the cue (name) a constellation of visual and verbal dimensions springs up in the customer's mind that acts as an intervening concept causing the value to move upwards.

Strong brands perform radical alterations while weak brands do marginal ones. Imagine radical value enhancements that brands like Rolex, Cartier, Mont Blanc, and Armani create. What drives their value? These alterations are affected by their image in the customer's mind. The brand image is the driver of brand equity. Imagine' a customer who is not familiar with a brand like Rolex. This customer would assess the brand's worth on the basis of 'thing' rather than a brand. It is so, because 'Rolex' represents nothing to him and hence, does not alter this valuation much. It does not exist as a perceptual entity. There is no intervening variable between the brand and the valuation. Brand image is a customer concept. It is what drives customer behaviour.

**BRAND IMAGE/BRAND EQUITY RELATIONSHIP**

Brand equity is based upon the attitudes that customers hold about a particular brand. Attitude is a very important concept in consumer behaviour. The movements in a brand's performance signal attitudes that customers have toward it. For instance, a brand, which is experiencing declining sales indicates that customers are not holding a good attitude towards it. Attitude represents our evaluations of brand. The term attitude has come from the Latin word for "posture" or "physical position". 'Attitudes are learned predispositions to respond to an object or class of objects in a consistently favourable or unfavourable way". Attitudes determine how a person would behave. They are experiences to action. Consumers hold attitudes towards product categories: 'I do not like potato wafers', consumers also hold attitudes towards brands: "I like to buy Pepsi, every time I feel like having a soft drink". It is this hidden attitude that determines whether a customer would turn toward or away from the brand in question.

In the context of brand management, customer behaviour or action tendencies have typically engaged brand marketers. The feelings and evaluations that customers hold about a brand are critical. The feelings and evaluations cannot occur in vacuum. That is, how a customer evaluates or feels about a brand depends on the, knowledge he or she has about the brand, how the brand is placed in cognitions. "From the customers' perspective, brand equity involves a strong, positive brand attitude (favourable evaluation of the brand) based on consistent meanings and beliefs which are accessible in memory (easily activated)". Therefore, the beliefs or cognitions- what a customer thinks about a brand- are determining variables. A customer may think about a brand in terms of its attributes, benefits, ingredients, users, etc. The issue is what is associated with the brand in the customer's mind? This is the fundamental driver of brand equity, and each deriver of brand equity is called brand image.

# BRAND AWARENESS

Brand awareness is the second brand equity asset. It includes brand recognition and brand recall. Brand recognition is the ability to confirm prior exposure (‘‘yes I’ve seen it earlier”) and recall is the ability to remember the brand when a product category is thought about. The awareness is essential for a brand to be able to take part in the decision process. Brand awareness may exist at three levels: brand recognition, brand recall and top of the mind recall for a brand to be able to take part in the decision process. Brand awareness may exist at three levels: brand recognition, brand recall and top of the mind recall.

Brand recognition is at the bottom level of the awareness pyramid. When person is able to confirm prior exposure, the brand said to have been recognised. It is gauged by aided recall measures. Brand recognition is particularly important under low involvement buying situations, especially when the decision is taken in stores or at the point of purchase. Recognition means some sense of familiarity, which sometimes is sufficient in choice decision. Still higher level of awareness is reflected in a person’s ability to recall a brand without any aid when a cue about a product class is given. (e.g., “mention brands of tyres”). It indicates stronger brand position in the mind. Still at a higher level of awareness is the top of the mind recall. The top of the mind awareness indicates the relative superiority a brand enjoys over others. Sometimes a brand is able to achieve such a dominant position that it becomes the only recalled brand in the product category. Brand dominance competitively is a popular state, which every marketer would like to achieve. A dominant position prevents other brands from getting in the buyer’s mind. Hence, dominant brand is the one that is only brand considered while making a purchase. Very few brands are able to achieve dominance. The cases may include Johnson & Johnson baby powder, Dettol antiseptic, Band Aid. Once upon a time Dalda and Colgate also enjoyed this status.

| Sr. No. | Brand Identity | Brand Image |
|---|---|---|
| 1 | Brand identity develops from the source or the company. | Brand image is perceived by the receiver or the consumer. |
| 2 | Brand message is tied together in terms of brand identity. | Brand message is untied by the consumer in the form of brand image. |
| 3 | The general meaning of brand identity is “who you really are?” | The general meaning of brand image is “How market perceives you?” |
| 4 | It’s nature is that it is substance oriented or strategic. | It’s nature is that it is appearance oriented or tactical. |
| 5 | Brand identity symbolizes firms’ reality. | Brand image symbolizes perception of consumers |
| 6 | Brand identity represents “your desire”. | Brand image represents “others view” |
| 7 | It is enduring. | It is superficial. |
| 8 | Identity is looking ahead. | Image is looking back. |
| 9 | Identity is active. | Image is passive. |
| 10 | It signifies “where you want to be”. | It signifies “what you have got”. |
| 11 | It is total promise that a company makes to consumers. | It is total consumers’ perception about the brand. |

<u>**UNIT-5**</u>

# Brand Positioning

**Meaning and definition of Brand Positioning**

Positioning is a platform for the brand .Positioning is the art of creating a distinct image for a product in the minds of the customers.Positioning is a concept,which is commonly seen in marketing .Positioning is the act of designing the company's offerings and image to occupy a distinctive place in the target market's mind.the essence of brand positioning is achievement of valued distinction/differentiation in a consumers mind.The perceived differentiation takes care of the competitive angle and the value aspect takes are of customer motivation.It is the single feature that sets the service apart from the competitors For example kingfisher stands for youth and excitement .It represents brand in full flight.
According to Aaker ,"Brand positioning is a part of brand identity and value proposition that is to be actively communicated to the target audience and that demonstrate an advantage over competing brands".

**Brand Positioning - Definition and Concept** Brand positioning refers to ―target consumer‗s‖ reason to buy your brand in preference to others. It is ensures that all brand activity has a common aim; is guided, directed and delivered by the brand‗s benefits/reasons to buy; and it focuses at all points of contact with the consumer. Brand positioning must make sure that:
Is it unique/ distinctive vs. competitors?

Is it significant and encouraging to the niche market?

Is it appropriate to all major geographic markets and businesses?

Is the proposition validated with unique, appropriate and original products?

Is it sustainable - can it be delivered constantly across all points of contact with the consumer?

Is it helpful for organization to achieve its financial goals?

Is it able to support and boost up the organization?

In order to create a distinctive place in the market, a niche market has to be carefully chosen and a differential advantage must be created in their mind. Brand positioning is a medium through which an organization can portray its customers what it wants to achieve for them and what it wants to mean to them. Brand positioning forms customer‗s views and opinions. Brand Positioning can be defined as an activity of creating a brand offer in such a manner that it occupies a distinctive place and value in the target customer‗s mind. For instance-Kotak Mahindra positions itself in the customer‗s mind as one entity- ―Kotak ‖- which can provide customized and one-stop solution for all their financial services needs. It has an unaided top of mind recall. It intends to stay with the proposition of ―Think Investments, Think Kotak‖. The positioning you choose for your brand will be influenced by the competitive stance you want to adopt.
Brand Positioning involves identifying and determining points of similarity and difference to ascertain the right brand identity and to create a proper brand image. Brand Positioning is the key of marketing strategy. A strong brand positioning directs marketing strategy by explaining the brand details, the uniqueness of brand and it‗s similarity with the competitive brands, as well as the reasons for buying and using that specific brand. Positioning is the
base for developing and increasing the required knowledge and perceptions of the customers. It is the single feature that sets your service apart from your competitors. For instance- Kingfisher stands for youth and excitement. It represents brand in full flight. There are various positioning errors, such as-

1. **Under positioning-** This is a scenario in which the customer‗s have a blurred and unclear idea of the brand.
2. **Over positioning-** This is a scenario in which the customers have too limited a awareness of the brand.
3. **Confused positioning-** This is a scenario in which the customers have a confused opinion of the brand.
4. **Double Positioning-** This is a scenario in which customers do not accept the claims of a brand.
5. **Brand positioning** describes how a brand is different from its competitors and where, or how, it sits in a particular market. These differences might be real ones, but not have any motivating qualities about them. They would still,

however, give a brand a 'positioning' in a market. For example, a beer might have the positioning of being an 'Alaskan beer', but this might not be very motivating to the consumer.

**6.** If the positioning of being an 'Alaskan beer' is motivating to consumers then this value begins to accrue propositional values as well as positional ones. It begins to literally 'proposition' the consumer. Much of marketing research is in fact involved in the task of evaluating whether the positional characteristics of a brand (or a product) can be transformed into propositional ones. This is, in many ways, what marketing is.

**7.** The two terms - positioning and propositions - are often confused together because, of course, many values and terms have BOTH some positioning and some propositional aspects. The terms 'economy' and 'premium' are good examples of this. They can be used to describe a brand's positioning in a market, but they also deliver meaning and motivational qualities to consumers as well. Despite these degrees of overlap, the concepts of positioning and proposition are, however, still working along quite distinct dimensions. A positioning describes how a brand is different in a market. A proposition encapsulates what it might mean to a consumer.

## Need for Brand Positioning

Brand positioning in simple words means to position the brand or some important products of the company to make it more presentable and known to the customers.This definition can be considered as right one .The concept of brands has become very famous amongst people and they require the product or services of a renowned brand .The need for brand positioning can be explained with the help of following points :

1) If the business actually needs to make its services or products to gain the category of brands, it needs to make them accessible to people in such way that they start recognizing the brand name by the products or services it offers .It makes the brand to gain popularity and streamline the processes of sales in a well-defined manner.
2) It can also be taken as refurbishing or re-branding of the product in such a way that will make it dirrent and uniquely defined than all other products of the same kind .This will really make the products to get under the exclusiveness category and it is a great thing to make the brand or product a renowned name in any industry or market
3) It will go a long way in helping to measure that real strength of the brand. This can be considered as form of stock taking strategy. This mode will help to know how farther the business has gone and where it exactly reach in the competitive market .A proper understanding of present position business will go a long way in helping it on the steps to take for moving its products and brand beyond the present state. It is an effort to give all the products and brand beyond the present state .It is an effort to give all the popularity which it thinks is good as choice for making the brand to reach top position.
4) Brand positioning will also help the business to sufficiently judge the way customers judge its products in comparison with other very competitive brands available with the same products or services .Of course, the business will be accosted with strong competition as there is rarely any niche that does not require the right means to market and with the proper identification and
Implementation of brand position, it will be able to keep the brand in a position where it will rarely be affected by the impending disaster of strong opposition and competition.

## Factors Affecting Brand Positioning

1) ***Brand Attributes***: What the brand delivers through features and benefits to consumers?
2) ***Consumer Expectations***: What consumers expect to receive from the brand?
3) ***Competitor Attributes***: What the other brands in the market offer through features and benefits to consumers?
4) ***Price***: Price is an easily quantifiable factor against competitors.
5) ***Consumer Perception***: The perceived quality and value of your brand in consumers’ minds(i.e,does the brand offer the cheap solution, the good value for money solution, the high end, high-price tag solution,etc)

**Brand Equity & Brand Positioning Concepts** Brand equity is the value your company name has in the marketplace beyond what your accounting records show. Positioning is the use of marketing to project differentiation in your company, products or services to targeted customers. Building and maintain a strong brand is a primary communication objective for successful companies.

**Product Differentiation** Differentiation means to develop and communicate something bigger, better or distinct about your offering. If you don't present something distinct to the marketplace, you rely solely on arbitrary decision-making on the part of consumers. Developing a distinct and desired benefit mix and clearly telling your market segments about it helps drive customers to your business or products. Organic food makers or resellers pin their differentiation on the natural, healthy advantages their products provide.

**Market Segmentation** Along with differentiation, the other key component of brand positioning is the target market to whom you position. You may offer an excellent, distinct benefit, but if you don't present it to the right market segment, it won't matter. Offering the lowest price to a highly affluent market segment doesn't make much sense, for instance, because customers with money typically look for superior product benefits or excellent service. Identifying customers based on shared demographic, geographic, behavioral or lifestyle qualities and focusing your efforts on them improves your potential for brand equity. **Customer Loyalty-** Customer loyalty is very closely tied to both brand positioning and brand equity. Customer loyalty is the penultimate goal in marketing communication. Once a customer becomes loyal, you have an emotional commitment from her. You generate this loyalty based on the effectiveness of your positioning in both promotion and delivery of a positive customer experience. A strong, loyal customer base is a major factor in brand equity. If your customers can easily get pulled away by a new or competing brand, it is hard to say that your brand has significant value beyond its financial assets.

**Brand Extension** A brand extension occurs when you leverage your brand equity to market a new business or product to a new customer market. A prominent company example was Gap launching GapKids. Leading toilet paper brand Charmin expanded its brand by offering a lower-end option, Charmin Basic, to price-conscious consumers. Brand extensions only work if you have strong brand equity, because you essentially rely on your proven reputation to attract new business.

**Market Positioning Strategy** While every company‘s situation is unique, we know from long experience that there are common criteria for a company‘s success in reaching and winning a market. Whether your company is centered on consumer packaged goods, business services or emerging technology, your part-time CMO and the Chief Outsiders team will consider the following dimensions in developing a market positioning strategy:

*Brand Positioning Strategy*

*Product Positioning Strategy*

*Competitive Pricing Strategy*

*Competitive Positioning Strategy*

*Alternatives to Marketing Consulting Firms*

**Market Repositioning Strategies** If a product is not selling as well as might be expected, or if its performance has declined from previous rates of success, it may well be that the brand positioning strategy needs to be reconsidered, in order either to promote the product more effectively to its target audience, or to identify a new customer segment to whom it might be better suited. **Getting to the core of market repositioning strategies**
**Market repositioning strategies** vary depending on product, segment and market share, but all essentially pivot around three basic questions:

1. What is the current position of your product?
2. What is the optimum or ideal position of your product?
3. What is the most effective way of getting there?

Of course, the third question is the most difficult to answer, and many brand positioning consultants have come up with different market repositioning strategies for every product they have worked with, reasoning that the large number of variables at play (company profile, market share, competitive landscape, to name but a few) means that each problem must be approached from a unique standpoint.

**What do all market repositioning strategies have in common?** However, by and large, brand positioning consultants will take the same key factors into consideration when planning their market repositioning strategies.

**Consumers:** If a product‘s sales are flagging, or if the brand positioning consultant believe they have yet to reach their full potential, one of the first ports of call will be to identify and assess the brand‘s relationship with its customers, current and potential, and to ascertain whether the market segment towards which the product is aimed is in fact viable or sustainable. In some cases market repositioning strategies may be geared towards identifying or carving out a new target market, and consultants may work in tandem with market research experts.

**Competitors:** One obvious reason a product may fail is that it is unable to stand up to the offerings of a company‘s competitors. This may not always be because the competitor‘s product is intrinsically superior – it may simply be that the competitor has been more successful in its brand positioning, or simply better at identifying its target market.

**Laying the foundations of market repositioning strategies**

Brand positioning is one of the areas where detailed, accurate and effective market research can make a vital contribution. A capable market researcher will be able to discover not only the consumer perception of the brand they are engaged to promote, but also of the products, profile and position of major competitors, helping the business to identify key lacunae in their own and their competitors market share, and to find areas into which they might more profitably expand and promote their own product. The most successful market repositioning strategies will enjoy a tight and productive synergy between market researchers and brand positioning consultants, each contributing their particular expertise to a single aim.

# ***Brand Extension***

Brand extension is the application of a brand beyond its initial range of products or outside of its category. This becomes possible when the brand image & attributes have contributed to a perception with the consumer where the brand & not the product is the
decision driver.

**TYPES OF BRAND EXTENSIONS:**

Brand extensions are of two types:
1. Related extensions: A new product is launched with similarities of parent product. Ex: Dettol soap launching a dettol hand wash.
A. Category related extension: It is the other name of variant.Ex: Dove oily soap launching dove dry.
B. Image related extension: Brands are extended on the basis of image of its parent brand.
2. Unrelated extension: Brand may be extended into unrelated product categories.Ex: Honda was the brand synonymous with motorcycles but later they diversified into automobiles.

**BRAND EXTENSION APPROACHES**

1) Enhance the existing product with additional features & benefits: The enhancement might include new features &/ or performance improvements. These changes can be based on a customer needs assessment or a competitive matching strategy.
2) Introduce higher or lower priced versions of the product: Price may be inhibiting factor for some prospective customers. It may broaden the market for the brand.
3) Extend the product range: Extending the range of an existing product-line allows building on the reputation & success of the existing brand to sell more products through the same sales channels.
4) Segment the market with product variants: This strategy is based on the refinement of existing products to meet the different requirements of distinct market sectors.
5) Introduce Niche products: A niche market is a small, specific market sector identified by some special, common characteristic. This approach typically delivers lower volumes-a niche market-but higher
6) Introduce private label products :a private label sale is the practice of licensing the product ,in standard or modified form, to other companies to sell under their own brands ,rather than under the companies brand name.

7) Building additional products or services from third parties: An existing product can be sold in combination with additional products or services from a third party. This practice is referred to as bundling.
8) Responding to competitive product actions: In a competitive market place, a strategy of matching or responding to the actions of competitors is sometimes necessary.

**Characteristics of Strong Brands**
Some brands consistently score high on strength .They are all strong brands.Strong brands have great equity and enjoy customer loyalty and profits.Every manager wants to create a strong brand.what do top brands have in common which can provide a benchmark against which a brand can be measured?There are ten attribute shared by top brands:
1) **Deliver Excellent Customer Benefits**:The brands tangible and intangible components must be combined to create value or benefits that customers desire.The brand must be an excellent provider of these benefits.
2) **Stay Relevant: With time,customers change**.A brand's tangible and intangible components need to be fine –tuned to stay relevant.
3) **Pricing is based on perception of value**:Price is an important brand attribute.Charging too high or too low a price may not be appropriate .Make sure price is based on how customers view the product as a whole.

**STEPS OF BRAND BUILDING**

- Clearly articulate the brand identity: Brand identity means what the brand means to the customer.Brand identity sets the customer expectations.EX:- Walmart's "Everyday Low Prices"
- Establish a customer value proposition: Customer value proposition is the natural outcome of the brand identity.Ex: Customers think of Wal-Mart as place to get great bargains.
- Define the optimal customer experience: Identify all contact points where customers interact with the company.To create a holisticbrand experience, individual needs to create a consistent & compelling experience at each of these touch points.
- Cultivate relationship with customers: Companies need to respond positively to customers feedback & that will turn causual customers into loyal customers, loyal customers into customer champions.
- Strengthen the brand over time: Enhancing the level of customer brand relationship will have a direct impact on the brand.Marketer must have a time bound plan to improve the levels of relationship which the customers enjoy with the company/brand.

**CO-BRANDING**
Co-Branding is the practice of using multiple brand names together on a single product or service.The term can also refer to the display of multiple brand names or corporate logos on a single website, so that people who visit the site see it as a joint enterprise.
**PRE-REQUISITES OF CO-BRANDING**
- Both brands are easy to identify based on their product or trademark.
- There is a symbolic relationship between the two brands.
- Brands are compatible with each other.
- Both brands should have identical personality characteristics.

**CELEBRITY ENDORSEMENT**
A form of brand or advertising campaign that involves a well known person using their fame to help promote a product or service. Manufacturers of perfumes and clothing are some of the most common business users of classic celebrity endorsement techniques, such as television ads and launch event appearances, in the marketing of their products.

**BRAND PORTFOLIO MANAGEMENT**
Brand portfolio includes all types of brand viz. Brands & sub brands as well asco-brads with other firms.
**Types of brands in portfolio**
1. Strategic Brands: A strategic brand or a mega brand is a currently dominating brand that represents a meaningful future level of sales & profit.

2. Linchpin Brands: A linchpin brand unlike strategic brand not necessarily represents a meaningful future level of sales & profit but it is a leverage point of a major business area.
3. Silver Bullet: It is a brand or sub brand that positively influences the image of another brand. It can be powerful force in creating, changing & maintain a brand image.
4. Cash cow brand: It do not require any investment because it has a significant loyal customer base. It is to generate marginal resources that can be invested in other brands.

**DESIGNING & SUSTAINING BRANDING STRATEGIES**

**BRANDING STRATEGIES**

1. Integrated branding: The retailer is involved in process beginning from idea generation to branding the product. Here the retailer makes the decision regarding what kind of product he wants.
2. Independent branding: Retailer simply procures from the supplier at the lowest possible cost & the entire branding investment is his own.The retailer is like the owner of the brand & holds complete responsibility for its performance.
3. Line Branding: The line responds to the concern of offering one coherent response under a single name by proposing many complementary products.
4. Range Branding: It bestow a single brand name & promote through a single promise a range of products belonging to the same area of competence.
5. Umbrella Branding: It is a parent brand that appears on a number of products that may each have separate brand images.
6. Endorsement Branding: It makes the product brand name more significant & corporate brand name is related to lesser status.

**BRAND PYRAMID**

**What is a Brand Pyramid?**

A brand pyramid is a framework or tool that answers most of the fundamental questions outlined above in a pyramid like diagram that can be easily shared and communicated across an organization. The only thing it doesn't tackle directly are questions related to the company's mission and vision (although the brand essence is a direct result of what the company wants to be when it grows up or its vision).

**Why it matters?**

Developing a brand pyramid might seem like a trivial exercise but it's important because it does 4 essential things for an organization:

1. Forces consensus among senior management with regards to what the company wants to be, who it serves, why, how it should make customers feel and what the company's core values are.
2. Clarifies some of the brands fundamentals - such as what is the essence of the brand.
3. Sets the strategic foundation of the brand.
4. Provides a framework for consistency to keep everyone rowing in the same direction.

**What it's made up of?**

**The brand pyramid is made up of 5 components going from bottom to top:**

Product features and attributes: This helps answer the question "what does our product or service do?" and describes what the product is designed to do and how it does that.

Functional benefits: This section helps provide clarity around "what problem are we solving? Why would a customer use our product and what is the expectation once they've used it?"

Emotional benefits: Beyond just solving the customer's need this component helps answer "How does the customer feel after using our product?" If you recall one of my previous posts on why startups should focus on **"slaying dragons not in talking tech"**, customers aren't just interested in your product features, they want you to tell them a story. They want to be able to look at themselves in the mirror and feel just a little bit better that morning simply because they are using your product. That's where the emotional benefits comes in.

Brand Persona and/or Core Values: If your brand were a person, how would you describe him or her? What are the values that are important to this person and to your company? How does everything you do from product development to marketing to customer service reinforce these core values?

Brand Essence / Idea: The brand essence is the underlying idea and why customers should care about your brand. For example, Apple's brand essence is "empowering people through technology". Brand essence is essentially your brand's DNA. What you stand for and what differentiates you from your competition. It's the core about makes you "you".

### Practical implications and what it means for marketing

The ultimate goal of your company and especially your marketing team, is to get customers to understand, believe and evangelize your brand essence. The more closely a consumer actually really gets your brand's essence and is willing and eager to share this with others, the more loyal the customer, the stronger the relationship, and the less likely that customer is to switching to a competitor's product. Establishing a brand's essence in the mind of a customer is the "promised land" of marketing and a goal rarely achieved by most brands. I discussed the benefits of a strong brand in another **post** so let's talk about "how" you actually build your brand pyramid.

### Developing your brand pyramid

The first step is really understanding whether you need to develop a brand pyramid or how solid your current one really is. That's where a brand "audit" comes into play. The simplest way to do this is to interview all the key stakeholders in your company and ask them the list of questions I mentioned at the beginning of this post. If the answers are very consistent and aligned then you're doing a good job. If not, you've got some work to do.

Generally, developing your brand pyramid is fairly straight forward (though the larger the company the more complex and lengthy the process). For an early stage or mid sized company (10-200 or so) I would suggest something the following:

1. Identify the key stakeholders in the process - founders, c-level, key department heads that are customer facing
2. Perform an audit with these stakeholders. It's preferable to actually interview each one of them 1-1 for at least 60-90 minutes and to send them a list of key questions and themes so they come well prepared to the meeting.
3. Gather all the feedback and input it into a "current state" document that you can present to relevant stakeholders.
4. Set up an initial meeting where you highlight:
    I. What a brand pyramid is and why it matters
    II. A snapshot of your audit and what it reveals
    III. A calendar and overview of what's needed to develop your brand pyramid
5. Conduct a brainstorm meeting with the same key stakeholders. The aim is really to get them all aligned in terms of what each core component of the brand pyramid is.
6. Develop your first draft based on the brainstorm and present this to the same group of stakeholders.
7. Get input and adjust the brand pyramid as needed.
8. Once you've gotten stakeholder sign off you should present the brand pyramid to the wider company. Depending on the size of your organization you'll want to either do this at an all hands or possibly

have members of the marketing team (usually the brand team) present this to all relevant customer facing teams and team leads.

9. With the brand pyramid finished and presented you should add it to your **Brand Bible**, upload it to the marketing page of your intranet and ensure everyone knows where it is.


**STEP 1: BRAND SALIENCE**

That is the depth and breadth of brand awareness. The salience of Monster is the energy drinks. Monster is a **dynamic brand.** Although the brand develops and follows lots of sponsoring events and proposes ranges of clothes product, in the consumer's mind Monster is associated to **an energy drink.** The consumer has the possibility to easily recognize the brand's logo.

**STEP 2: BRAND PERDORMANCE**

The brand known very well its consumers, she is present for all their **entertainment events** (sport, music, games, party). Moreover, with this **wide range of products**, Monster can suite different consumer. These kind of products are known for having a high ratio of caffeine, the latter leads consumers to think that Monster's can are more effective. And, the Monster's brand performance could be based on the price: the **price** is lower than its competitor.

**STEP 3: BRAND IMAGERY**

Monster succeeds in targeting the young people whom like extreme sport, music events, parties, games and share strong adventure with their friends. This is a can of energy drink for anyone who ants to have fun. Monster's consumers have the feel that t**hey are living a special experience by drinking this can**. Consuming a can of Monster is matched in the consumer's mind: the freedom and the strength. The virility aspect is associated of Monster's brand image, which is highlight by doing action sports, taking risks, meeting girls and partying.

**STEP 4: JUDGEMENT**

Monster has a **strong brand identity**, but has also developed its **credibility** among its consumers. It knows very well its consumers. The brand has developed a strong **attachment with its consumer** thanks to its presence in all the events constituting their centres of interests. Monster reaches them with relevancy. Moreover, the brand has a strong link with all its partners and sponsors. We can say that the brand gives a high importance to the relationship aspect. It helps Monster to have very positive brand judgements from its consumers.

**STEP 5: CONSUMER FEELINGS**

Many adjectives and word can describe the consumers feeling. By drinking a can of Monster Energy the consumer can feel a feeling of **virility, pleasure, freedom and happiness**. Monster's consumers have the feel that they are living a special experience by drinking this can.

**STEP 6: RESONANCE**

Finally the resonance of Monster is established **by the loyalty, the strong attachment and the engagement.** Thanks to its community of loyal consumer, the brand was able to conquer the market.

# BRANDING IN DEFFERENT SECTORS

The humans have frequent needs as well as occasional needs in the life. They are varied in number of ways such as day-to-day living needs, social needs, health and medication needs, contemporary lifestyle needs, to name a few. According to this need-based market segmentation, the brands are diversified in different sectors such as personal care, home care, commodities, entertainment, healthcare, pharmaceutical, luxuries, and services.

Basic Approaches of Branding

There are two basic approaches of brands according to ownership –

| Manufacturer's Brands | Private / Store Brands |
|---|---|
| They are created and owned by the producers. | They are created and developed by retailers, distributors, or wholesalers. |
| Manufacturer promotes its own brand extensively. | The retailer does not promote one single brand extensively. He can put the products of different brands on the shelves. |
| Their budgets of research and development, ads, sales promotion, distribution channels depth etc. are huge. Hence, there can be less profit margin. | There is very less budget allocated for ads. Similarly, research and development, distribution channels depth are lower. Hence, these brands can have higher profit margins. |
| They are more advanced and work innovatively on manufacturing technology. | There is no manufacturing technology involved, hence they can be less innovative. |
| They do not communicate with the consumers directly. | They work very closely with consumers, hence they have a better idea on what consumers demand. |

The brands can be further categorized depending on the human needs or the context as given −

**Fast Moving Consumer Goods (FMCG) Brands**

The FMCG items such as grocery, toiletries, easy-to-cook foods, are essential for our daily lives. They are called fast moving because they are the quickest to get sold from the supermarket shelves. They are also called Consumer Packaged Goods (CPG) brands. They are inexpensive and tangible products which can be produced in advance and can be stored to be consumed later.

The brand managers need to handle these brands tactfully to generate more revenue as there is fierce competition in the FMCG market. If a product does not meet the consumer's expectations, there is always other brand ready to take the advantage.

Examples of FMCG − Unilever's Dove Bodycare, Colgate Palmolive's oral care, Godrej, Dabur, Burges Olive Oil, etc.

**Commodities**

They are the products or services which consumers buy depending upon their price. There is no quantitative differentiation for commodities across the market. Milk, sugar, oil, grains and cereals, metals, wool and rubber, and natural gas, are all commodities.


Since it is not easy to pursue the consumers to pay more price for the parallel product he can get at a lesser price, the sellers need to put in a lot of effort on color, logo, brand character, and packaging to differentiate the product so it makes a significant impact on the consumers' mind. Also, the seller needs to keep on adding value to the product.

Examples of commodities − TATA Salt, General Mill's Pillsbury whole wheat flour, etc.

**Luxury Brands**

They are not essential but highly desired out of one's own perception and self-worth. The desirability is based on the consumer's demand of high quality, fine craftsmanship, exclusivity, precision, and beauty. Also, peer recognition, appreciation, and approval of high status are the underlying needs which promote luxury brands. High-end automobiles, jewelry, cosmetics, accessories, properties, and perfumes come under luxury brands.

These brands are divided into three categories −

- **Prestige Brands** − Mercedes-Benz, Rolex, Swarovski, etc. represent high craftsmanship and lavishness. They are regarded as the mark of high social status.
- **Premium Brands** − They are mass luxury brands. For example, Calvin Klein and Tommy Hilfiger.
- **Fashion Brands** − They bring fashion products such as apparels and accessories under "hot trends" and target mass consumers. They bring products according to the seasons.

Most luxury companies are small to medium sized enterprises. Presence of luxury brands must be maintained all over the world to reinforce the brand image in the consumer's mind. They are available in flagship stores.

**Business to Business (B2B) Brands**

Under these brands, a business makes a commercial transaction with another business. Such transactions occur when one business provides resources to another business for manufacturing some product, and when one business supplies or rents out the products to another business.

B2B companies must pursue **global branding** as they have less number of customers than B2C companies and more number of transactions with other businesses.

For example, restaurants buy cooking energy, raw materials, crockery, furniture, lights, etc. from different businesses. Retailers buy a product from original manufacturer for reselling it. McDonalds, Pizza Hut, IBM, GE, Microsoft, and Oracle are B2B brands to name a few.

**Pharmaceutical Brands**

These brands cover the products which are commonly known as drugs or medicines used to diagnose, treat, and prevent a disease. There are more than 70,000 registered brands of drugs.

Pharmaceutical brands are different than consumer brands in various prominent ways. Unlike consumer products, where requirement can be generated through creative advertising and other promotional means, a pharmaceutical company cannot create a need that is not there.

Any new pharmaceutical product cannot create demand without underlying medical need. In addition, the product features of prescription drugs cannot be changed to meet consumer needs or preferences without clinical development outcomes and receiving approval from the regulatory authorities.

Examples of pharmaceutical brands − Simila Expert Care nutrition for infants from Abbott Laboratories, USA and Dr Reddy's Nise™.

**Service Brands**

The service sector has spurred the economic growth of many countries. Services are produced and consumed in real time. The output of a service brand is intangible, such as experience of the consumer.

In service branding, the speed of processing the consumer's request, punctuality in delivery, quality, and degree of attending special needs, and responsiveness are the factors the service provider caters for. Because of its intangible nature and dependency on dynamic nature of humans who provide it, branding of service is difficult.

The domestic and industrial appliances, automobiles, etc. are sold with the promise of quality servicing. The quality and cost claimed by the services belonging to the same industry can vary to a great extent. Service brands are categorized into the following types −

- **Classic Service Brands** − They include banks, beauty salons, consultation services, car rentals, and airline services.
- **Pure Service Brands** − They include association memberships.
- **Professional Service Brands** − They include advisors, consultants, travel agents, estate agents, etc.
- **Retail Service Brands** − They include restaurants, fashion stores, supermarkets, etc.

Examples of service brands − Ford, Airtel, Axis Bank, Air India, Café Coffee Day by Coffee Day Global Ltd., Lifestyle fashion retailing by Landmark, ICICI Prudential Life Insurance, etc.

**E-Brands**

These brands portray their entire image, such as the company's value, competency, vision, motives, missions, products/services etc. through web to the online consumer. EBrands work to create a direct relationship between the brand owner and the customer via Internet. Due to their wide reachability, it is easy for the e-brands to survive among competitors and gain reputation among consumers.

The consumers are loyal to the sellers whose online commercial transaction schemes are familiar, tested, and established. When the e-Brands provide features such as facility to compare various products, listing products within a specified cost or feature segment, easy and reliable payment modes, then the e-Brands can make place in their consumers' minds.

Examples of e-Brand − Flipkart, Amazon, etc.

**Country Brands**

Countries, like companies, apply branding to help themselves market for investment, tourism, and exports. The 'Country of Origin' is commonly referenced by the term 'Made in…' which depicts an association with the product's place of origin, which works as effectively as product quality.

Consumers are aware of the origin of the product and ethics used behind creating that product. Some associations of countries and products are France = fashion, wine, and cheese, Italy = design, India = spices, Denmark = chocolate, Germany = automotive, Japan = electronics, etc.


Today, the brands apart from being associated with their countries also need to show their strong connection with the country such as having a manufacturing setup in the country, influx of designs emerging from the talent present in the country, or having a part of production process set up in that country. For the simple reason, the consumers are more likely to buy the product or service if they are authentic. The brand managers need to emphasize on such points while branding.

The Country Brand Index (CBI) measures and ranks the countries on the strength and power of their nation's brand.

Examples of brand messaging by some countries − "Botswana Our pride, your destination.", "Canada – Keep exploring".

## THE ROLE OF A BRAND MANAGER

A Brand Manager is responsible for adapting a brand strategy for a company's target market.

As the 'brand guardian', brand managers maintain brand integrity across all company marketing initiatives and communications, and may manage a portfolio of products.

Brand managers have strong communication skills and need to maintain good relationships with colleagues and external contacts.

***What activities are part of the brand manager role?***

- Brand strategy, including the setting of style guides, brand guidelines, brand vision and value proposition for short as well as long term
- Planning and execution of all communications and media actions on all channels, including online and social media
- Assisting with product development, pricing and new product launches as well as developing new business opportunities
- Creating and managing promotional collateral to establish and maintain product branding
- Managing the budget for advertising and promotional items
- Competitor and customer insights analysis
- Analysis of sales forecasts and relevant financials and reporting on product sales

***What qualifications are needed to become a brand manager?***

Brand managers tend to be degree qualified with a relevant major and/or have several years' demonstrable marketing experience in a similar environment.

To achieve this position employers might expect you to have a degree in Business, Advertising and Marketing, Economics or engineering from a first line school, be fluent in English and have a post-graduate qualification or MBA.

Brand managers have strong communication skills and need to maintain good relationships with colleagues and external contacts. They have a hands on attitude, and are analytical and ambitious. Possession of these qualities will assist you to obtain a brand manager position.

***What key attributes do brand managers typically have?***

Key personal attributes for a successful brand manager include:

- Brand awareness - a clear understanding of brands and the marketing mix
- Determination and perseverance
- Relationship management skills
- A strong focus on results
- A high degree of business acumen

**What is the role of a brand manager?**

**1. Protect the brand**

Brand managers are the guardians of the brand and are responsible for ensuring that the products, services and product lines that fall under their brand resonate with current and potential customers.

**2. Work with several departments within the company**

They work tirelessly with the marketing department on making sure that every aspect of the brand strategy is just right. Brand Managers also need to be in contact with other departments such as finance, marketing communications, sales and product development to ensure a strategic overview of the business and future market opportunities.

**3. Coordinate several marketing agencies**

They also work with marketing and advertising agencies to make sure they're respecting the brand purpose and guidelines throughout every communication.

**4. Focus on the consumer**

Brand Managers need to be able to draw on the consumer research and monitor market trends (think about the recent craze with Pokémon Go). Therefore, having a grasp of the target market and also potential target markets is the key. What are their reactions to the marketing campaigns? What's being said on social media and how are people talking about the brand. How is the brand manager, managing or monitoring this process?

**5. Make important business decisions**

The brand manager can also play a pivotal role within senior management teams when providing feedback and analysis on key brand activity. For example, what return on investment has been seen from particular campaigns? What has worked well for specific products of the brand and what lessons can be learnt from others. Furthermore, helping to provide input into future activity as well as feed into help support corporate strategy and direction.

For many companies their brand manager is the most important person there. Because for many they are the ones responsible for overseeing the entire creative process.

**How to prepare yourself for a brand manager position interview?**

Below we look at some of the skills and attributes big named brands might look for in a brand manager. Try to find examples from your past experiences to support each one of the following skills/experiences.

**1. Experience:**

First of all, for a brand manager you of course do need experience. Experience of working with brands and in some instances blue chip companies. Especially relevant will be how you display your passion for the marketing discipline.

**2. Education**

To become a brand manager you will need a degree in brand management, marketing or similar area of discipline. (Normally for this level a minimum of 2:1 is required in the UK).

**3. Skills:**

<u>Research & Analysis skills</u>

- Understanding of consumer needs and behaviour
- Strong analytical ability – analyse data, develop insights etc.

<u>Interpersonal skills</u>

- Strong communication and interpersonal skills. Especially the ability to work cross-departments to achieve results
- Be a team player and a respected leader

- Run efficient and effective meetings
- Communicate clear decisions, next steps and accountability
- Have good presentation skills

Management and coordination skills:

- Strong attention to detail
- Have the ability to think big, delivering innovative strategic solutions
- Budget management skills

| **Interbrand's Top Ten Global Brands, (*by brand value*) 2017** | | | |
|---|---|---|---|
| **Rank** | **Logo** | **Brand** | **Value *($m)*** |
| **1** | | **Apple** | **185,154** |
| **2** | Google | **Google** | **141,703** |
| **3** | Microsoft | **Microsoft** | **79,999** |
| **4** | Coca-Cola | **Coca-Cola** | **69,733** |
| **5** | amazon | **Amazon** | **64,796** |
| **6** | SAMSUNG | **Samsung** | **56,249** |
| **7** | TOYOTA | **Toyota** | **50,291** |
| **8** | f | **Facebook** | **48,188** |
| **9** | Mercedes-Benz | **Mercedes-Benz** | **47,829** |
| **10** | IBM | **IBM** | **46,829** |