BA4013 PRODUCT AND BRAND MANAGEMENT LPT C3003

COURSEOBJECTIVES:

- To help the students appreciate the relationship between Corporate Strategy and Product and Brand Management
- To provide a framework to understand the new product development process, the organisationalstructuresfornewproductdevelopmentandproductmanagementfunctionswithinanorganisation
- To explore the various issues related to Brand Management and to enhance the understanding and appreciation of this important intangible strategic asset including brand associations, brand identity, brand architecture, leveraging brand assets, brand portfolio management etc

UNIT-I 9

Management of New Product Development Process –Managing Product Life cycle – Brands and Branding- Introduction to Brand Management -Brand Management Process - Brand Choice Decisions and Models.

UNIT-II 9

Product Plans-Elements of Branding- Brand Identity -Brand Communication -Brand Positioning –Brand Image and Personality- Valuation of Brands-Brand Valuation-Brand Tracking and Monitoring.

UNIT-III 9

Marketing Mix Factors and Products-Managing Brand Over Time- Building Brands in Indian Market -Launching a New Brand -Revitalizing Brands - Branding Strategies-Brand Extension Strategies – Brand Portfolio Management-Managing Brands Across Geographical Borders.

UNIT-IV 9

Managing Brand Experience - Digital Branding-Employment Branding - Co-branding-Brand extensions core card -Culture and branding-Brand flashbacks-Future brand priorities.

UNIT-V 9

Advertising -Brand Name Plan- Pricing Systems -Product Distribution Systems - Advertising and Sales Promotion - Product Sales Management -Product and Public Relations Service Product Marketing -Industrial Product Marketing Product Exports and International Marketing -Critical Success Factors in Brand Management.

TOTAL: 45 PERIODS

COURSEOUTCOMES:

1. Apply the fundamental concepts of product and brand development and management.
2. Use the brand positioning framework to develop a brand, keep it relevant, expand a brand internationally, and reposition a brand.
3. Use tools and metrics to analyse competitors and develop positioning strategies.
4. Recognize the importance of using teams and organization to coordinate multiple interdisciplinary tasks in order to create and manage products within an organization.
5. Apply an understanding of the product manager's role in product pricing, sales, and promotion.

REFERENCES:

1. StrategicBrandManagement:Building,Measuring,andManagingBrandEquity,byKevinlaneKeller;Ambi M. G. Parameswaran; Issac Jacob; Fourth edition; Pearson Education India; 2015;ISBN-10:9789332542204;ASIN:9332542201
2. Product and Brand Management Tapan K.Panda Paperback: 888 pages Publisher: Oxford University Press; First edition (January2016); ISBN-10: 9780199460496;ISBN-13: 978-0199460496;ASIN:0199460493
3. Product and brand management by UC Mathur ;Publisher: Excel Books (December2012) ISBN-10:9350620146; ISBN-13:978-9350620144

UNIT I

INTRODUCTION

Understanding Brand - What is a Brand?

Brands are different from products in a way that brands are "what the consumers buy", while products are "what concern/companies make". Brand is an accumulation of emotional and functional associations. Brand is a promise that the product will perform as per customer's expectations. It shapes customer's expectations about the product. Brands usually have a trademark which protects them from use by others. A brand gives particular information about the organization, good or service, differentiating it from others in marketplace. Brand carries an assurance about the characteristics that make the product or service unique. A strong brand is a means of making people aware of what the company represents and what its offerings are.

To a consumer, brand means and signifies:

- Source of product
- Delegating responsibility to the manufacturer of product
- Lower risk
- Less search cost
- Quality symbol
- Deal or pact with the product manufacturer
- Symbolic device

Brands simplify consumers purchase decision. Over a period of time, consumers discover the brands which satisfy their need. If the consumers recognize a particular brand and have knowledge about it, they make quick purchase decision and save lot of time. Also, they save search costs for product. Consumers remain committed and loyal to a brand as long as they believe and have an implicit understanding that the brand will continue meeting their expectations and perform in the desired manner consistently. As long as the consumers get benefits and satisfaction from consumption of the product, they will more likely continue to buy that brand. Brands also play a crucial role in signifying certain product features to consumers.

To a seller, brand means and signifies:

- Basis of competitive advantage
- Way of bestowing products with unique associations
- Way of identification to easy handling
- Way of legal protection of products' unique traits/features
- Sign of quality to satisfied customer

- Means of financial returns

A brand, in short, can be defined as a seller's promise to provide consistently a unique set of characteristics, advantages, and services to the buyers/consumers. It is a name, term, sign, symbol or a combination of all these planned to differentiate the goods/services of one seller or group of sellers from those of competitors. **Some examples of well known brands are Mc Donald's', Mercedes-Benz, Sony, Coca Cola, Kingfisher, etc.**

A brand connects the four crucial elements of an enterprise- customers, employees, management and shareholders. Brand is nothing but an assortment of memories in customers mind. Brand represents values, ideas and even personality. It is a set of functional, emotional and rational associations and benefits which have occupied target market's mind. Associations are nothing but the images and symbols associated with the brand or brand benefits, such as, The Nike Swoosh, The Nokia sound, etc. Benefits are the basis for purchase decision.

DEFINITIONS:

1. The **American Marketing Association** defines a **brand** as "A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is trade name."
2. **Brand** is a known identity of a company in terms of what products and services they offer but also the essence of what the company stands for in terms of service and other emotional, non tangible consumer concerns. To brand something is when a company or person makes descriptive and evocative communications, subtle and overt statements that describe what the company stands for. For example, is the brand the most economical, does it stands for superior service, is it an environmental responsible provider of x,y,z service or product. Each communication is deliberate in evoking emotion in the receiver to leave him/her with an essence of what the company or person stands for. **Donna Antonucci**
3. **Branding** is the art of aligning what you want people to think about your company with what people actually do think about your company. And vice-versa. **Jay Baer** - Convince & Convert. Author with Amber Naslund of The Now Revolution
4. A **brand** is the essence of one's own unique story. This is as true for personal branding as it is for business branding. The key, though, is reaching down and pulling out the authentic, unique "you". Otherwise, your brand will just be a facade. The power of a strong logo in brand identity is that a simple visual can instantaneously communicate a brand and what it is about. Some large brands are able to do this by symbol only, without words that are the Holy Grail that brands dream about. This seems to represent the very essence of communication at its most primitive roots. Few can pull it off. Logos are vitally

important, but are just one component of what creates a strong brand. Logos should support the broader brand strategy that supports an even bigger brand story. **Paul Biedermann –** re:DESIGN

5. A **brand** is a reason to choose. **Cheryl Burgess –** Blue Focus Marketing
6. A brand symbol as "anything that leaves a mental picture of the brand's identity. **Leo Burnett**
7. **Branding** is more than a name and symbol. A brand is created and influenced by people, visuals, culture, style, perception, words, messages, PR, opinions, news media and especially social media. Like when a child is born and given a name, a brand needs nurturing, support, development and continuous care in order to thrive and grow. Some brands have a life cycle and grow old like people. Some brands are timeless and never die, are "born again" or reinvented, while some brands live a short but powerful life and have an iconic legacy. **Lisa Buyer –** The Buyer Group
8. **Branding** is the encapsulation of a company's mission statement, objectives, and corporate soul as expressed through the corporate voice and aesthetic. **Margie Clayman**
9. **Brands** are shorthand marketing messages that create emotional bonds with consumers. Brands are composed of intangible elements related to its specific promise, personality, and positioning and tangible components having identifiable representation including logos, graphics, colors and sounds. A brand creates perceived value for consumers through its personality in a way that makes it stand out from other similar products. Its story is intricately intertwined with the public's perception and consistently provides consumers with a secure sense that they know what they're paying for. In a world where every individual is also a media entity, your consumers own your brand (as it always was). **Heidi Cohen**– Riverside Marketing Strategies
10. **Branding**, to me, is the identity of a product or service. It's the name, the logo, the design, or a combination of those that people use to identify, and differentiate, what they're about to buy. A good brand should deliver a clear message, provide credibility, connect with customers emotionally, motivate the buyer, and create user loyalty. **Gini Dietrich –** Spin Sucks
11. **Branding** is the sub-total of all the "experiences" your customers have with your business. For successful branding you need to understand the principles of Ivan Pavlov as my brother Jeffrey and I discussed in our Waiting for Your Cat to Bark. For branding to work you must have:
    - **Consistency.** Pavlov never offered food without ringing the bell and never rang the bell without offering food.
    - **Frequency**. The bell rang several times a day, day after day.

- **Anchoring**. Pavlov tied the experiment to something about which the dog was emotional. Frequency and consistency create branding only when the message is associated with an emotional anchor. This is the most difficult and essential element to get correct.

However, keep in mind Pavlov had an easier time because he chose dogs which are much better at following a leader, today's customers are more cat like and not as easily persuaded or motivated. **Bryan Eisenberg** – Author of Waiting for Your Cat to Bark

12. In today's social, customer-controlled world, marketers may be spending their money to build a **brand**. But they don't own it. In their influential book, Groundswell, Charlene Li and Josh Bernoff state "your brand is whatever your customers say it is…" As a marketer, this means that, while a brand is the emotional relationship between the consumer and the product, you must engage with consumers and build positive brand associations. The deeper the relationship, the more brand equity exists. **Neil Feinstein** – True North
13. **Branding can be divided into old and new.**
    - Old Branding. Advertisers shouting carefully pedicure messages at consumers who don't want to hear it.
    - New Branding. Advertisers [1] humbly listening to what consumers tell others the brand is and back up with real action (like repeat purchases) and [2] incorporating appropriate innovations so their products continue to earn consumers' loyalty and word of mouth.

    Dr. Augustine Fou – Marketing Science Consulting Group, Inc.
14. **Brand** is the sum total of how someone perceives a particular organization. Branding is about shaping that perception. **Ashley Friedlein -** Econsultancy
15. **Branding** is an ongoing process of looking at your company's past and present…and then creating a cohesive personality for the company and its products going forward. We do SWOT (Strengths, weaknesses, opportunities, threats) analysis and go through all the benefits (real and emotional) that the product or service fulfills for its customers. We review the key factors that spurred growth, pricing, corporate culture, key players, and we figure out "who you are", by key players, the president, customer service. Then we create the brand voice first. It's a wonderful process. **Lois Geller** – Lois Geller Marketing Group
16. A **brand** is the set of expectations, memories, stories and relationships that, taken together, account for a consumer's decision to choose one product or service over another. If the consumer (whether it's a business, a buyer, a voter or a donor) doesn't pay a premium, make a selection or spread the word, then no brand value exists for that consumer. **Seth Godin** – Author of Linchpin

17. **Brand** is the image people have of your company or product. It's who people think you 33are. Or quoting Ze Frank, it's the "emotional aftertaste" that comes after an experience (even a second-hand one) with a product, service or company. (Also, it's the mark left after a red-hot iron is applied to a steer's hindquarters.) **Ann Handley** – Marketing Profs, Author with C.C. Chapman of Content Rules
18. Attention is a scarce resource. **Branding** is the experience marketers create to win that attention. **Jeffrey Harmon –** Orabrush
19. **Branding** is the representation of your organization as a personality. Branding is who you are that differentiates you. **Dave Kerpen** – Likeable Media, Author of Likeable Social Media
20. A **brand** is a name, term, sign, symbol, or design or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of the competitor. **Phillip Kotler** – Author of Marketing Management
21. That old "a **brand** is a promise" saw holds true, but only partially true. **Rebecca Lieb**, author of The Truth About Search Engine Optimization
22. Don Zahorsky is an old cattle breeder in my neighborhood. He's been in the business of registered Angus cattle for decades, even back when my dad was a kid. Ride around in the pasture with Don, and he can tell you the parentage of every animal. "What's that tag number? 0282? That's another Dominator son. His mother is a real good cow. Her father was the grand champion … "He has invested his life in breeding the best registered Angus cattle he possibly can. He's bought bulls back from people, because he didn't like the way they performed. He's never thought once about business brands, about emotional experiences, about logos. But he does care a lot about his reputation and the service he provides his buyers. He brands his bulls with a DZ on the right hip. Everyone around here knows that brand. They know Don. They know that brand means a good bull. **Here's the lesson:** It's not the **brand** that makes the bull valuable. It's Don's reputation that makes the bull valuable. The brand is just a way of showing it. **Becky McCray –** Small Business Survival
23. A **brand** is the meaningful perception of a product, a service or even your self –good, bad or indifferent — that marketers want people to believe based on what they think they hear, see, smell, taste and generally sense from others around them. **Josh Moritz**
24. A **brand** is "The intangible sum of a product's attributes: its name, packaging, and price, its history, its reputation, and the way it's advertised." **David Ogilvy**, Author of On Advertising
25. **Branding** is the defined personality of a product, service, company, organization or individual. Many folks confuse "having a logo" for an ongoing branding process, but in fact a good logo is an extension of a defined identity for a venture in the same way that a

flag or national anthem may represent a country. A well designed brand personality can be seen in everything from customer service to the actual products a company may offer. Another misconception about brands is that they should reflect a quality; and that may be true in a brand that's about quality (think of a Chanel logo which communicates the idea of luxury) but on the other hand if a local dollar store even has a designed logo that may in fact work against the goals of their brand as they may seem overpriced. Like an artist finding his or her voice the goal of a branding process should be to always frame in a concise way what makes your endeavor unique; and then apply that message to each medium.**Michael Pinto** - Very Memorable Design (Disclaimer: I use Michael for my branding.)

26. "A **brand** is a singular idea or concept that you own inside the mind of a prospect." **Al Ries –** Author of Positioning: the Battle for Your Mind
27. **"Branding"** is what lazy and ineffective marketing people do to occupy their time and look busy. **David Meerman Scott** – Bestselling author of Real-Time Marketing and PR
28. Successful **branding** is what you do, not what you say or show. Successful branding requires your delivering consistently positive experiences for your constituents. It comes from keeping your promises to them, from earning their trust that your brand will do its best at every point of contact to deliver on what they want and expect from you. This trust leads to their choosing your brand again. Successful brands never take their constituents for granted. They never forget that most important to constituents are what's in it for them, that constituents are distracted, and you must earn their attention. (Constituents include, depending on your product or service: customers, consumers, suppliers, employees, partners, allies, investors, funders, donors, analysts, critics, unions, regulators, the media, voters, etc.) The logo and theme line are not the brand. The logo symbolizes the brand. The theme line, if it's any good, uniquely and memorably expresses the brand promise. (Most theme lines fail to do that.) **Jim Siegel –** HealthCare Chaplaincy
29. "General advertising is Cyrano. He comes under your window and sings; people get used to it and ignore it. But if Roxane responds, there's a relationship. We move the brand relationship up a notch. Advertising becomes a dialogue that becomes an invitation to a relationship." **Lester Wunderman,** Author of Being Direct
30. "A **brand** is essentially a container for a customer's complete experience with the product or company." **Sergio Zyman,** Author of The End of Advertising As We Know It

BRANDING CONCEPTS:

Brand management begins with having a thorough knowledge of the term "brand". It includes developing a promise, making that promise and maintaining it. It means defining the brand, positioning the brand, and delivering the brand. Brand management is nothing but an art of creating and sustaining the brand. Branding makes customers committed to your business. A strong brand differentiates your products from the competitors. It gives a quality image to your business.

Brand management includes managing the tangible and intangible characteristics of brand. In case of product brands, the tangibles include the product itself, price, packaging, etc. While in case of service brands, the tangibles include the customers' experience. The intangibles include emotional connections with the product / service.

Branding is assembling of various marketing mix medium into a whole so as to give you an identity. It is nothing but capturing your customers mind with your brand name. It gives an image of an experienced, huge and reliable business.

It is all about capturing the niche market for your product / service and about creating a confidence in the current and prospective customers' minds that you are the unique solution to their problem.

The aim of branding is to convey brand message vividly, create customer loyalty, persuade the buyer for the product, and establish an emotional connectivity with the customers. Branding forms customer perceptions about the product. It should raise customer expectations about the product. The primary aim of branding is to create differentiation.

Strong brands reduce customers' perceived monetary, social and safety risks in buying goods/services. The customers can better imagine the intangible goods with the help of brand name. Strong brand organizations have a high market share. The brand should be given good support so that it can sustain itself in long run. It is essential to manage all brands and build brand equity over a period of time. Here comes importance and usefulness of brand management. Brand management helps in building a corporate image. A brand manager has to oversee overall brand performance. A successful brand can only be created if the brand management system is competent.

FUNCTIONS OF BRAND:

1. It helps in product identification and gives 'distinctiveness' to the product.
2. Indirectly it denotes the quality or standards of a product.
3. It eliminated imitation products.
4. It ensures legal rights on the products.
5. It helps in advertising and packaging activities.
6. It helps to create and sustain brand loyalty to particular products.
7. It helps in price differentiations of products.

Thus brand names serve to create identity-to distinguish one product from another. Identity is essential to competition, because without a means for identification there is no way of making a choice. Brand names definitely facilitate in making a choice.

In the present-day markets branding is inevitable and plays an important role in demand creation. A large number of products even today live in the markets mainly due to an effective use of brand name. For example, Usha fans. The brand name is so common that one does not even recognize the manufacturer, vis., Jay Engineering. Similar instance is found in the case of 'Dettol'. It is simply an antiseptic lotion. But the manufacturers were successful in creating an impression in the minds of most of the people that Dettol means antiseptic lotion and vice versa.

A brand is a consistent, holistic pledge made by a company, the face a company presents to the world. A brand serves as an unmistakable and recognizable symbol for products and services. It functions as the *"business card"* a company proffers on the competitive scene to set itself apart from the rest. In addition to differentiating in this way, a brand conveys to consumers, shareholders, stakeholders, society and the world at large all the values and attitudes embodied in a product or company. A brand fulfills key functions for consumers and companies alike.

The functions of a brand for consumers

- Brands play a role in terms of communication and identification. They offer guidance, convey an expectation of quality and so offer help and support to those making purchase decisions. Brands make it easier for consumers to interpret and digest information on products.
- The perceived purchasing risk is thus minimized, which in turn helps cultivate a trust-based relationship.
- A brand can also serve as a social business card, expressing membership in a certain group. Premium brands, for instance, can even engender a sense of distinction and prestige.
- Consuming certain brands is also a means of communicating certain values. By opting for particular brands, a consumer demonstrates that he or she embraces particular values; the brand becomes a tool of identity formation.

The functions of brands from a company's perspective

- A brand fosters brand and customer loyalty. Particularly strong brands can establish the prevalence of premium prices on the market and soften consumer reactions to price changes. Specifically brand-oriented buyers – who are more concerned with brands than prices – are more resilient when it comes to changes in the competitive scenario. This decreased sensitivity to price changes makes them more valuable as customers.
- The reduction in perceived purchasing risk lays the groundwork for a relationship of trust, giving brands a role to play in lashing customers to a company.
- Brands can counter the swelling ranks of trade because dealers stock their shelves and fill their order lists with products explicitly requested by consumers. Strong brands in particular keep sales levels and market share constant and considerably lessen dependence on short-term special promotions.
- A brand unlocks great potential in terms of licensing opportunities as well, helping companies achieve plans for international expansion.

- Finally, brands also offer companies potential for honing a clear profile and overshadowing the competition. Strong brands in particular can reduce the risk that new product launches will flop and can be used as platforms for successful brand stretching (also in terms of launches in completely new product segments and sectors)

SIGNIFICANCE OF BRANDS:

THE SIGNIFICANCE OF BRANDING IN TODAY'S COMPETITIVE WORLD:

As the world becomes more competitive with each passing day, branding plays a pivotal role to thrust a business forward and give it a competitive edge. In today's world, a brand is the most valuable thing occupying quiet a chunk of the consumer's mind. It creates a separate identity for competitors and helps create recalling value for a product.

Be it logo, name, symbol or design – a brand creates a face value of a company in front of the world. A company's name is often visually expressed through a logo and this helps in creating an inherent value for any business. With each passing day branding is becoming an effective tool to bring-in new customers, as well as building relationships with them since now a day, brands that are customer-centric hold more value.

A well-defined and strong brand will boost sales, attract new customers, create brand value, build customer loyalty and will be the catalyst for business growth. If consumers are attracted towards the product then self-promotion and word-of-mouth can serve as the best promotional tool around, to spread the popularity of the brand. Running marketing campaigns or advertisements will further help in bringing in new customers. The correct kind of branding helps a company to attract serious buyers.

But the job does not end at building a brand. Building a brand is only half the battle won because maintaining its dignity is just difficult as creating one. It is important to consistently improve and strengthen a brand because there are thousands of business competitors trying to engage and attract the same target audience. Any organization that builds a brand has to make a promise to abide by certain fundamental principles to increase their demand and value. In addition, building network, looking after clients and learning new things will help in increasing an organization's reputation.

Of course today's biggest trends for brand promotion are the mobile, web and social media. They are helping in changing the pattern of business and consumerism. However, today consumers have become more intelligent. Therefore, only brand building and its promotion is not enough. A customer has to be able to relate with it. Though consumers are personalizing their online experiences and choosing their connectivity, it is the long-term engagement and resilience of brands that can help build relationships with them.

Brand Building can actually help create the right kind of difference for a particular brand in comparison with its competitors. Building a brand will not only help the company understand its brand value deeper but also create a deeper understanding in turn, for consumers.

What's in a name? That which we call a rose by any other name would smell as sweet:
- William Shakespeare

But the fact is his name comes every time we refer to this phrase. This statement has been praised since aeons but being a marketing student as soon as I came in touch of brand management I had a serious doubt on this statement. Such is the field of branding that a certain name becomes a trademark, it becomes a generic of that particular product, it becomes a differentiating factor for the firm, and it's the ultimate word of communication between the marketer and the consumer. Often it occurs that we go to the shop and ask for X brand of the soap instead of just any soap.

From where branding started:

I think any particular person or thing did not start it but it was the invisible force, which started the process of branding. We can say that origin of branding lies in a very crude process of putting a burning mark into the flesh of the animal as a means to claim ownership of it. Think it like this you have ten soaps in front of you but you want that one which you used last time and it produced good aroma and probably this was the invisible force which created a urge in industrialist to name their products. We may also link it to the habit of person to recognize things by different names. You know me by Prakhar and my friend by Rahul. So initially it was just like a simple process to differentiate it from others.

Types of names:

Functional Names: The lowest common denominator of names, usually either named after a person, purely descriptive of what the company or product does, or a pre- or suffixed reference to functionality. (Dhara, Godrej, Bajaj)

Invented Names: "Invented" as in a made-up name (AIRTEL, GOOGLE, WIPRO) or a non-English name that is not widely known.

Experiential Names: A direct connection to something real, a part of direct human experience. Usually literal in nature, but presented with a touch of imagination. (Netscape, Microsoft)

Evocative Names: These names are designed to evoke the positioning of a company or product rather than the goods and services or the experience of those goods and services. Removed from direct experience, but relevant – evoking memories, stories, and many levels of association. (Tanishq, NIRMA)

Importance/Benefits of naming a brand:

Now we find that there is lot of emphasis on naming of the brand. Why so? Let's take it this way when I call Prakhar you develop a particular ***image*** in your mind. Like when u read it depicts your love for the cars and motorbikes. A brand name is the indicator of the ***attributes*** of the product. Like *carefree* is a sanitary napkin and the name itself indicates what it has in store for the user. Now how you would like to initiate a dialogue with me definitely by calling me by name so my name becomes a factor, which helps to initiate ***communication.*** As earlier we used to say give me soap now we go and ask for a particular brand of soap. So we see that the name enables consumer or provides basic means to ask for a specific soap.

It helps you to break the initial barrier or to say in other way it helps you to ***incite*** or ***attract*** a customer towards your product. Now as marketing is becoming tougher a well fitting name for the product can create an initial urge in consumer to use that product. Now when Hero Honda names its new bike PASSION, they want to attract the youth who is passionate about the possession of the bike. The name kindles their desire to go to the Hero Honda showroom. A name, which fits properly with the culture of the society, gains a lot more ***awareness***.

NISSAN manufactured DATSON which in Japanese meant "to lose money" so to avoid any sort of trouble they changed to DATSUN in other case Coco Cola, which is world famous brand name but it doesn't have a favorable position in Arabs as the calligraphy of Coco Cola appears anti Mohammedan. A good name will also help in brand ***recall*** provided the product is satisfying the consumer. Like Volks Wagon used to name its cars like Beetle and Rabbit it allowed consumer to remember the name and associate it to the product. Other example can be *YAHOO!* the name is so catchy that a person doesn't need to think about it but it creates its own position in the mind. Helps you to enter in ***new product line*** with relatively lesser competition. This use of brand name is quite common and can prove to be really useful if brand name is being ***extended*** in properly selected category. We have a really good example of Reliance, which has proper extended its name in to diverse fields. You can find reliance petrol pumps, reliance web world. Similarly we have L.G.which is trying to enter into FMCG market. It’s very interesting point to notice L.G is a well established in Korea in FMCG category.

A well-established brand name also helps in ***combating an initial attack*** from a new product launched by the competitor. Help in building ***internal equity*** in the organization as well as ***shareholders equity.*** I think this point also needs a focus as person working for a well established brand name would feel more enthusiastic to work and contribute rather he will take care that the brand name doesn't gets hurt by any of its action. Similarly a brand name is indication that our money is invested in right place. So I think maintaining a brand name is quite profitable both in terms of enhancing rapport with consumer and in perspective of money generation. But a word of caution it can be really dangerous to play with brand name. The moment you deviate from specified quality your brand name will earn a stick, as it will spread like a wild jungle fire that this particular brand has done this thing wrong.

The recent cases with Cadbury and Cola brands are example of this. The customers out rightly rejected the chocolates of Cadbury and Pepsi and Coke. Thanks to their proper promotion campaigns they were able to regain brand value. Take the example of Reliance

Infocom, which earned bad name due to below standard service provided by them and the wrong practice done by them in converting STD calls to local rates. So the of establishing a brand name and maintaining it is a very tough path. Brand name could be as toxic as it can be fruitful. So a lot is on the shoulders of the brand manager to understand the intricacies of brand name and keep it running on right track by proper strategies.

DIFFERENT TYPES OF BRANDS:

The different types of brands include: individual products, product ranges, services, organizations, persons, individuals, groups, events, geographic places, private label brands, media, and e-brands. The most common type of brand is a **tangible**, individual product, such as a car or drink. This can be very specific, such as the Kleenex brand of tissues or can comprise a wide range of products.

Product brands can also be associated with a range, such as the Mercedes S-class cars or all varieties of Colgate toothpaste. A service is another type of brand as companies move from manufacturing products to delivering complete solutions and intangible services. Service brands are characterized by the need to maintain a consistently high level of service delivery. This category comprises the following:

- Classic service brands (such as airlines, hotels, car rentals, and banks).
- Pure service providers (such as member associations).
- Professional service brands (such as advisors of all kinds – accountancy, management consultancy).
- Agents (such as travel agents and estate agents).
- Retail brands (such as supermarkets, fashion stores, and restaurants).

Another type of brand is an organization. This can be a company that delivers products and services. Mercedes and the US Senate are all defined organizations and each has qualities associated with them that constitute their brand. Organizations can also be linked closely with the brand of an individual. For example, the U.S. Democratic Party is closely linked with President Barack Obama.

A person can also be considered a brand. It can be comprised of one, as in the case of Oprah Winfrey, or a few individuals, where the branding is associated with different personalities, such as with the American Democratic Party.

Not much higher in detail than an individual is the brand of a group. In particular, when this is a small group and the individuals are known, the group brand and the individual brand overlap. For example, the OWN (Figure 3) brand of the Oprah Winfrey Network and the brand of its known members (Oprah and her team) are strongly connected.

Events have brands too, whether they are rock concerts, the Olympics, a space-rocket launch, or a town-hall dance. Event brands are strongly connected with the experience of the people attending. Product, service and other brands realize the power of event brands and seek to have their brands associated with the event brands. Thus, sponsorship of events is now a thriving big business as one brand tries to get leverage from the essence of the event, such as the excitement and danger of car racing.

Places or areas of the world also have essential qualities that are seen as characterizations and hence also have a brand. These areas can range from countries to states to cities to streets to buildings. Those who govern or represent these geographies will work hard to develop the brand. Cities, for example, may have de facto brands of being dangerous or safe, cultural or bland, which will be used by potential tourists in their decisions to visit and by companies in their decisions on where to set up business.

Private label brands, also called own brands, or store brands, exist among retailers that possess a particularly strong identity (such as Save-A-Lot).

Media brands include newspapers, magazines, and television channels such as CNN (F). The primary activity of e-brands is to deliver physical products or services, as in the case of Amazon.com (F) these online brands focus on delivering a service or experience in the virtual environment.

Co-branding:

Co-branding refers to several different marketing arrangements:

Co-branding, also called brand partnership, is when two companies form an alliance to work together, creating marketing synergy. As described in *Co-Branding: the Science of Alliance*:

> "***the term 'co-branding' is relatively new to the business vocabulary and is used to encompass a wide range of marketing activity involving the use of two (and sometimes more) brands. Thus co-branding could be considered to include sponsorships, where Marlboro lends it name to Ferrari or accountants Ernst and Young support the Monet exhibition."***

Co-branding is an arrangement that associates a single product or service with more than one brand name, or otherwise associates a product with someone other than the principal producer. The typical co-branding agreement involves two or more companies acting in cooperation to associate any of various logos, color schemes, or brand identifiers to a specific product that is contractually designated for this purpose. The object for this is to combine the strength of two brands, in order to increase the premium consumers are willing to pay, make the product or service more resistant to copying by private label manufacturers, or to combine the different perceived properties associated with these brands with a single product.

Co-branding – Meaning, Types and Advantages and Disadvantage:

What is Co-branding

Co branding is the utilization of two or more brands to name a new product. The ingredient brands help each other to achieve their aims. The overall synchronization between the brand pair and the new product has to be kept in mind. Example of co-branding - Citibank co-branded with MTV to launch a co-branded debit card. This card is beneficial to customers who can avail benefits at specific outlets called MTV Citibank club.

Types of Co-branding

Co-branding is of two types: **Ingredient co-branding** and **Composite co-branding**.

1. **Ingredient co-branding** implies using a renowned brand as an element in the production of another renowned brand. This deals with creation of brand equity for materials and parts that are contained within other products. The ingredient/constituent brand is subordinate to the primary brand. For instance - Dell computers has co-branding strategy with Intel processors. The brands which are ingredients are usually the company's biggest buyers or present suppliers. The ingredient brand should be unique. It should either be a major brand or should be protected by a patent. Ingredient co-branding leads to better quality products, superior promotions, more access to distribution channel and greater profits. The seller of ingredient brand enjoys long-term customer relations. The brand manufacture can benefit by having a competitive advantage and the retailer can benefit by enjoying a promotional help from ingredient brand.

2. **Composite co-branding** refers to use of two renowned brand names in a way that they can collectively offer a distinct product/ service that could not be possible individually. The success of composite branding depends upon the favorability of the ingredient brands and also upon the extent on complementarities between them.

Advantages and Disadvantages of Co-branding:

Co-branding has various advantages, such as - risk-sharing, generation of royalty income, more sales income, greater customer trust on the product, wide scope due to joint advertising, technological benefits, better product image by association with another renowned brand, and greater access to new sources of finance. But co-branding is not free from limitations. Co-branding may fail when the two products have different market and are entirely different. If there is difference in visions and missions of the two companies, then also composite branding may fail. Co-branding may affect partner brands in adverse manner. If the customers associate any adverse experience with a constituent brand, then it may damage the total brand equity.

Store Brand:

What are Store Brands?

What exactly are store brands? Chances are they are already in most consumers' homes. Surveys consistently reveal that nearly every shopper buys the products with some regularity. They are most likely in the refrigerator, pantry, and medicine cabinet, even in the basement, shed and garage.

For many shoppers, store brands have come to represent better selection, value and savings. Simply put, they are products that stores put their own names or brands on. They may also be called private label, private brands, house brands, own brands, own label or retailer brands, but they all have one thing in common – they are manufactured and brought to market in much the same way as the familiar national brands sitting next to them on store shelves. Years ago, they might have been called generics, but that name isn't accurate anymore. Today, they are brands like any other.

Store brand products encompass all merchandise sold under a retail store's private label. That label can be the chain's own name or a brand name created exclusively by the retailer for their stores. In some cases, a store may belong to a wholesale buying group that owns labels that are available to the members of the group. These wholesaler-owned labels are referred to as controlled labels.

Store brand items are offered in just about every food and non-food grocery category: fresh, frozen and refrigerated food, canned and dry foods, snacks, ethnic specialties, pet foods, health and beauty care, over-the-counter drugs, cosmetics, household and laundry products, lawn and garden chemicals, paints, hardware, auto aftercare, stationery and house wares, among other sections of the store.

Retail chains of all sizes develop and market store brands in various ways. They may create a whole line of products around a particular feature -- such as Safeway's O Organics and Eating Right offerings, or Kroger's Private Selection and Albertsons Wild Harvest organic lines. In other cases, a majority of the store brand items in a chain may carry the same name -- such as Costco's Kirkland, Wal-Mart's Great Value or Whole Foods' 365 Everyday Value products.

Store Brands Are Everywhere

Increasingly, store brands are popping up everywhere. When it comes to how the products can help meet their home and family's needs, consumers are turning to private label in retail chains besides their food, drug and discount store. Specialty chains – such as those selling office products, hardware, domestic goods, consumer electronics, baby care, home improvement, do-it-yourself, pet care, toys, personal care and sporting goods, and others -- are bringing to market a growing variety of store brand products.

Store brands are becoming prevalent in these chains for the same reasons they have grown in supermarket, drug stores and discount stores. They are available in familiar categories and offer the same advantages in performance and savings that consumers expect from store brands that meet their grocery needs. Many of these chains started out primarily as sellers of national brands. But the growing availability of high quality store brand manufacturers enabled them to undertake a strategic expansion of their private label offerings. So, the store brand advantage is not just available to consumers with cereal, orange juice and aspirin. They can buy store brand printing paper and writing instruments; tools and paint; and linens and frames with the same confidence they will be getting top quality and performance at significant savings.

Store Brands: As Good As or Better Than National Brands

In terms of product quality, most consumers see no difference between private label and national brands. In a GfK study, half the respondents had switched to the store brand in categories where they had previously only bought a national brand. Nine of ten who switched compared store brands favorably to their previous national brand choice.

The Hartman Group says it's no surprise store brands give national brands a run for their money: "In many instances, shoppers no longer can distinguish between national and private label brands. What's most interesting is not so much the fact that it's happening, but that people don't really care that they don't know the difference."

Mintel reports that American shoppers say store brands quality has improved. Some 44% believe store brand products are of better quality today than they were five years ago and 39% would recommend them. One third said they don't feel like they're giving anything up, such as flavor or prestige, by using store brands. "The lack of perceived difference can be attributed, in part, to the fact that many retailers have introduced premium private label products that rival their branded counterparts in flavor and nutritional value, as well as packaging design and shelf placement."In terms of product quality, most consumers see no difference between private label and national brands. In a GfK study, half the respondents had switched to the store brand in categories where they had previously only bought a national brand. Nine of ten who switched compared store brands favorably to their previous national brand choice.

Where Do Store Brands Come From?

More and more store brands are appearing on the shelves of stores throughout the country. But how do they get there, why are they there and who makes them? For many consumers, store brands have become an important ally in how they provide their families with high quality, everyday products at good value. Store brands have also become important to retail chains, another reason they have grown so quickly. They give the chains a way to set themselves apart from the competition and enable them to offer customers more choice. Consumers know they can buy a national brand anywhere but they can only buy their favorite store brand at their favorite store.

Historically, store brands signified good value for consumers while national brands were usually seen as the premium item in a category. That is no longer true. Store brands have come to mean more than value. Many chains now offer a range of products that are not solely focused on value. They offer premium products just like the national brands. As they become more than just a place to buy products, stores are involved in finding and developing new items they can put their own name or brand on.

To produce those products for them, they turn to store brand manufacturers. When they do, they make it clear that high quality across the board – from ingredients to the supply chain, from the packaging and labeling to the final product itself -- is the number one requirement.

Store brand manufacturers who meet those high standards come in all sizes and many are listed on stock exchanges. There are thousands of companies in hundreds of categories that produce the products in partnership with retailers.

Manufacturers of store brand products fall into four general classifications:

- They are large national brand manufacturers that utilize their expertise and excess plant capacity to supply store brands.

- They are small, quality manufacturers that specialize in particular product lines and concentrate on producing store brands almost exclusively. Often these companies are owned by corporations that also produce national brands.

- They are major retailers and wholesalers that own their own manufacturing facilities and provide store brand products for themselves.

- And they are also regional brand manufacturers that produce private label products for specific markets.

Store Brands Meet All Standards and Requirements

These companies make certain that their products meet the same exacting standards and requirements as all the major national brands. Just like national brands, store brand products are tested and analyzed for quality and safety by independent companies before they reach the shelves.

Manufacturers also package and label the product to meet the store's specifications. Each store has its own unique identity and the packaging reflects that. Developing good packaging was the first frontier in making store brands more successful. One of the primary reasons store brands have grown is the recognition of the importance of functional and attractive packaging. This means not only how the package looks but also how it opens, closes, and sits on the store shelf, pantry or refrigerator.

While packaging is important as the first impression of a product, ingredients and quality remain paramount. With most consumers believing store brands are as good as or better than national brands the next step is to be more innovative. Innovative products can be found all over, from fresh-frozen products in supermarkets to over the counter medicines in drug stores to household cleaning products in discount stores. Another area of innovation is the development of multiple tiers of products targeted to different consumer segments. For the consumer, store brands represent choice and the opportunity to regularly purchase high quality food and non-food products at considerable savings compared to national brands. Because the store's name or symbol is on the package, the consumer is assured that the product is manufactured to the highest quality standards and specifications.

When it comes to food, retailers and their private label suppliers abide by the Nutrition Labeling and Education law that requires standard nutrition labeling and that content and health claims meet FDA regulations. Non-food items also conform to prevailing federal and industry standards and regulations.

To make a stronger impression with their customers, stores have become actively involved in developing more products they can call their own. They are available only at their store and carry the store's name or brand. At the same time, they also represent better value. And when it comes to the importance of value, it's not just about price it's also about what the shopper gets for her money.

By comparison, national brands operate on a different playing field, one that is far more costly. Their goal is to be in every store in the country. That means they spend huge sums of money on advertising, merchandising and promotion. Store brands are not cheaper they are just less expensive to market than national brands are. That's good news for consumers.

Store Brands: The Smarter Choice

Exactly how much do consumers save? Last year, American shoppers who reached for the store brand version of their favorite food and non-food grocery products rather than the national brand enjoyed an estimated $32 billion in annual savings. Ongoing research by PLMA consistently reveals that on a trip to a typical supermarket shoppers save about one-third on basic grocery and household items by choosing store brands over national brands.

The difference is the so-called marketing tax, which consists of advertising and promotional costs incurred by national brand makers that are then passed on to consumers in the form of higher prices. Big CPG companies spend more than $21 billion annually on advertising media. They earmark about 25 cents of every dollar to build brand equity. They do this to satisfy shareholders and Wall Street analysts who place a premium on the perceived value of their brands.

A store brand manufacturer does not have these costs. But it buys the same high quality ingredients and runs the same state of the art manufacturing line. There is not much else that isn't exactly what the national brand item has.

Habit and familiarity are reasons consumers have traditionally been drawn to national brands. But many of those formerly national brand-loyal consumers are now reaching instead for store brands. In the process they are building new habits and making new friends. With top quality, unique items and solid savings, store brands add up to a smarter choice for consumers.

UNIT II

BRAND STRATEGIES

Brand does not carry a definite and absolute definition but it is relative. Some observers would term products or services characteristics, which differentiate it from competitors as brand, where as some would consider standing of one's product or services in market as brand. In all these, value of product or service for what it stands and attributes which identifies them can be considered as brand.

Branding or Brand is considered important not only for companies but they carry equal importance for customers or consumers also. From consumer or customer point of view, brand becomes important for various reason let us explore some of them. Brand for a customer will indicate commitment towards quality from sellers there by reducing time spent in coming to a purchase decision. Brand for companies will indicate a sort of benchmark in quality as well as customer expectation, a point of differentiation from competitors and a steady stream of profit.

Normally we associate branding from point of view common mass; and products or service displayed in malls and supermarket. However there exists another market where branding is equally important and that is business to business market. This is referred as corporate branding, which is again a challenge as decision making process for purchase order is way different compare to individual. Here survival of organization as well as individual will be at stake. The key lies in developing a brand for corporation where in which other business can be confident of.

Modern globalized, technology driven world has thrown new challenges to branding. Customers/consumers have more access to information than ever before. Internet has become a strong tool through which product information proliferate raising expectation bar for companies. Companies have responded to this challenge by improvising in the way they run their marketing campaigns, by exploring new avenues to showcase their products. Like for example; sponsorship of events and teams or association with social cause.

In a given market innumerable products and services are offered by different companies. The identity developed for this product and services over a period of time, through marketing strategies, sturdy performance etc is referred to as brand. A stage is reached where brand become synonymous with product e.g. - coffee-Starbucks, donut-Dunkin Donuts, online retail-Ebay etc. This process is called strategic brand management.

STRATEGIC 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

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 it's brand equity.

3. <u>Measuring and Interpreting Brand Performance</u>

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.

<u>4. Growing and Sustaining Brand Equity:</u>

Maintaining and expanding on brand equity can be quite challenging. Brand equity management activities taken a broader and more diverse perspective of the brand's equity. Managing brand equity would mean managing brands within the context of multiple segments, multiple categories over time.

To grow and sustain brand equity needs various branding activities and application of specific tools such as:

- The Brand-Product Matrix
- The Brand Hierarchy
- The Brand Portfolio

A long term view also produces proactive strategies designed to maintain and enhance customer based brand equity over time, in the face of external changes in the marketing environment and internal changes in the firm's marketing goals and programs. Besides, in expanding a brand globally, manager need to build equity by relying on specific knowledge about the experience and behaviors of those market segments

<u>HOW TO BUILD A STRONG BRAND</u>

A key element of strategy planning should involve the development of your brand and how you would like to be perceived. When designing a brand strategy; this is the first question you should ask:

WHAT IS YOUR UNIQUE SELLING PROPOSITION?

Consider all aspects of the marketing mix and examine what makes your business unique and attractive to the consumer. If these factors lead to a competitive advantage then you have determined your Unique Selling Points, or USPs. These USPs are major contributory factor to what makes your business successful, so should form the central theme to your brand strategy. Most brands concentrate on several of the most powerful and easily communicated proposition benefits in order to create a clearly understood brand message.

BRAND VALUES:

USPs is why customers are currently buying your products and form the basis of your company 'brand values'. However, brand values should constantly evolve to suit changing market conditions and should also reflect your forward looking business strategy. Once these are established, it's important to ensure that your customer experience reflects these values in every aspect of your business. This means tailoring every element of the marketing mix to project your brand values - from the staff you use, the products you produce, the messages on your advertising, and even the way you handle complaints. Building a respected brand can take a lot of hard work and you'll need the commitment from your employees and stakeholders to make it happen.

Example brand values: Zurich

We demonstrate total customer dedication	Our starting point is the needs and expectations of our customers
We're pioneers	We innovate continuously and explore new options with creativity
We excel in all we do	We aim for the highest quality, particularly in activities with the greatest value potential
We encourage everyone to contribute	Every employee counts
We act with integrity	We test every proposed action to see whether it is proper and reflects standards we can be proud of

Remember, a brand exists in the mind of the consumer. It is the intangible sum of thoughts and feelings about a particular company, service or product. A company can steer how a brand is perceived by never has full control.

"A brand exists in the mind of the consumer"

A brand is be represented tangibly by branding, which allows the customer to easily identify a product using an identity which sometimes formalized in a corporate identity document. This can include the color scheme, logo, slogans, and typeface and can go into depth of how these all work together. Successful branding focuses on the company brand values which should be obvious from the promotional materials.

"Brands are powerful influencing tools"

Brands can be very powerful influencing tools, but only once they have been established – and it can take time to build up the necessary trust. When a customer has made up their mind it's often very hard to persuade them to think differently.

BENEFITS OF A STRONG BRAND

- It will add value to a company
- Requires less persuasion for consumers to use other products from the same brand
- Can ensure a lasting customer relationship due to trust
- It aids recognition in a cluttered marketplace
- Has the ability to command a premium
- Allows differentiation between very similar products, for example still mineral water
- Can attract merchandising contracts
- Leads to the perception of quality

There are two core elements to a strong brand – emotional value and practical value. Get these two rights and your brand will quickly grow. However, a brand can be damaged much quicker than it can grow - five things that will quickly damage your brand include:

- Untrustworthy behavior
- Concern about public safety or health
- Poor customer service (at any level)
- Obvious company financial difficulty
- Poor quality products

Brand Positioning

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 it's 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.

The right time to position brand:

The right time to position brands is seldom obvious. Brand consultants will eagerly advise about how to position your brand. The key to effective brand positioning is more about "when to "rather than "how to". Even if marketers know how, they don't think too much about when. Marketing organizations are so invested in heads down tactics many are risk averse and value predictable outcomes. Its little wonder many don't recognize the right time to make a shift in strategic direction until it's too late.

Living in an era of hyper change.

The distance from innovation to commodity is getting shorter each day. While one company is betting its future on its latest and greatest product introduction, another company is reinventing the future and making everything else in the category obsolete. The recent retooling and reintroduction of the Blackberry is a dramatic case in point. Poor RIM (a.k.a. BlackBerry) spending all that time, energy and capital only to produce a lesser version of the very product that is putting them under.

Sadly it's too late for more me-too innovation in an era where the speed of innovation is faster than any one company can keep up with. **Kodak**, **Blockbuster**, **Sears**, Newsweek and a host of other brands who were once the dominant forces of innovation in their category, have become mere shadows of their former glory. Stuck in their culture of success, these organizations institutionalized the original success into an impediment to change and adaptability, while more nimble competitors were changing the game all together.

Timing is everything – in fact it trumps aggregated knowledge and capability. When mental models within organizations become the status quo and remained fixed, it's nearly impossible to face any challenge that does not conform to the organization's current point of view. There was no way Blockbuster could anticipate the game changer known as Netflix. When Blockbuster did finally react, it was far too late. Blockbuster had lots of knowledge and capability – just no foresight.

The right time to position or reposition brands is seldom obvious.

If you're in an organization that holds to the adage "if it ain't broke don't fix it", then your brand is already doomed to the slush pile. In an age of disruptive product innovation and radical differentiation, what got you there, won't keep you there. Positioning (or for many organizations re-positioning) your brand is usually an activity done in response to a threat rather than pre-emptive strategy of staying one step ahead.

How you position your brand is less important than when you position your brand. Every brand has a cycle of development, growth and **decline**. Every brand lives in an ever changing and unforgiving marketplace. Brands live in a constant cycle of stable states to unstable states. Xerox was in a stable state of success and didn't see the imminent threat to its business as HP was innovating desktop printers. Apple was in an unstable state of chaos when it completely changed how we buy and listen to music.

Sometimes it's just not obvious to brand owners where they're at in the competitive life cycle of their brand. It is in the periods between stability and instability that brand positioning is most possible and necessary. But these in-between periods are subtle. There may not be an obvious threat looming that requires changing horses mid race. On the other hand, a competitor may have changed the game entirely over night.

Brand owners must be ever diligent in knowing where their brand fits within the natural competitive cycles. Having this heightened level of awareness enables brand management to exploit brand strengths and minimize weakness, exploit a competitor's weakness, leverage unstable states to reinvent the brand, or leverage stable states to block competitor's threats and remain vital to customers.

Once the shift is underway, the big problem of building a great brand is getting a complex organization to get behind a simple idea. Successful brands positioned with precision are based in obvious, simple ideas. Because we live in a world of perpetual change, it naturally breeds perpetual novelty. Novelty is more interesting than lasting relevance. Although the timing for shifting brand perceptions is less obvious, the best brand positioning ideas are always **obvious**.

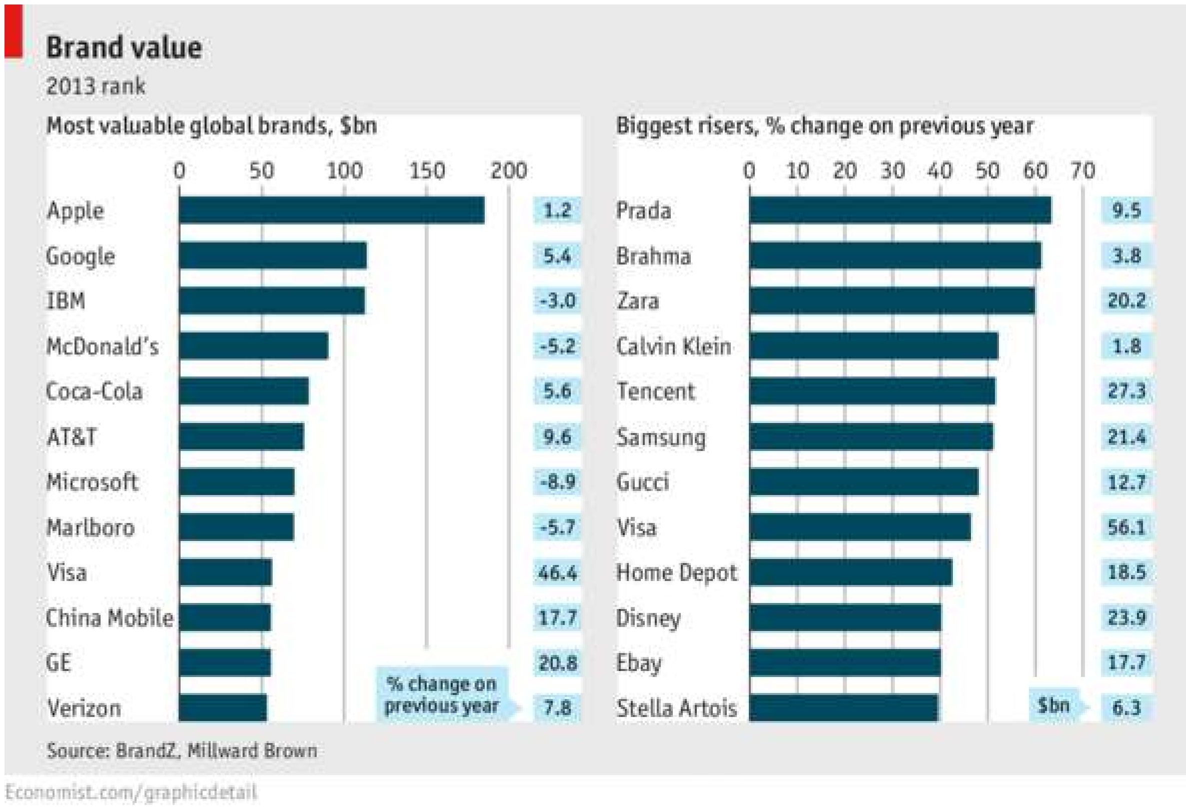
BRAND VALUES:

BRANDS are basically a promise. They tell consumers what quality to expect from a product and show off its personality. Firms invest a lot on the image of their brands to foster sales and loyalty. But measuring their value is hard. Millward Brown, a market-research company, is one of several that takes a stab at it. It has just published its annual ranking of the world's "most powerful" brands based on consumers' perceptions and the performance of the companies that own them.

The top 100 are collectively worth \$2.6 trillion, the firm reckons. Apple remains the world's most valuable brand, worth \$185 billion, at the head of a trio of technology companies. None has increased much in value, however, since 2012 perhaps because they have been refining their products rather than being startlingly innovative. Microsoft, which tried to be startling by launching a radical new operating system, has seen its brand value fall. Apple's big rival, Samsung, jumped 25 places, partly by out-innovating Apple and partly by boosting its advertising expenditure by \$1.6 billion.

Visa was one of the main brand sponsors for the 2012 Olympic games in London. But many of the big gainers profited from growth in emerging markets. That helps explain the jump in the value of beer brands like Brazil's Brahma, which is worth 61% more than last year. Tencent, an internet services portal, benefited from being innovative and Chinese. As sales slowed in Europe, Zara, a high-street fashion retailer launched online shopping for customers in China.

Luxury goods companies groom their brands even more carefully than most. Gucci, whose brand value increased by almost 50%, has invested in technology to support its online and mobile presence. The biggest riser this year, though, is Prada, whose brand value surged 63% as it boosted sales in both old markets and new. But even in Western Europe its most avid customers were Asian tourists.



10 Ways to Create Brand Value:

Consumers love brands because they offer an extra value—that is, one in addition to the core product or service. That value becomes the major motivation for consumers to buy or use the product.

From there, the concept of brand becomes foggy. First of all, what is this value exactly?

We know, for instance, of the ability of a brand to signal belonging to a certain group or status. But there are some who say brands are the objects of love (Saatchi & Saatchi CEO Kevin Roberts) or even religion (Young & Rubicam).

Furthermore, how precisely is this value being added and incorporated into the brand? Advertising professionals say it is advertising. Consumers love the ad—so they'll love the brand. Other marketing experts are suggesting that a consistent and total brand experience is the key.

So what's the secret to a successful brand?

Before I answer that question, let's review three common approaches to brand development used by many marketers—with help from their advertising agencies, consultants, branding companies and design firms.

Although widespread, those approaches are not well founded theoretically; and, in my view, they have not yet yielded truly strong brands. The three approaches are the "decoration" approach, the "gluing" approach, and the "Golem" approach (of Prague, London or New York).

The decoration approach sees differentiation as a matter of appearance. "We branded ourselves," say the practitioners, meaning that a special name, logo and look have been created in a seemingly sophisticated development process. "Since they look different from our competitors', consumers conceive of us as different."

This approach is naive. For more credibility, it is usually spliced with elements from the other two approaches.

The "gluing" approach attaches so-called brand values and other desirable associations to the name, the logo and the look from the previous approach. The rationale goes like this: the consumer sees the values she or he holds dear portrayed in our messages and immediately feels that this is a brand that suits him or her. Enthusiasts of the "emotional branding" approach claim that they attach emotions to the brand in virtually the same manner (e.g., stir or model these target emotions in advertising).

In the third approach, the "Golem" approach, marketers seek to create a human-like entity with personality (even charisma) that is capable of having a relationship with the consumers. These three approaches lead companies astray and cause them to miss the true potential that lies in brands. But there is another approach. I find it to be much more fruitful and far better substantiated by current psychological and sociological theory and research.

The basic logic for developing a brand with an added value is amazingly similar to the logic of product development. In both cases, we create for a consumer a tool or means to do something that he or she wants to do. It's important to understand what "wants to do" is. From my perspective, if the consumer wants to uplift/relax/excite/entertain, strengthen a self-image, fantasize about an alternate reality, or any other psychological usage—that is something he or she "wants to do." Consumers are purposeful when trying to achieve experiential, emotional, psychological, interpersonal and social goals/benefits, just as they are when trying to achieve more tangible goals. Brands with added value are usually means for consumers to achieve such goals. They are instrumental, although this is a psychological or a social instrumentality.

A brand without a convincing usage scenario is actually not a brand. It may appear to be a brand. It might have widely recognized name, logo, visual identity and advertising style, but consumers will not desire it because it is useless. All the rules of successful innovation in the field of products and services also apply to brands. The precondition for success is providing the consumer with something that he or she desires but cannot have today… because it is just too difficult, too complicated, uncomfortable, boring, and too expensive and so on. According to this approach, brands are not human-like and they do not have a life of their own outside the consumer's mind. They are instruments, simply means to achieve ends.

Emotions cannot be glued to them. They arouse emotions when they are perceived as a source of something beneficial. The positive emotions are direct outcomes of these anticipations. Their various symbolizations (name, logo, font, emblem and so on) have little impact on their own; their importance is mainly as identifiers of sources of already attributed and anticipated benefits. The act of branding has 10 different meanings, which translate into 10 different ways to create instrumentality or usefulness beyond the tangible benefits of a product/service:

1. Creating a Conceived Linkage to a Tangible Benefit

The most basic level of branding is creating a conceived linkage between the brand name and other identifiers and a tangible benefit (a result in the physical world or an experience). That benefit is provided by the product itself or any component of the marketing mix. Don't dismiss this basic tenet. Successful brands, like Pantene shampoo (which promises to amend the six symptoms of unhealthy hair), work at this level. The added value here is minimal, but important.

2. Forming a Mental Context

A "mental context" is a concept or an organizing principle that allows the consumer to connect unrelated facts (such as the various marketing activities of a company) by guiding intent or by some other common factor. In these cases, the main benefit of the brand to its customers originates in the mental context.

For example: should you stumble into a hotel like the "Hudson" or the "Royalton" in the heart of Manhattan, you are promised pleasure on different levels, but if you know you're in a "Boutique Hotel" your stay becomes a very different experience altogether. The Boutique Hotel is a concept that features differences between various hotels in the same chain—sometimes difference between rooms within the same hotel. This mental context drives you to a quest to find the differences.

3. Directing an Experience

This is essentially a hypnotic effect, in some cases related to placebo. The branding here is the creation of an expectation that allows an experience richer than what the product alone can offer. For instance, Red Bull will make the consumer feel a wave of energy beyond the physical effect of the drink.

4. Creating a Means of Self-Presentation

Here the branding creates a symbol with a meaning that is well known to everybody in a relevant group. It enables the consumer to characterize himself and is used by him for inner communication (to gather motivation for an effort or to strengthen self-image), for interpersonal communication (to create a certain impression) and for public communication (to signal status or affiliation). The Absolut vodka brand became a way for yuppies to signal their yuppie-ness to other yuppies (when the yuppie group was developing).

5. Creating a Means to Deliver a Message

The branding role in this approach is to create a symbol of another kind, its meaning widely known as well. That kind of symbol enables the consumer to make a very specific statement and/or express a very specific emotion. The diamond giant De Beers made the diamond a means of expressing commitment, making the physical fact that a diamond is indestructible a metaphor for the relationship. In September 2003, De Beers started creating a new means to deliver a message, this time targeted at women: the right-hand Ring as a symbol of independence (as apposed to the ring on the left hand, which is often a symbol of commitment).

6. Building a Social/Cultural Authority

The next branding approach is the creation of an authority that the consumers can use as a guide. That guide helps them to understand what's happening around them and informs them which behavioral ways are normative, what will make them happier and so on. Apple proclaimed itself to be such an authority when it offered the personal computer not only as a working tool but also as a device for self-expression and creativity. The brand started a cultural trend of giving a wide variety of means for ordinary people to express their creativity.

7. Creating 'a Long Hand'

The branding creates means for the consumer and empowering him or her to act for noble objectives and high purposes that she can't achieve by herself. The Body Shop made buying a way for contributing to the preservation of the environment and helping people in need all around the globe.

8. Creating an Alter Ego

The brand is a way for the consumer to behave (at least on a fantasy level) in a manner he would like to but doesn't dare, or isn't willing to pay the price for. The provocation of the fashion brand Diesel is made as if "in the name of" the brand customers. They can feel as if they are provocative themselves every time the brand launches one of its outrageous advertising campaigns.

9. Building an Emotional Gym

Opting for our civilized and protected lifestyle, we compromise a lot of our possibilities as humans. We go to the gym to prevent the degeneration of our bodies, which because of our lifestyles don't get to face the challenges they are otherwise capable of confronting. Similarly, we watch movies to exercise emotional skills that aren't legitimate or acceptable in our lifestyles. Brands, like Sicily from Dolce & Gabbana, allow us too to experience such emotional possibilities.

10. Facilitating Fantasies

Similar to the previous one, this branding approach helps the consumer to fantasize an alternative reality. Consumers fantasize about irresistible sex appeal, omnipotence and dominance, importance, success, fatal love, murder and so on. The brand Timberland was designed as a way for consumers to fantasize about courageous adventures against the forces of nature.

BRAND VISION:

Entrepreneurs dream in visions. Visions of making it work. Visions of victory and vindication. We are proposing a new way of thinking about vision. A vision not linked to a founder, not subject to the foibles of a human being. This vision is connected to the brand.

Brand Vision is not about simply winning in business, it’s about changing the world. It is the essential dream that inspires people inside the company to keep striving even when the financial rewards are taken away (i.e., the stock goes down), the product’s a failure (beta tests take twice as long as estimated); and the culture goes to pot (a favorite soda is no longer automatically stocked in the fridge). Brand Vision survives even the loss of a beloved founder. With companies just starting up, Brand Vision is the difference between success and failure.

Brand Vision is what is whispered in the hallways of companies that are bound for greatness, the dream that only people inside the company believe is possible. Have you ever heard people in a start-up talk about having "drunk the kool-aid" (at Maxager Technology)? Or being "members of the cult" (at Inktomi)? “Or bleeding "purple" (at

Federal Express) or "yellow" (at Caterpillar)? Brand Vision is religion: it can't be described in a simple phrase, and yet simple phrases are essential to communicating and reinforcing that vision among its disciples.

Start-ups that have become wildly successful began with a Brand Vision that inspired this cult-like dedication – and expanded on that vision as the company matured. Cisco Systems had a vision from the very start: to allow all the computers in the world to talk to each other. The idea came from two IT people at Stanford University, Leonard Bosack and Sandra Lerner. They were trying to connect the departments they worked in by computer – enabling different computers to communicate with each other.

By the time they left Stanford to start a business, their vision was in place: to connect every government, educational, organizational and business computer in the world. It was a truly noble, egalitarian ideal, that no computer could claim to be inaccessible because of its power or advanced technology, that no person couldn't talk to another just because their computer was little or cheap. It started as a vision of its two founders - but it was shaped by the Cisco brand itself. All the richness of a Brand Vision grew spontaneously from the entire web. Tribal mysteries began almost from the start, as engineers began conversations over ARPANET (early Internet) that turned into sales. It was a vision powerful enough to support the company through trials and tribulations of rapid growth: the constant battling between Cisco's founders and John Morgridge, the professional CEO its venture capitalist hired; the stock price tanking (yes, even Cisco's has had its falls); the rancor caused by a shift in focus from technology and engineering to business.

The Cisco Brand Vision had emerged into the mainstream as the Internet came to be a mass communications forum. Eventually, Cisco's original Brand Vision was absorbed by the culture and fed back in the New Yorker cartoon "On the Internet, no one knows you're a dog." Cisco's Brand Vision had been achieved. But once the dream becomes reality, once you've achieved the vision, the brand is fully realized, and you need to expand the vision or lose the troops to complacency.

Cisco has extended its Brand Vision: to connect all people everywhere, regardless of how they're communicating. That means connecting not just data, but voice and video too. It's a Brand Vision as grand as the original, and, given the powerful competitors in voice and video, almost as seemingly far-fetched. The human spirit loves a challenge – especially if it is directed at an attainable ideal. Brand Vision provides the focus that ensures a stable, cohesive foundation through the hurricanes of growth.

BRAND ELEMENTS:

Brands typically are made up of various elements, such as:

- Name: The word or words used to identify a company, product, service, or concept.
- Logo: The visual trademark that identifies the brand.

- Tagline or Catchphrase: "The Quicker Picker Upper" is associated with Bounty paper towels. "Can you hear me now" is an important part of the Verizon brand.
- Graphics: The dynamic ribbon is a trademarked part of Coca-Cola's brand.
- Shapes: The distinctive shapes of the Coca-Cola bottle and of the Volkswagen Beetle are trademarked elements of those brands.
- Colors: Owens-Corning is the only brand of fiberglass insulation that can be pink.
- Sounds: A unique tune or set of notes can denote a brand. NBC's chimes are a famous example.
- Scents: The rose-jasmine-musk scent of Chanel No. 5 is trademarked.
- Tastes: Kentucky Fried Chicken has trademarked its special recipe of eleven herbs and spices for fried chicken.
- Movements: Lamborghini has trademarked the upward motion of its car doors.
- Customer relationship management

5 Essential Brand Elements You Want to Get Right

Although brands themselves vary greatly from one to the next, all of them have the same essential elements at their core. If these brand elements aren't well done, they can poison the well for any businesses associated with them. However, when these elements are well-executed, they can serve as the perfect launching pad for an incredibly successful brand and online business.

Here are five essential brand elements (and how to get them right):

1. Brand name

Whether it's dropped in conversation or read on a page, your brand name is going to be everywhere. So be very cognizant of how your brand name sounds when said out loud and how it looks on the page; even a single letter can make all the difference. For example, the prefix *info*- typically signals something involving information. But what if you decided you didn't like the *o* and changed that prefix to *inf*-? Then you end up with brand name that may remind people of words like *infamy*, *infest* and *inferno*.

Furthermore, if you're considering expanding internationally, try to translate your brand name and make sure there aren't any unfortunate translations. Did you know, for instance, that *Gerber* means *to vomit* in French slang? Yikes.

2. Logo

People naturally react more quickly to images than text, so it's essential that your logo visually expresses your brand's message. Keep in mind that any image you choose is already saturated with meanings and associations, even if you try to be as unique as possible. This doesn't mean, however, that you should completely forego common images and create something completely new. Instead, use the associations that already come with images to your advantage.

3. Voice/Tone

Although it's much less visual than the previous two elements, the style in which your brand communicates with its customers is integral to its success. Unlike your brand name and logo, this aspect is difficult to get glaringly wrong (unless you throw all common sense and courtesy to the wind). On the flipside, it's very difficult to get just right.

The key here is look to two things:

- Your target audience and how you want them to feel. Pull inspiration from the way your target market communicates on the web and what kind of content they're drawn to.

- Then think of what your goal is, whether it's to flatter them, inform them, and so on, and temper your message from there.

4. Uniqueness

With the online marketplace as large as it is, differentiation is key. Your brand needs showcase what makes it stand out from the competition. Whether that means a more specific product line, friendlier customer service or your support of a social cause, making sure your brand stands out is a necessity. Take Hillbilly Stills, a home-distilling equipment company, for example. From their name and brand voice alone, it's readily apparent this business is targeting a particular market. Furthermore, they offer a very specific kind of product, and have many variations on it.

5. Cohesion

Every single branding element, including your logo, slogan and tone must work together to achieve your overall brand message. Otherwise, you're not building and strengthening your brand, but muddling it and making it less memorable. It's worth noting that a cohesive brand doesn't necessarily mean a brand that's so single-mindedly focused on consistency that it's exactly the same at all times. Instead, a cohesive brand is versatile and can adapt to different platforms and audiences while still maintaining its identity.

To keep your communication cohesive, try putting together a style guide that takes into account different scenarios, like educating customers versus exciting them, and platforms, like a blog post versus a holiday card. With a strong brand, your business can be sure to stand out in today's ever-changing and ever-growing online marketplace. And in case you don't get all the elements right the first time, don't worry. Brands have been known to evolve, and online businesses are well-suited to keep up.

Branding for Global Markets

A new generation of global brands is emerging. Globalization used to mean identikit high streets, May Day protests and a Starbucks on every corner. But with an international business suggesting strength and stability in the fragile economic markets, global brands are no longer being seen as dominating bogeymen.

In April, Forrester Research's Steve Noble called for companies to "create an adaptive global organization" to deal with post-recession pressures. It seems that being global is back on the boardroom agenda. Coca-Cola seems to be taking note, scrapping its local UK marketing director position in May, in favour of a more regional strategy. Kraft has been quick to follow suit. While it will leave a UK marketer position, it has also said it will lead its strategy more centrally from Europe.

For brands seeking to join the new set of global brands, there are five strategies that companies need to take into account. These involve creating a strong and consistent brand culture, borderless marketing, internal hubs, a new "glocal" structure and co-creating with consumers. Marketing Week sets out these five strategies that can help companies embrace the new business of globalization.

1 Build a strong, consistent brand culture

In the past, a rigid corporate structure was an important element of the global brand. Local markets were in charge of developing their own brand strategies. However, in recent years building a consistent and strong brand culture that remains familiar to consumers wherever it is in the world has become a priority. Tony Effik, chief strategy officer at Publicis Modem, explains: "A brand needs a single view of the world, a single philosophy."

The rise of digital channels has shifted the brand emphasis from structure to culture, believes Neil Taylor, creative director at language consultancy The Writer. He notes: "Social media and viral marketing stop brands doing what they used to do, which was to manage brands in a command-and-control sort of way. "It becomes more important that your brand reflects your culture, rather than your guidelines. The brands that have done it well are those that have a strong culture of their own," says Taylor. A Small World is an example of a business that has created a brand which is consistent around the globe (see case study below).

Language is an important element in ensuring a consistent brand culture, he adds, citing Innocent Drinks as a good example of a company that has successfully retained a distinctive tone of voice across markets. “You read Innocent Drinks in French and it feels just as playful and cute as Innocent in English. It’s the same personality.” Now anyone can see the company’s Face book page or videos on YouTube… It’s forcing brands to question: how do we get a single content story that works across all of those markets

Tony Effik, Publicis Modem

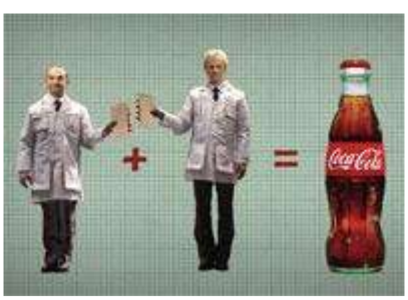
Compromising your brand culture in a world which is becoming increasingly borderless can have damaging consequences – a fact that Google discovered when it launched a self-censored search engine in China in 2006. Its previous search engine in China was subject to government blocks because of the country’s new media policy restricting internet access. Google’s mission is to make the world’s information universally accessible and useful. But how does a brand with values like Google set up something in China that sticks to those values?

Taylor says: “If you’re operating in China, the Chinese government doesn’t want you to make information universally accessible and useful and it [Google] has naturally ended up compromising.” The consumer backlash against Google in other markets was significant. “Not surprisingly, customers around the world went: ‘well hold on, we thought you were about this, how can you possibly run that business over there?’ News will travel and start to damage your brand even in your home market.” Since late March 2010, Google has resorted to redirecting search requests from mainland China to Hong Kong, which doesn’t have the same restrictions. He suggests that if your culture really is about making information universally accessible then maybe this is something Google shouldn’t compromise on.

2 Be borderless in your marketing

With the abundance of digital platforms, it is no longer possible for brands to follow different brand strategies in different countries. Companies are being forced to adopt a more unified marketing approach.

Marketers need to rethink the term “glocal”, explains Publicis Modem’s Tony Effik. Theodore Levitt’s “think global, act local” slogan doesn’t work in a digital age in the same way, he argues. “The way we do global campaigns had to change because digital doesn’t respect borders, particularly now with social media. What we’re finding is that as content moves across borders, brand stories are crossing over internationally.”



Open territory: Coke's Open Happiness campaign has relevance in every country .Brands that don't adopt a borderless approach risk becoming marginalized, warns Stephen Woodford, chairman and CEO at DDB UK. "People are much less aware of international boundaries than before. Digital channels are borderless media and therefore brands that operate across such media feel more pervasive and part of the world. If you look at brands like Nike, Adidas, Coca-Cola and McDonald's, they are everywhere and have local strength and identity, but also consistency across markets."Having a single identity is important to the success of Santander on a global level, explains Keith Moor, brand director at Santander (see Viewpoint above). The bank's UK acquisitions – Abbey and Bradford & Bingley – have been rebranded so that the Santander brand has a presence across Britain as well as its domestic Spanish market.

"We wanted the Santander brand to be very well known, to have a single identity globally, so that we can capitalise on other markets and global sponsorships like F1," explains Moor. The recent Nike football advert, timed to coincide with the World Cup, is a good example of borderless marketing, thinks DDB's Woodford. The ad has taken footballers from around the world and weaved them into one story. "It's just great stars from around the world, all united by one thing. It's a great example of not a multinational brand, but a transnational brand. It doesn't have any boundaries; it's truly global."

This process is especially difficult for FMCG brands notes Publicis Modem's Effik. In the past, a brand could have one target audience in one country and a different positioning in another. "Now anyone can see the company's Facebook page or its Twitter stream or videos on YouTube, as things start to pass from border to border. It's forcing brands to question: how do we see our market? How do we get a single content story that works across all of those markets?" If we talk about a new way of operating or a new global brand, it will be a brand that is asking for opinion that listens to consumers and asks for co-creation

Anna Valle, Durex

With this increased interconnectivity, markets that were previously seen as second or third tier must now be treated in the same way as top tier ones, he explains. "You had a global brand operating in Uganda and you never really paid much attention to them because they didn't really matter in the grand scheme of things.

"Somewhere like Uganda really does matters now because a bad interpretation of the brand or a human rights issue affects what you do in London, New York and Tokyo. Now every market is a tier one because tier three markets can come around and bite you on the bottom." The marketing focus for global brands has moved away from division to cohesion, thinks Richard Huntington, Saatchi & Saatchi director of strategy. Instead of looking for what divides consumers up, brands should be looking at what unites them.

He says: "Marketing traditionally has been focused on differences and segmentations between markets and consumers. If brands start caring about the things that real people care about then those differences seem to disappear."

3 Build yourself an internal hub

The need for a unified marketing team is more important than ever. Involving marketers from across the global brand in the overall marketing strategy will engender overall cohesion, says Kip Knight, president of Knight Vision Marketing, who has set up marketing academies for global heavyweights such as PepsiCo and eBay while working at those companies.

He says: “It doesn’t work to simply hand somebody a strategy and say, ‘well good luck with that’. They have to feel like they’ve had a chance to vet it, to debate it, ideally in person, with others that are equally responsible for the brand. Ultimately, they’ve got to feel like they own it. It’s not my strategy; it’s our strategy.” By taking this approach, marketers are much more likely to focus on the same goals for the brand, as opposed to feeling like they’ve got to go and create their own version of this brand in the market, he adds.

Strong proposition: Durex is encouraging consumers to help spread the marketing message.International condom manufacturer Durex has recently built a global brand centre so that marketers within the company can maintain a global perspective wherever they are based.

This global hub is helping its marketers become brand evangelists so they can all talk about the company in the same way, says Anna Valle, head of global marketing at Durex. “The same way that we’re building communities with consumers, we’re now building our internal community, a website where we will have blogs; there will be a space for markets to put their best practice. It will help us to share the global vision, to engage and be more consistent. It will also help us in terms of speed to market. I’m seeing what everyone is doing, so I can pick it up and move faster. It’s all about alignment and building the brand together.”

Santander’s Moor is also an advocate of bringing the global team closer. “Twice a year everybody from every market comes together. We share best practice, knowledge and information.” This approach means that every marketer from Spain to South America is thinking about the brand in a unified way.

4 Adopt a “glocal” structure

Two major global brands have recently challenged the local marketing structure that had become the norm. Instead they are adopting a more regional structure in a bid to become more unified. Coke has scrapped its GB marketing director and simplified its operations in Europe by reducing the number of business units it has from ten to four.

Similarly, Kraft has decided that while a GB marketing director position will exist, marketing will be led centrally from Europe.

A spokesperson for Coca-Cola explains: “The restructuring of marketing is simply part of this wider process. The changes will enable us to innovate more quickly and accelerate the increased coordination in our marketing already taking place in Europe and globally.” The ability to be both global and local is paramount for successful international campaigns, explains Wendy Clark, senior vice-president integrated marketing communications and capabilities at Coca-Cola. “Coca-Cola has a legacy of leveraging global scale and local relevance. And we know how important it is to balance both.”

The FIFA World Cup Campaign, and Coke’s global Open Happiness campaign are examples of how its marketing works on a global scale. They are created so that they work across all territories, she adds. There are two conflicting models for global brands, says Effik. One is almost exclusively centrally led, where there’s a single global brand. “Technology company HP works like that. It’s the same HP wherever you are in the world, although you might have different content running locally.” The other is that local markets can do what they want so they remain adaptable and flexible. “That’s the model that’s being most challenged at the moment.”

Knight cautions, however, that control must be exercised over local adaptations if the brand is to remain strong. “There is a tendency that the further away in terms of both distance and time you are from a place, the more someone is going to feel like they have the freedom to change the brand to whatever they need. You can’t allow that to happen because it weakens the brand for everybody.”

Effik describes the optimum. “Create a strong global hub, which is about managing and initiating projects, where you can share resources, create central segmentation models, but also help coordinate local markets.” He says brands should operate like the EU: “You’ve got to leave a bit of room for devolution.”

5 Make consumers your co-creators

Durex’s Valle thinks that social media has helped to create the perfect environment for interactions. “It’s all about consumers advising each other, talking to each other, as well as talking to the brand. It all happens on a global scale and it all happens at the same time.”Consumers are creating viral and content for Durex, which then becomes widely available across the internet. “We can’t have the illusion that because we are the manufacturers or the industry that we have control because that isn’t the case anymore. What makes the difference is the degree of partnership. If we talk about a new way of operating or a new global brand, it will be a brand that is asking for opinion that listens to consumers and asks for co-creation.”

Coke’s Clark agrees that making space for consumers is now a must. “At Coca-Cola, we’re changing with our consumers. We’re moving from polishing our content to perfection to leaving room for our consumers to add their voice.”Maybe the answer is to make the brand as accessible as possible and wait for consumers to come to you, says Saatchi & Saatchi's Huntington. "Rather than companies saying, 'let's open up shop in the Netherlands', maybe global brands will become more organic because the tools exist for customers to draw brands to themselves."

Competing with foreign brands

Most issues in competitive strategy that apply to domestic companies apply also to companies that compete internationally. But there are four strategic issues unique to competing across national boundaries:

1. Whether to customize the company's offerings in each different country market to match the tastes and preferences of local buyers or offer a mostly standardized product worldwide.
2. Whether to employ essentially the same basic competitive strategy in all countries or modify the strategy country by country to fit the specific market conditions and competitive circumstances it encounters.
3. Where to locate the company's production facilities, distribution centers, and customer service operations so as to realize the greatest locational advantages.
4. How to efficiently transfer the company's resource strengths and capabilities from one country to another in an effort to secure competitive advantage.

Strategy options for competing in world markets include maintaining a national (one-country) production base and exporting goods to foreign markets, licensing foreign firms to use the company's technology or produce and distribute the company's products, employing a franchising strategy, using strategic alliances or other collaborative partnerships to enter a foreign market or strengthen a firm's competitiveness in world markets, following a multi-country strategy, or follow a global strategy.

Strategic alliances with foreign partners have appeal from several angles: gaining wider access to attractive country markets, allowing capture of economies of scale in production and/or marketing, filling gaps in technical expertise and/or knowledge of local markets, saving on costs by sharing distribution facilities and dealer networks, helping gain agreement on important technical standards, and helping combat the impact of alliances that rivals have formed.

Multi-country competition refers to situations where competition in one national market is largely independent of competition in another national market—there is no "international market," just a collection of self-contained country (or maybe regional) markets. Global competition exists when competitive conditions across national markets are linked strongly enough to form a true world market and when leading competitors compete head-to-head in many different countries.

Once a company has chosen to establish international operations, it has three basic options: (1) a think-local, act-local approach to crafting a strategy; (2) a think-global, act-global approach to crafting a strategy; and (3) a combination think-global, act-local approach. A *think-local, act-local* strategy is appropriate for industries where multi-country competition dominates; a localized approach to strategy making calls for a company to vary its product offering and competitive approach from country to country in order to accommodate differing buyer preferences and market conditions. A *think-global, act-global* approach works best in markets that are globally competitive or beginning to globalize; global strategies involve employing the same basic competitive approach (low-cost, differentiation, best-cost, focused) in all country markets and marketing essentially the same products under the same brand names in all countries where the company operates. A *think-global, act-local* approach can be used when it is feasible for a company to employ essentially the same basic competitive strategy in all markets but still customize its product offering and some aspect of its operations to fit local market circumstances.

There are three ways in which a firm can gain competitive advantage (or offset domestic disadvantages) in global markets. One way involves locating various value chain activities among nations in a manner that lowers costs or achieves greater product differentiation. A second way involves efficient and effective transfer of competitively valuable competencies and capabilities from its domestic markets to foreign markets. A third way draws on a multinational or global competitor's ability to deepen or broaden its resource strengths and capabilities and to coordinate its dispersed activities in ways that a domestic-only competitor cannot.

Companies racing for global leadership have to consider competing in emerging markets like China, India, Brazil, Indonesia, and Mexico—countries where the business risks are considerable but the opportunities for growth are huge. To succeed in these markets, companies often have to (1) compete on the basis of low price, (2) be prepared to modify aspects of the company's business model or strategy to accommodate local circumstances (but not so much that the company loses the advantage of global scale and global branding), and/or (3) try to change the local market to better match the way the company does business elsewhere. Profitability is unlikely to come quickly or easily in emerging markets, typically because of the investments needed to alter buying habits and tastes and/or the need for infrastructure upgrades. And there may be times when a company should simply stay away from certain emerging markets until conditions for entry are better suited to its business model and strategy.

Local companies in emerging country markets can seek to compete against multinational companies by (1) developing business models that exploit shortcomings in local distribution networks or infrastructure, (2) utilizing understanding of local customer needs and preferences to create customized products or services, (3) taking advantage of low-cost labor and other competitively important qualities of the local workforce, (4) using economies of scope and scale to better defend against expansion-minded multinationals, or (5) transferring company expertise to cross-border markets and taking initiatives to compete on a global level themselves.

UNIT III

BRAND COMMUNICATIONS

We usually associate the term 'brand' with a product that has a unique, consistent and well-recognized character eg Coca-Cola, MG, Weetabix. These brands conjure up images in the minds of consumers. Large organizations work hard to raise the power and status of their brands and guard them carefully against unlicensed use or unfair imitation.
A brand usually carries a logo or trade mark by which it is recognized. Many shoppers can easily identify a Heinz can or a Kellogg's packet, for example, and it is the brand which is drawing them towards the product. Developing a corporate brand is important because a positive brand image will give consumers, and other interested stakeholders, confidence about the full range of products and activities associated with a particular company.

Product range

The product range and service package associated with a company must fit with the corporate brand. This fit will come through product quality and performance, as well as in the consistency of advertising and packaging, and in customer service. Company image is not confined to product branding. All of the organization's activities need to be carried out and presented in a consistent and desirable way. This will help to create a strong positive image of the company.

'Image' is an amalgam of an individual's personal experience of a company or product, plus whatever he or she has read or heard from other sources. Advertising can help create or re-shape an image, but personal experience and the comments of other users represent the reality behind the image and, as such, are even more powerful. Organizations therefore need to work very hard to create brand identities which are not only visible in terms of products, logos, company uniforms etc, but which are also built into practical actions of the company and its workforce eg how the company handles and responds to complaints and to crises.

10 ways to improve your brand image

Before we start it's very important that you realize one thing: You have to be brutally honest with yourself. Or rather, with your brand. You will probably read through these 10 points and think: "Yes, I'm actually doing all those things so I should be fine." In fact, most of our new clients that we speak to think the same. Until we ask them to apply their reasoning honestly and all of a sudden the cracks start to appear. In order to get the most of these tips we always suggest that you look at your brand or business from an outside perspective. Pretend you are a potential customer and you're looking for a particular product or service that your company happens to offer. The big question is: Compared to your competitors, would you buy from you or from them?

We'd also suggest that you take on a professional agency to help you with your brand image. You'll have to spend the money but if the design agency or brand consultancy you choose is only half decent at what they do you'll have spent your money very wisely.

Also keep in mind that if it's done properly you'll only have to spend your money once and should be set up for a long time and it will make future rebrands a lot easier and cost-effective.

1. First impressions are paramount

An age-old statement, we know, but it's so true. Without trying to bore you, scientific evidence can even back this statement up. For example, in a particular experiment people were shown a number of websites for just a split second and based on what they saw in that very limited amount of time were asked to note down which sites they would like to explore further. The number of 'good looking' sites that came out on top was overwhelming.

Next they were given the opportunity to spend a whole 10 minutes looking at each website again and were asked to make a choice as to which company they would most likely end up working with. Interestingly, most of them went with their initial split second choice, even when the information, services or products being offered were not as good as the other 'less-good-looking' websites. This is called the Halo effect. Simply speaking, human nature dictates that people don't like being wrong and will often substantiate their first decision or impression by focusing on the positives and even overriding or blocking out any negative points

Now, this is all a bit technical so the way we tend to explain this point to our clients is that you wouldn't wear a pair of flowery shorts to an important business meeting would you? So why would you allow your brand to do that? Just because you or your company are extremely good (or even the best) at what you do doesn't necessarily mean that potential customers can see that by looking at you.

2. What emotions are you selling?

It is however very important to differentiate between a brand that just **looks very good or striking** and **a brand that looks like it can deliver what it promises**. And it's the latter that you should really focus on.

In short, your brand image should be based on **what your customer expects or wants to see** and not necessarily what you would like to see. Just because you personally really like the colour green doesn't mean it works for your type of business. Your brand should not convey your own personal feelings or likes but should speak to your market in a way that they like to be spoken to.

It's also very important that you think beyond the actual services / products you're offering and **think about the emotion your clients are buying in to**. For example, if you're in the construction business your customers aren't just buying a building from you, they're buying reliability, solidity and strength. Similarly, if you're running a medical centre your clients aren't just looking for a medical professional but are looking for ease of mind, care, trust and cleanliness. This may sound pretty obvious but we come across a surprisingly large number of clients who have not applied this kind of thinking to their company's image.

Once you have defined your brand's 'emotions' you can look at ways to portray these. Think about fonts (which ones look clean, strong or professional). Or which colours would best correspond with a certain feeling? What kind of logo shape appears to make you feel a certain way? All these little things together will create a highly successful brand image for you.

3. Big yourself up

Always aim to make your company **appear** bigger than you really are. Customers are generally attracted to companies that look like they've been in business for years, have gained extensive knowledge in their particular field and look like they have a solid workforce or infrastructure in place.

You may own a company which only employs 5 people. And these 5 people may be the absolute best at what they do and may even provide a much better service than your competitor who employs 25 staff. But when a customer has to make a choice between your 5-man company or your 25 strong competitor, chances are they won't come knocking on your door. Why? Because compared to them you don't look big enough to handle a job.

The idea here is that you don't actually have to lie but simply create a smoke and mirrors effect in order to make the customer feel that they're dealing with a larger company and make them trust you before they've even spoken to you. Think about using certain types on your website and brochures or add strategic partners to your website.

4. Brand values

Creating a predefined set of values is extremely important in getting your brand to work across the entire business spectrum. It informs both your clients as well as your staff of the way things are done in the business and creates a uniform platform from which everyone in the business can do their job. Decide which values apply first and foremost to your business. i.e. professionalism, integrity, easy going, friendly, high standards, pride, etc. and then work them into three or four separate sentences. These should instantly be able to convey to your clients how you operate and what they can expect from a working relationship.

5. A strap line:

Encapsulating your entire business offering into a single, short line can be quite a difficult process and may take some time but once you've cracked it it'll do absolute wonders for the brand. Cheesy as some of them may are, we could rattle off 10 different strap lines of big brands and guaranteed you'll know who they are instantly. So not only is it one of the quickest ways to inform customers about what you do or what you stand for but more importantly it will make them remember the brand.

When devising a strap line you'll have to try and think creatively and again try to focus not on the actual service you're offering but more on the result of this service as that's what your customer is really buying off you. I.e. If you sell top of the range lawn-mowers, you actual sell beautifully cut lawns. If you're an accountant you're providing financial freedom. If you own a gym you're offering physical wellbeing, if you sell stationery you sell 'the little things that keep a business running'. Etc.

6. The message

What are you actually trying to say to potential customers? This is the first, but probably the most important, of many sales hurdles you have to overcome in order to get a client to buy into your business or services. If you don't reel them in at this point you're very unlikely to get any further so you must get this right.

Keep your main sales messaging as short and concise as possible and try to avoid any technical terms or specific industry terminology that ordinary people won't understand. Remember, once they're interested they can always find out more about the intricate details of your service offering. Also think again about the emotions you're selling (point 2) and your brand values and try to work these into your message.

7. Benefits

Always aim to highlight the benefits that your products/services can offer clients and put them on the forefront of any marketing materials. Ultimately this is what they're most interested in. How will spending money with you benefit my business? THIS IS ALL THEY ARE INTERESTED IN. What do you do, who have you done it for before and what was the impact. If you do anything DO THIS. It is vital to attracting new business.

If you get it right it will also dis-empower your competition, create the buying criteria and show potential clients why they should use YOU above all others. This will mean that getting involved in a cost war shouldn't occur as you have set out why they should use you and therefore why they should pay your prices. This part of the process should take time and make you work hard but when you come out the other end you should have more reasons than 'We are nice people'.

8. Continuity

It's vital that customers have the same brand experience regardless of at what point they deal with your company, especially in a business to business environment. This ensures a consistent and reliable business experience meaning customers will always know what to expect from your business. You are creating an important trust between you and your clients and will ultimately make them feel comfortable enough to recommend you to other businesses without the potential fear of putting themselves in a bad light by referring them to an unreliable supplier. Lose this trust and you have a problem.

Keep in mind though that brand continuity goes far beyond the look of your website or other sales materials. Think about the way your staff dress or answer the phone, the manner in which your business sends out or chases up on invoices, the place in which you receive clients or have your meetings or the way in which you keep your clients updated with new developments in your industry.

9. Grow with the business

The time will (hopefully) come where your business grows to a size where your brand image no longer accurately reflects how much your business has grown or expanded. At this point it's worth looking at re-branding.

Don't misunderstand us, we don't mean starting from scratch again (it's taken you long enough to create a recognizable brand that people can trust) but look for example at updating your logo, website, stationery and sales materials to make them more contemporary and fit in line with your current developments. Sometimes this simply means changing the images on your website or updating your company fonts a touch. Or it could be that your company colours just need to be brightened up a bit.

10. Don't stray!

One of the most frustrating and biggest problems we come across is when clients have spent a large amount of time, effort and money on branding or rebranding their business and five or six months down the line have started using different fonts here and there, putting their logo in a different place or have introduced new imagery or colours that do not remotely comply with their own brand guidelines. In effect, they've wasted a huge amount of effort and more importantly money on creating a specific brand image only to then change it when they see fit. This defeats the whole exercise.

It may appear that setting up corporate/brand guidelines is a rigid structure but in all honesty it needs to be if you want to get the most out of it. Having worked in the advertising industry for a number of years we have worked to such specific guidelines for some of the bigger companies. We can't name any of these companies as such information is kept confidential but one of the larger software companies has a 400 page document in place for this!

All about the brand loyalty programmes:

What's the easiest way to ensure your best customers come back to you over and over again? Make them part of a loyalty programme. The concept is simple really: being a member earns them loyalty points and the more loyalty points they earn, the more rewards they unlock. The rewards could be in the form of giving them special benefits (no-queue payment/priority delivery, free parking), giving them first dibs, and most exciting of all, offering a range of freebies and special discounts.

So, why is it that only 25-30 per cent of shoppers in India actually opt for a loyalty programme and even among those that do only about 15 per cent actively use them (source: industry estimates)? "The whole process is complicated -- right from filling up the forms to redeeming your points against rewards," says a retail consultant based in Delhi. "Above all, as a shopper, do you really want to carry 12 separate cards every time you go shopping?

"We are also using primitive technology to collate data and not really looking at consumer convenience as a priority area," adds the consultant. This is not to say that loyalty programmes are unadvisable or useless.Not at all, as many of the experts that *The*

Strategist spoke to said.

Those in the business will tell you that a right kind of loyalty programme can help on several fronts -- in building customer loyalty, increasing brand value, allowing companies to understand the purchasing behaviour of consumers and thereby contributing to the financial health of the brand in a significant manner.Caroline Papadatos, senior vice-president, LoyaltyOne, says, "Loyalty programmes are an effective device for identifying the best customers and moving them through the stages of customer engagement by giving them rewards, recognition and relevant communications."That's the crux really -- relevance.If the idea behind a loyalty programme is to encourage the continued patronage of customers, it has to be designed with the consumer at the centre.So, the starting point has to be simplicity and transparency.

The first task of the brand is to set down the rewards and the way to earn them clearly, no strings attached, and the next step is to make the process of getting those rewards easy. Just think of the way your local *sabjiwala* operates -- how he throws in some free dhania/mirchi or an extra nimbu for his best customers. Not everyone thinks loyalty programmes work though. Take Walmart, for instance, which is all set to open retail outlets in India over the next year-and-a-half.

Unlike other US supermarket chains like Kroger, Safeway, and SuperVal, Walmart does not run any loyalty programmes for its consumers. According to a senior employee who did not want to be identified, Walmart believes "real loyalty lies in the offerings of low prices".

According to this employee, "It's going to be a similar route in India. We won't look at loyalty programme just yet for the Indian market. Instead, we will look at offering products at a competitive price." **Who's got it right,**The modern-day loyalty programme takes off from the frequent-flier mile programme introduced by American Airlines in 1981 to reward repeat customers and build brand loyalty. Since then sectors that have used customer loyalty programmes to their advantage have been hospitality, credit cards, airline and retail, according to Siddharth S Singh, director, fellow programme in management and associate professor of marketing, Indian School of Business (ISB), Hyderabad, who has also published a detailed research note, Customer Loyalty Programmes: Are They Profitable? (Management Science, Volume 54, No 6).

Sinha sees a great opportunity for loyalty programmes in the retail sector in India as more and more international players enter the market. Ashok MS, chief operating officer, Accentiv, India, a leading operator in providing rewards and loyalty solutions (it has clients like Van Heusen, Louis Philippe, Tommy Hilfiger, Indian Oil, to name some), says that loyalty programmes do well in sectors that by their very nature record high transactions. So, he adds, hospitality, credit cards, retail and airlines are potential sectors where such programmes do well. "In India, even the petroleum sector has tremendous potential in devising attractive loyalty programmes," says Ashok. ISB's Singh says, "Eventually, I see loyalty programmes providing a complete view of a customer.

"This includes their interaction with the company and other behaviour such as on the social media. New metrics will come up that allow a firm to evaluate a customer better.

"The concept of customer value itself would become multidimensional and companies would learn to identify and exploit their relationship with customers along these different dimensions for various benefits." (Read interview with Siddharth S Singh, director, fellow programme in management and associate professor of marketing, ISB, on page 4) So, what is the recipe for a good loyalty programme? How does it evolve?

We will use three examples -- two of India's biggest retailers and a private airline -- to demonstrate how it can be put to work effectively.

Take Future Group, for instance, which has a host of brands under its umbrella, including Pantaloons, Big Bazaar, Food Bazaar, Central, HomeTown, eZone, Brand Factory and Future Bazaar. Pawan Sarda, chief marketing officer, Future Group, says India has always had the tradition of 'loyalty programmes' especially when traditional family jewellers and neighbourhood 'dukaandaars' (shop owners), so to speak, created a loyal base of generations of customers. So, in his view, effective loyalty programmes should come naturally to us.
In Sarda's view, successful loyalty programmes are those that constantly evolve based on needs of the customer and the responses of the competition; there's no room for complacency given that it's a tool that effectively decodes customer purchasing behaviour.

Future Group has taken great pains to devise a consumer friendly programme when it found that while consumers knew its different brands they did not know all these belonged to the same group. Last year, Future Group and Payback, one of India's largest and Europe's most successful multi-partner loyalty programmes, entered a strategic tie-up to bring out a dedicated, single, loyalty card, that could be used for the company's various brands.

The 'one-card-several-benefits' concept now allowed the company to have 'crisper' consumer insight and a better personality engagement. In just 10 months since the PayBack programme began, the company has got 8 million customers. Every week since then, the group has added more than a lakh consumers to its loyalty programmes. According to September 2012 data of the company, almost 45 per cent of the group level billing has come through customers engaged in the loyalty programme. For Pantaloons, specifically, 70 per cent of the billing comes from loyalty programme customers. How does Pantaloons continue perfecting its programme? For the first three months after a customer picks up the card, the company communicates to her just how the system works, how it can benefit her. There are offers to woo the customer to actually come to the store and experience the ease of use.

Once the concept sticks with her and she understands the 'value' of the loyalty card, the retailer starts tracking her shopping behaviour -- what are the common items on her purchase list, does she come midweek from office or on weekends to shop and so on. Future Group offers a mix of rewards to its loyalty programme customers that include free parking, a separate cash counter, free home delivery, no fee on exchange offers, premiere passes for films, to name a few. The data collected from loyalty card use has helped the retailer to categorise customers based on usage and purchase patterns, which in turn has helped it rationalise a host of things -- from stocking to store layout.

Brand-based data can also be used as leverage in retailer-manufacturer relationships. "If customers don't have brand loyalty, you can push back against manufacturers and tell them you won't carry their products anymore if they raise prices," says a leading retailer.

One such learning was that discount schemes don't always work. "Discounts on private labels were not sustainable because every other brand duplicates the move. "So, over a period of time we moved to a point-based system, wherein card holders can accumulate points and redeem them at any of the group stores," says Sarda.

How the group has ensured the plan works by "revisiting it and studying it every month". "We are tracking the feedback continuously to make the programme more customer-friendly," says Sarda.

On its part, Shoppers Stop, one of the oldest retail brands in India, which began offering its popular First Citizen Loyalty Programme card to customers 18 years ago, has a total of 2.6 million members to vouch for its success. Its loyalty programme continues to add "layers" to keep up with the changing times, according to Vinay Bhatia, customer care associate and senior vice-president, marketing & loyalty, Shoppers Stop Ltd. He says that there's one fundamental principle that the company has been following from day one; charging a marginal fee to the customer to own a loyalty card. While this automatically gives the customer a choice (to own or not to own a card), it also ensures customers use it to get the best return on their initial investment.

The rewards are similar -- free parking, communication on new products and special discounts; what the company gets out of it is consumer data. "Our programme has allowed us to target customers better," says Bhatia. He explains how two years ago, in an experiment done at the store's outlet in Malad, Mumbai, the company realised that men -- who are known to dislike shopping but who visited Shoppers Stop outlets with their family -- were buying only a handful of things from it.

The store concluded that may be they were not aware that Shoppers Stop also had an elaborate stock of menswear. So it started communicating to this set of consumers ("not overdose but simply informing them and announcing bulk deals in the category, which wasn't the case before") and within four weeks, Shoppers Stop noted a Rs 2 crore increase in sales from that one store, from that one category alone. Last year, about 72 per cent of the total sales at Shoppers Stop came from loyalty programme customers. Three years ago the company felt it needed a separate team to not just handle the loyalty programme but to also study and analyze the data thrown up by it.

"Remember, the customer is not always structured in her thoughts as the retailer."Brand loyalty offerings can influence her decision and make it more manageable," says Bhatia. Shoppers Stop goes as far as categorizing its customers into two groups -- those who own loyalty cards, and with whom the company communicates, and those who don't."It helps to show just how critical is communication and how it can be tweaked to keep up with the changing demands of consumers," says Bhatia. Shoppers Stop has a special app for Smartphone users to help track "personality types" of its customers to integrate it with the loyalty programme. Among others Jet Airways, feel experts, has done a great job with Jet Privilege, India's largest frequent flier programme. Way back in 1993, the airlines understood the need to have "repeat business" and in the next one year, it announced its Jet Privilege programme.

Though the initial benefits revolved around tele-check in and accumulated "burn and earn" miles, gradually it expanded, through customer feedback, to other offerings. It started the tier system for different categories of members, thus allowing the airline to segment data collected on the basis of regularity and volume of travel. The programme allowed for a unique 'Dynamic Tier Review System', which allowed customers to get benefits according to travel plans.

The programme has added an easy online system (to earn miles even after the air travel was completed), several partnerships with banks, hotels, credit card companies, restaurants, retail outlets and publishing houses to make it appealing to the flier. Two months ago, according to a company report, Jet decided to spin off the programme into a whole new subsidiary to help it get a larger retail-based coalition loyalty structure to get better value on its investments. **Who's failing** If the benefits are so obvious why are some sectors slow to adopt loyalty plans and leverage its benefits? "Most sectors make mistakes because they don't offer strong "value proposition" on loyalty programmes," says Ashok of Accenture."Second, brands fail to offer 'relevant' communication (it's either too much or too little).

"Third, many companies (manufacturing, for instance) forget that just doing 'customer' loyalty is not enough. What manufacturing sector needs is channel partner programming where dealers and other retail point people need to be targeted to help understand customer, even if indirectly," says Ashok. To be sure, Accenture has already started working towards a host of channel programming in many companies. It is working with a leading tyre company to influence the community of mechanics. It is working with a host of MNCs for 'employee loyalty programmes'. In fact, tie-up for loyalty point exchange and redemption, or coalition loyalty programmes is seen as the big innovation that could change the fortune of loyalty cards in India. Rathin Lahiri, chief marketing officer, Loyalty One, India, says coalition loyalty programmes will allow a common platform for many sectors to participate together (fuel, grocery, telecom, for instance).While this will definitely make things easy for the user (she has to carry one card or may be the whole system will migrate online), brands will enjoy the benefit of having a bigger database to draw their insights on. "When that happens the customer will finally be the hero," sums up Lahiri.

Eight Steps- Brand Promotion Through PR

Brand promotion methods through advertising and PR are not same things. If you wish brand promotion through PR you must not replace it by advertising. Advertising and marketing are so closely connected with each other in managers' minds that many of them cannot imagine brand introduction without ad campaign. In spite of this we recommend to introduce new brands through PR technologies. Introduction of a new brand through PR contains 8 steps:

Step 1- Enemy

It is necessary to identify "enemy" to create successful brands. This may be a competitor brand, company or product category that may prevent success of your brand. Hence if you sell Pepsi, CocaCola is your enemy. If you sell Burger King, McDonald's is your enemy, etc. Identification of enemy will help you to develop reasonable strategy. Confrontation creates novelty as usual. Existence of a rival increases brand potential in terms of PR. In case of advertisements the situation is different. Clients are displeased when you name your competitors and attack them in ad texts. In certain cases this is prohibited by law. Such an action is allowed for mass media, but not an advertiser.

Step 2- Information leak

PR campaign usually begins with information leak. Certain information is given to influential journalists or reporters. In such circumstances the main target is news booklet or internet site. In case of ad campaign commercial starts after official presentation of the product. Though the product itself is kept in secret before official presentation.

Step 3- Scales growth

PR campaign is slower than Ad campaign. That's why PR campaign begins several months before the product is introduced publicly. While ad campaign begins with "explosion" and frequent commercial breaks. The audience often ignores ad information. Hence the campaign should be relevant, innovative and impressive.

Step 4- Attraction of allies

You can attract allies not to act alone. Slow development of PR process will provide enough time to gain support. Who may become your allies? There is a popular phrase: "my enemy's enemy is my friend." It is difficult to attract allies through ad campaign because of two factors- time and money. If you introduce your brand through "noisy explosion" you will have no time to gain support. Besides the problems often occur due to financial confrontation.

Step 5- Progressive development

In order to provide success for your brand you should act step by step. For instance you can use a news booklet initially and then business media. Later you can apply to TV as well. In this way the image of your product grows gradually. In ad campaign the situation is different. Ad campaign usually begins with TV and the main goal is to challenge "big explosion."

Step 6- Product improvement

If you begin PR campaign prior to the introduction of your product you will have sufficient time to improve it. This is significant advantage. If ad campaign is already launched the producer is directly connected with advertised product and its features. The time for improvement or change is not enough in this case.

Step 7- Reasonable message to the clients

It is important to focus on brand features while introducing a new product. It is not easy to select the relevant features. Marketing research is quite helpful in this case. It is also important to assure media that the characteristics of your product are really preferential. In the long run media spotlights information interesting for customers. In case of ad campaign the situation is more complex. It is impossible to change strategy in the heat of ad campaign, as it may damage the image.

Step 8- Coherent "flawless" start

Duration of PR phase depends on numerous factors. It is better to introduce a new product or service after completion of PR campaign. Product will appear then media "accomplishes" its work. It is necessary to select reasonable time, product and PR manager- this is a perfect combination. As for the ad campaign, it is closely connected with the product existence. The first commercial appears as soon as the product is introduced. It is impossible to define the development of PR campaign in advance. But we should all remember that it is better to be late than to provide low quality products.

23 Killer Ways to Promote Your Brand or Business:

One of the best ways to keep yourself afloat in the Web 2.0 ocean is through promotion…but it isn't an easy thing to do. In fact, it takes most people years to figure out the proper promotion strategies for their brand or business. Well, you don't have years. You needed good promotion yesterday.

In today's world, there are thousands of promotional opportunities out there that you and your business can try. I've only listed 23 of them here but this list is only intended to get your brain moving in the right direction. Don't stop here. Consider this list the first lap of the Daytona 500. There are plenty of other opportunities out.
I urge you to try out a few of these methods, even the ones that scare you. You never know, detailing your vehicle with your website and Twitter username might payoff in the long

run. See what works and what doesn't work. Eventually you'll find the perfect marketing strategy for your business…

1. Write a guest post (Want to write for Folk Media? Contact us!)
2. Edit your email signature to include your Twitter username or LinkedIn URL
3. Attend a social networking meeting, like a tweet up
4. Participate in an event like Follow Friday on Face book or Twitter
5. Hand out business cards to people you meet
6. Post comments and new threads on forums within your niche
7. Build a website
8. Purchase ad spots on other websites
9. Detail your car with your website or Twitter username
10. Design a shirt with your website URL on it
11. Create an eBook and submit it to popular eBook sites, like Amazon or Scribd
12. Design postcards and hand them out to everyone you encounter in a public place
13. Buy ads in the playbill of a local production
14. Host an event and have your business sponsor it
15. Join different LinkedIn groups relating to your niche and promote your content
16. Buy a ten second radio spot and just broadcast your URL or Twitter username
17. Attend a public event, like a fair, and distribute freebies
18. Have your URL written in the sky over a popular beach (Make sure you have a mobile-friendly website!)
19. Make some videos and upload them to your own YouTube channel
20. Get yourself listed in the Yellow Pages
21. Interview someone with clout and post your interview as a blog post
22. Create a car magnet with your information and post it on your car…and your friend's
23. Purchase an ad with your local movie advertising agency

Online Brand Promotion

Search engines rank websites based on two major factors: unique content that contains pertinent keywords, and link popularity - the number of quality incoming links to your website.

SEO Service Details

- Initial Consultation & Keywords
- Content Writing
- Website Optimization
- Website Optimization
- Link Development
- Submission
- Reporting

Link Popularity is a vote that is given to a web page from another similar theme website with an anchor text (keyword or phrase) to drive traffic on your website. It is also an important factor when search engines like Google Rank websites for a particular keyword and allot PR (Page Rank) to a website.

PPC Campaigns

- Daily increase in unique visitors depending on daily budget
- Within hours website would be visible on first page
- High visitors & higher conversion ratio
- Pay per click listing
- Listed in SE & banner ads of other websites
- SE's get paid on click of link by every visitor. Also SEO professionals get paid for campaign management.

Direct E-mail Marketing is the fastest option for sales. Email is so versatile and relatively simple to organize, as long as your data base is in good shape. A typical email campaign will deliver responses within 48 hours. This is the fastest media to generate new business avenues & increase your sale. E-mail Marketing campaign includes features like creating relevant data base for your target market by internet search, writing effective mail message to increase response rate & sending mails at one-to-one bases not in bulk mail style.

We will create a third party blog & articles and will create informative posts based on website's product and services. Updated blog will be a helpful source for the target audience leading to the popularity of the blog.

We will publish the details of products offered by the company and their advantages in leading Social Book Marking sites. We will put the details of the product and their advantages in the relevant groups of leading social networking sites like Myspace.com, LinkedIn, and Orkut.com & Facebook.com etc. We will create a Twitter account in the name of the client company and will create regular updates regarding the product lines and their benefits.

7 Main Role of a Corporate Brand Ambassador

Introduction

Today's competition among brands for a particular niche is really tough and challenging. If this is not addressed properly, you will find yourself in the midst of brand giants that will cover your brand's popularity. As an SEO professional, you should be able to find ways to deal with this and develop unique ways to stand out among the crowd. A popular solution is through the use of a brand persona. Susan Gunelius said "Your brand is like a person with its own distinct personality".

As mentioned, the use of brand persona is popular. You have seen Michael Jordan and Tiger Woods in many sports brand. Their fame and popularity brings goodwill to the brand they are promoting. People will readily trust the brand. They will be very willing to embrace that the brand is not just good, but also widely accepted. Thus, using the brand will also make them popular and "in" to today's world.

This will surely stir up a common question. Is it a must to get a celebrity to be a **corporate brand** ambassador? Definitely no. Common people, employees, friends and others can be a brand ambassador. They must only possess these 7 characteristics:

1. Knowledgeable and Innovative in marketing brands

Knowledgeable – Becoming a brand ambassador means that a person is automatically a marketing representative of the company. However, it doesn't mean that he needs a degree in **Marketing**. He only needs to understand the market and a brief idea of his role to play. He will then just undergo some training to improve his skills. Know their previous experience in marketing a product. Ask questions during the interview and you will have an idea on how much time is needed for training the person.

Tools – briefly introduce the use of company marketing tools to your brand persona. Show him what he needs to properly market the brand, be it apparels, caps, tumblers, social media etc. He must be familiar with everything he is using to properly carry your brand wherever he goes.

Being innovative –You brand ambassador should be able to develop ways to improve the program with the Project Manager. As he is in the field and sees the day-to-day activities, he is able to identify issues and trends that people embraces. He should be able to make useful suggestions and improvements for the benefit of the brand and consumer engagement.

2. Professional speaker

Ensure that your brand ambassadors are proactively initiating conversation with others in promoting your brand's product; be it goods or services. He should be comfortable in engaging healthy discussions and be warm in dealing with difficult people. A perfect example is Lewis Hamilton's appointment as the global brand ambassador for Petronas Syntium:

"As the brand ambassador, Hamilton will be the face of the company's range of Petronas Syntium products "He will also participate in a **number of Petronas' global marketing, communications and promotional programs and activities**," Petronas said. As the brand ambassador, Hamilton is then expected to be dynamic in dealing with people. He must be well informed with the product he is promoting. A good level of awareness over the industry is also very critical. Everything that he says will reflect the company's stand on issues thus; we cannot discount the need for a diplomatic but at the same time engaging speaker.

A product's quality and image is being carried by the person representing it. brand ambassador should not just speak for it; he **needs to be the voice** of the brand itself. If he does, people will clearly see the connection between him and the brand. A few moments where a speaker cannot introduce the product properly, may mean a lifetime of brand humiliation. The audience will not just lose their interest towards your product but also remember the shame that happened for a long period of time.

Remember that the presentation of your product and brand is being placed on the hands of your brand ambassador. As such, his purpose is to build a connection between your products and your audience through his image. Take note that no matter how great your product is, if it's not delivered properly to the public, it would be useless as they will not spend time or attention into trying it.

3. Leader

The main purpose of a brand ambassador is to embody the values, the character and the overall image inherent to the brand. He needs to stir up thoughts associated with owning the product. This way, he leads the customers not only to buying the product but also to their self fulfillment associated with possessing it.

Brand ambassadors are experts in speaking for and on behalf of your product. It's natural for them to emphasize the benefits in a persuading manner. They develop good image and perception towards your events that's why they can be the front people to talk to your guests.

4.Credible

Credibility of your ambassador is very important. You will not get someone with bad record, malicious life style and despicable personality. Normally, customers tend to give a lot of trust to your employees view about your company and its product. It's because they have lesser stake than the top management. If your staff speak well of your product, it's a plus to your promotion. A known and respected authority over a niche like bloggers, small publishers and others gain so much empathy and affection from their audience. That's why it's better to have these people for your brand rather than the extremely expensive advertising campaigns. I wrote an article about building a credible brand. You can check this out. Click here.

5. Relationship Builder

Speaking for your brand is one thing, building a solid relationship is another, and the latter is more important. Your ambassador's face-to-face encounters with your target audience are very significant as these create the opportunity to build a relationship between your customer and your brand. Seize the opportunity by getting the right person to represent the brand. The best brand ambassadors are those who actually experienced your product. Often, they are the people within your customer base and not your employees. Monitor your brand's online image. There you will see and identify customers who earnestly promotes your product. Find out the scope of their influence by following their blogs and social media circles. Your ambassador is not just a display to your events. He needs to experience it to add value to his job. He needs to ensure that the customers are happy and are positively impacted in every event.

6. Team Player

Indeed, brand ambassadors should be high-caliber people. But more than this, they should see themselves as part of the team. They must remove the misconception that they are the sole reason for your sales and popularity. This way, you ensure that your team works harmoniously and all issues prevented.

What exactly is a "brand ambassador"? It ranges from the owner and the board of directors; those who possess the greatest interest in seeing the company and its products succeed, to the employees: those who work to ensure that the very details are covered. These ambassadors need to settle any issues to effectively promote a brand. What's worse is to see your very employees destroying your brand image.

7. Tech-Adequate

Your ambassadors should be updated to the latest trends that people recognize. Today, people are very much inclined to the use of social media. Therefore, your ambassadors should not be only literate in opening your computer but also passionate in using the social media tools in campaigning for your brand. Let them explore and develop ways to promote your brand worldwide by generating high traffic to sites that promotes your product.

The best example for this is the winner of **Daytona's Digital Race**, Danica Patrick and Go Daddy. She understands not only how social media works but also its potential in tapping people worldwide. With over 700,000 followers, she generated so much traffic to Go Daddy's site by updating the fans of the happenings in the racing including behind-the-scene information and insider interviews with Danica. This then makes Danica not only an image to Go Daddy's business but also an essential key to driving her own fans to her long time sponsor.

Conclusion

Selecting the right brand ambassador (brand persona) is an essential part of your marketing strategy. You need to maximize this wonderful opportunity n building up your brand. Pick the right person with the right skills. Did you consider having a brand ambassador? Does your brand ambassador exhibit the core values of your company? Remember your ambassador personifies your **corporate brand**; choose the best image you want to display.

UNIT IV

BRAND EXTENSION

Brand Extension is the use of an established brand name in new product categories.

This new category to which the brand is extended can be related or unrelated to the existing product categories. A renowned/successful brand helps an organization to launch products in new categories more easily. For instance, Nike's brand core product is shoes. But it is now extended to sunglasses, soccer balls, basketballs, and golf equipments. An existing brand that gives rise to a brand extension is referred to as **parent brand**. If the customers of the new business have values and aspirations synchronizing/matching those of the core business, and if these values and aspirations are embodied in the brand, it is likely to be accepted by customers in the new business.

Extending a brand outside its core product category can be beneficial in a sense that it helps evaluating product category opportunities, identifies resource requirements, lowers risk, and measures brand's relevance and appeal. Brand extension may be successful or unsuccessful.

Instances where brand extension has been a success are-

i. **Wipro** which was originally into computers has extended into shampoo, powder, and soap.
ii. **Mars** is no longer a famous bar only, but an ice-cream, chocolate drink and a slab of chocolate.

Instances where brand extension has been a failure are-

i. In case of new **Coke**, Coca Cola has forgotten what the core brand was meant to stand for. It thought that taste was the only factor that consumer cared about. It was wrong. The time and money spent on research on new Coca Cola could not evaluate the deep emotional attachment to the original Coca- Cola.
ii. Rasna Ltd. - Is among the famous soft drink companies in India. But when it tried to move away from its niche, it hasn't had much success. When it experimented with fizzy fruit drink **"Oranjolt"**, the brand bombed even before it could take off. Oranjolt was a fruit drink in which carbonates were used as preservative. It didn't work out because it was out of synchronization with retail practices. Oranjolt need to be refrigerated and it also faced quality problems. It has a shelf life of three-four weeks, while other soft- drinks assured life of five months.

Advantages of Brand Extension

1. It makes **acceptance of new product easy.**
   a. It increases brand image.

b. The risk perceived by the customers reduces.
c. The likelihood of gaining distribution and trial increases. An established brand name increases consumer interest and willingness to try new product having the established brand name.
d. The efficiency of promotional expenditure increases. Advertising, selling and promotional costs are reduced. There are economies of scale as advertising for core brand and its extension reinforces each other.
e. Cost of developing new brand is saved.
f. Consumers can now seek for a variety.
g. There are packaging and labeling efficiencies.
h. The expense of introductory and follow up marketing programs is reduced.

2. There are **feedback benefits** to the parent brand and the organization.
    a. The image of parent brand is enhanced.
    b. It revives the brand.
    c. It allows subsequent extension.
    d. Brand meaning is clarified.
    e. It increases market coverage as it brings new customers into brand franchise.
    f. Customers associate original/core brand to new product, hence they also have quality associations.

Disadvantages of Brand Extension

1. Brand extension in unrelated markets may lead to **loss of reliability** if a brand name is extended too far. An organization must research the product categories in which the established brand name will work.
2. There is a risk that the new product may generate implications that **damage the image** of the core/original brand.
3. There are chances of **less awareness** and trial because the management may not provide enough investment for the introduction of new product assuming that the spin-off effects from the original brand name will compensate.
4. If the brand extensions have no advantage over competitive brands in the new category, then it will **fail.**

The Impact and Importance of Brand Adoption by Sales Reps and Managers:

Brand Matters in B2B
We have conducted a survey and it has been found that B2B buyers frequently search by brand name. This influences the ability of your brand to be found and influences your ability to differentiate, showing the impact and importance of brand adoption by sales reps and managers. Take a look at the following trends we have identified:
Buyers will visit your company website
In addition to the 55.8% of respondents who directly visit company websites, 87% search on general search engines and 68% search on targeted industrial sites (e.g. ThomasNet.com). Of note, company websites were ranked #1 or #2 by 61.3% of respondents as having the most relevant search results when searching for industrial

products or services.

Buyers use 3 keywords on average when searching

When searching for industrial products, 58.8% of respondents use 3 or more keywords. Similarly, when searching for industrial services, over half (52.7%) of respondents use 3 or more keywords.

Buyers include product specifications in keyword searches

Nearly half (44.2%) of respondents said that they always or frequently include detailed product specifications (e.g. “1/2 in. x 2 in. galvanized carriage bolt”) or detailed capabilities specifications (e.g. tolerances or machinery) when searching for what they need. An additional 47.3% said that they sometimes included detailed specifications.

Buyers frequently search by brand name

53.6% of respondents state that they *always* (4.3%) or *frequently* (49.3%) **include brand names** (e.g. “3M” or “Baldor”) as part of their search keywords. An additional 43.2% said that they sometimes included brand names.

Buyers include geographic locations in search keywords

A little more than one-third (37.7%) of respondents state that they include a geographic location (e.g. specific state) when searching for industrial products or services. An additional 52.9% say that they sometimes include a geographic location.

Recognizing the Need to Improve Brand Adoption

Brand equity continues to be very important for businesses. What drives B2B brand equity? Sales rep behavior had the highest impact on B2B brand equity, closely followed by sales rep personality. The sales force impact on business-to-business brand equity is paramount.

B2B sales reps play a major role in shaping brand perception. Their behavior is among the strongest influences with customers. Two factors driving sales force brand adoption are high expected customer demand and high sales manager brand adoption. B2B sales reps have a greater chance of adopting a new brand if they believe the new positioning will drive higher customer demand or if their sales managers demonstrate a high-level of brand adoption.

Ways to Improve Brand Adoption

Develop distinct internal and external launch strategies. Create separate launch strategies targeting your clients and prospects (external) and your managers and reps (internal).

Influence positive attitudes toward new brands among sales managers. Take extra measures to get them bought in. Additionally, provide training and support resources to help them model behavior.

Create expectations that new brands will drive high customer demand. Increase demand generation activities in early stages of launch to reinforce the perception that the brand is driving higher demand. Explicitly show how brand attributes will translate into more sales.

Provide training to help sales reps “deliver” the brand with customers. Take the time to ensure your sales reps know *what to say to differentiate your message* and *what to do to differentiate your expected behavior*.

Brand Adoption Performance Indicators

Posted by Caroll Taiji

DEVELOPING A REGIONAL BRAND IS A STRATEGIC ENDEAVOUR. IMPLEMENTING A REGIONAL BRAND, HOWEVER, IS MUCH MORE FLUID AND ORGANIC, AND REQUIRES ONGOING MONITORING AND ADJUSTMENTS. THIS IS NOT NECESSARILY AN EXPENSIVE AND TIME-CONSUMING EXERCISE.

The obvious measures for brand effectiveness, such as info-centre visitor numbers, information requests received online or via phone, lodging occupancy levels, and visitor spending, are likely already monitored by organizations in the region. It may just be a case of sharing this information on a region-wide basis. But it is also important to monitor brand adoption within your region, and that is a more challenging task. The following are indicators that can be used to help ensure the brand remains relevant and meaningful over time:

Performance Indicator Method Brand adoption by stakeholders Review commercial, government, cultural and community organizations to assess their adoption of the brand. Consider the extent and accuracy of their use of brand symbols, messages, images, etc .Community pride and brand support Conduct independent online or telephone surveys of residents, businesses, government, and other brand stakeholders to gauge awareness, understanding and support of the regional brand. Repeat this process every 2 years. Co-operative support Track the level of participation in co-operative branding and marketing initiatives. Visitor brand experience Conduct ongoing customer surveys to find out how visitors (and residents) feel that the region is delivering on its brand promise. How was their “experience”? Brand consistency Review the appearance and content of all marketing materials that project the regional brand — by your organization and by stakeholders. Are their messages and tone conflicting or consistent? Media coverage How well do the local media use and play off the brand messages? Are they helping to spread brand stories and successes to promote and build regional pride? Stakeholder feedback Survey key stakeholders, partners, and staff to explore and monitor brand development issues that may arise.

8 Types of Brand Extension

In studying more than 300 brand extensions, Brand Extension Research determined that there are eight types. Each has its own unique type of leverage.

1. Similar product in a different form from the original parent product. This is where a company changes the form of the product from the original parent product.

An example is (frozen) Snickers Ice Cream Bars identified in our brand extension study. The original Snickers bar is a shelf stable candy. The brand extension is a similar product, but in a different form. Jell-O Portable Pudding and Pudding Cups is Jell-O pudding in a different form and section of the store.

2. Distinctive flavor/ingredient/component in the new item. When a brand "owns" a flavor, ingredient or component, there may be other categories where consumers want that property.

Peanut butter is a characteristic ingredient in Reese's Peanut Butter Cups candy. Chocolate is a characteristic ingredient of Hershey. Brand Extension Research identified Reese's Peanut Butter as a logical extension that capitalizes on this association. Research also suggested Hershey chocolate milk.

3. Benefit/attribute/feature owned. Many brands "own" a benefit, attribute or feature that can be extended.

Brand Extension Research showed ArmorAll that that brand was defined by automotive surface protection – which can go beyond vinyl dressing. Paint needs protecting also. Arm & Hammer "owns" a benefit of deodorizing. Their baking soda product has claimed that it removes odors from refrigerators, etc. As a result, they extended the brand into other products such as Arm & Hammer underarm deodorant and cat litter deodorizer.

4. Expertise. Over time, certain brands may gain a reputation for having an expertise in a given area. Leverage can be achieved when extending into areas where this special expertise is deemed important.

Honda’s expertise in reliable engines led to lawn mowers, gas powered generators and a variety of other gasoline engine powered devices. What brand comes to mind when we think of baby products? – Gerber. As a result of this acceptance of their expertise, they successfully launched Gerber Baby Powder, Gerber Baby Bottles, etc. Sara Lee is known for baked desserts, so why not other baked goods like bread.

5. Companion products. Some brand extensions are a “natural” companion to the products the company already makes.

Contadina (now Buitoni) was a tomato paste and sauce brand. In brand extension research, consumers thought Contadina pasta was a logical companion product that would have the leverage of the Italian heritage of the parent. Aunt Jemima (the pancake mix brand) launched pancake syrup, as a companion to compete with Log Cabin syrup.

6. Vertical extensions. Some brand extensions are vertical extensions of what they currently offer. A brand can use their "ingredient/component" heritage to launch products in a more (or sometimes less) finished form.

Nestlé's Toll House chocolate refrigerated cookies is an example. Most Toll House chocolate chips are used in cookies, so why not make a brand of Toll House chocolate chip cookies. Mrs. Fields Cookies were ready-to-eat. They offered frozen cookie dough, moving backwards as a vertical extension. Rice Krispies has always been used in kids' treats. Kellogg offered Rice Krispies Treats ready-to-eat.

7. Same customer base. Many brand extensions represent a marketer's effort to sell something else to its customer base.

This works particularly well when that customer base is large and to some extent captive. VISA launched travelers checks directed to its credit card customers.

8. Designer image/status. Certain brands convey status and hence create an image for the user.

Designer clothing labels have been extended to furniture, jewelry, perfume, cosmetics and a host of other items. Some brands promote a lifestyle and can extend to items that people "wear," as a badge of identifying themselves with that lifestyle. Tommy Bahama extended their brand from clothing into furniture.A notable success is Harley Davidson. Their extensive collection of licensed lifestyle items goes way beyond any expertise inherent in the brand.

Factors influencing Decision for extension:

Brand Revitalization/Re-launch

:: WHAT IS REBRANDING & BRAND RE-LAUNCHING ?

Rebranding and re-launching can take many guises from the complete wholesale change of a company or product, inside and out, including name, culture, values, behaviours, tone, visual collateral and all that entails with no connections to the legacy entity, to something less dramatic and of a more evolutionary nature.

In each instance though, the change to whatever degree, affects a change in the minds of the target market in terms of their perceptions of the brand. That change is a process of giving a company, product or service a new image in order to make it more successful.

Positioned and developed correctly brands offer a **means of generating sustained growth**, enabling companies to **charge a premium**. Equally they also assist a company to **resist or bounce back from competitor attack**.

Brands are key to a company's long-term survival and market leadership. Accountants and auditors the world over calculate the value of brands when determining book values on the company balance sheets. In the case of strong brands, the brand can be 70% - 90% of the stock market value (intangible assets).

Rebranding is a complex process and should not be engaged lightly. Handled badly it can be damaging to business. Equally in the words of a Chinese proverb "if you do not plan for the future, you will get the one that shows up" and successful rebranding, relaunching and revitalization **adds significantly to a company's long term success**.

:: WHY REBRAND OR RELAUNCH?

The reasons for rebranding and or re-launching a company, product or service are numerous and should not be taken on lightly without sound strategic reasons for engaging in the process.

Brands are constantly evolving to ensure they keep abreast of changing needs in the market place. It's the level of change required that is the critical issue. A brand audit and market research will help assess the rate of change required amongst other things.

Even some of the greatest brands in the world need rejuvenation. Brands like Guinness, Coca-Cola and Kellogg's are iconic, global in their status. Yet when you look at their market leadership over the decades, they have all changed even if it has been in a more evolutionary sense over time, rather then radical overhauls. **However some branding does require an extensive change in order for the business to achieve the required regeneration for growth and profitable returns.**

Revitalisation maintains and celebrates the history and heritage of the brand but shows its target audience (current and future) that you are adaptive to change. **Change is necessary to stay relevant to the times in which a brand exists and to ensure its future success**.

Some of the reasons for rebranding, relaunching and revitalising a brand include the following:

1. Relevance:
Brands need to stay relevant to their target market, to keep up with the times and keep pace with changing customer needs (e.g. services, accessibility, convenience, choice, changing trends, technology). **A brand that has become old-fashioned in the eyes of its audience is in danger of stagnation if not already in a state of erosion and loss of market share.**

2. Competition:
In a fast moving environment with aggressive competition, rebranding may be required to change the offering to the market in order to create a more compelling reason to buy in the minds of the target audience. **Rebranding can be used as a means of blocking or outmanoeuvring competitors or a way of handling increased price competitiveness.**

3. Globalisation:
Sometimes rebranding is required because of globalisation where the same product sold across multiple markets is inconsistent or different e.g. Marathon's change to Snickers, Opal Fruits change to Starburst, Jif's change to Cif.

4. Mergers & Acquisitions:
When two entities combine there are typically two unique audiences left to communicate with. Sometimes this can require a rebrand or relaunch in a way that will appeal to both. In other cases one of the brands may be more dominant requiring more of a revitalisation or refresh with it becoming the sole dominant player.

5. Innovation:
Technology is constantly evolving and the rate of change often exponential. If a brand is technology related e.g. internet, software, hardware and the product offering constantly

innovating then a **rebrand frequently follows the natural and fast rate of change.**Rebranding or revitalisation becomes an outward expression of the companies evolution and ensures the brand's **change hungry customers** keep coming back to see "what's new".

6. Repositioning:

Taking a brand to a new position is an involved process e.g. **from an economy price fighter to premium position,** and invariably requires a rebrand to signal a change in direction, focus, attitude or strategy to its target market. Also again **rebranding used as a means of blocking or outmanoeuvring competitors or a way of handling increased price competitiveness.**

7. Rationalisation:
Rebranding can be used to decrease business development and operational costs, or a way of **countering declining profitability or consumer confidence**. It can also be used where there are complex and sometimes **confusing mixes of product portfolios** which frequently undermine the brands impact, (along with considerable advertising, branding clutter and media proliferation) all of which causes **brand incongruence** and **audience fragmentation** and consequently badly needs **consolidation through rebranding to achieve brand impact and strong growth again.**

8. Outgrowth:
When small companies grow into bigger entities they and/or their products frequently require a rebrand or revitalisation to meet the needs of the bigger business. Typically smaller companies start with more modest brand offering, due to budget restrictions, which are inadequate to meet the needs of a bigger more sophisticated business and a rebrand is required.

9. Legal Requirements:
Occasionally legal issues may arise that require a company to make changes to their branding such as **copyright** issues or **bankruptcy** e.g. similarities between naming and designs. For example The Jelly Bean Factory became The Jelly Bean Planet in Ireland to ensure differentiation from the USA brand Jelly Belly.

10. Morale & Reputation:
If a company brand has demoralised employees or confused customers then a rebrand may required. A **thorough rebrand process** will work to unearth the issues that need addressing and could be solved through key changes, including a completely new look and feel to the organisation. A rebrand in this instance **can improve a brand's competitiveness** by creating a common sense of purpose and unified identity, building staff morale and pride, as well as a way of attracting new customers, enhancing relationships with existing customers and attracting the best talent to the business.

:: DIFFERENT ASPECTS OF REBRANDING

Rebranding and brand revitalization can be as small scale as some subtle changes to the company or product graphics e.g. brand identity, packaging tweaks, sales literature updates, vehicle livery, staff uniforms and website refresh or as major as a full blown name and culture change affecting both the intangible and tangible aspects of the brand.

Rebranding can be categorized to include one or a combination of all the items listed:

a) new brand name
b) brand identity (brand logo), trademark, tagline or slogans
c) graphics, brand imagery, online presence i.e. website, Face book pages etc.
d) company or product livery, uniforms, stationery, digital presentations
e) packaging
f) product displays, exhibition stands, signage & way finding systems
g) exterior and interior design

h) advertising, on and offline

i) movies, video and show reels

j) new product launches, differentiations, extensions or enhancements

k) a change in brand profile, values, mission, goals, story, message, promise, offerings, personality, emotion, behaviors, tone of voice, culture, brand experience, customer care
l) potential change in target market, brand positioning, brand architecture
...and more

:: WHAT'S INVOLVED IN THE REBRAND PROCESS?

When considering a rebrand you typically need to include:

1. Rebrand planning, a brand audit, research and recommendations
2. Application design for all touch points

3. Brand implementation, launch and rollout

4. External communications of rebrand to all relevant stakeholders; customers, media and shareholders

5. Measure of impact and commercial return

:: REASONS NOT TO REBRAND

While the debate, in term of pros and cons, on whether to rebrand or not can be as complex as the process itself, the following reasons not to are largely worth reflection too.

1. A young brand:

If a brand has only been on the market a short time e.g. 3 years, bearing in mind time can be measured differently depending on your market/industry, then it's probably premature to rebrand. It takes time to build a brand and evolve it into something authentic and meaningful to its target audience. Rebranding to "sell" more in such instances might be better served by a different approach to marketing or a new campaign unless the existing brand solution is very flawed.

2. Change for the sake of change:
It's not a good idea to rebrand just because "you want to" or because somebody wants to stake their next career move on a rebrand. If there is no compelling commercial reason e.g. new innovation, behaviours, culture and all the other reasons mentioned above, then the target audience will be left with an empty experience. On top of that you've wasted a lot of money !

:: TOP REBRANDING MISTAKES TO AVOID

1. Do not think branding or a rebrand for that matter is just the logo, stationery or corporate colours in isolation.
Effective branding encompasses both tangible and intangible elements, a large part of what have been listed previously e.g. target audience, customer experience and perception, product quality, look, feel, online and offline environments, customer facing staff, the tone of all communications both visual, auditory and written etc.

2. Don't cling to the old unless it has key brand provenance that is still relevant to the current target market.
Powerful rebranding means being connected to what really matters to your bulls eye customer. Don't assume because it worked in the past it's still relevant now. Research, review and analyse changes in your target market when investigating new opportunities for repositioning, expansion or revitalisation.

3. Don't overlook existing brand equity and goodwill.
Ignoring brand equity when rebranding can alienate existing customers and potentially damage a brand's perception. A massive overhaul may be excessive when a smaller evolution would be more appropriate. Ensure you are fully up-to-date on the mindset and needs of your target market before engaging in the process.

4. Don't forget to step into your customer's shoes.
Hire a secret shopper with a profile that matches your target market and have them engage with your brand at all relevant touch points e.g. ring your receptionist with an enquiry, navigate your website, buy your products, make a customer complaint to see how its handled or not as the case may be. Have them record their experiences in detail and report back. Perceptions internally are often a mismatch to reality on the ground. It can be very revealing and is an essential aspect of your rebrand research and analysis.

5. Don't rebrand without research.

How much do you know about your current and prospective customers (needs, wants, loves, hates, behaviours etc.). What is their compelling reason to buy ? They should be front of mind when creating new solutions and revitalising old ones too. They are your ultimate litmus test.

6. Don't treat your rebrand superficially.

A rebrand must be authentic and believable throughout, internally and externally. It must be a liveable story that meets and exceeds customer perceptions and experiences. It must hold credibility and deliver down to the last detail both amongst your day-to-day staff and target audience or it's largely tokenism, a waste of time and money.

7. Don't rebrand without a well thought out plan.
Rebranding requires clearly defined briefs to keep everyone on track as the project evolves. Your plan should include every aspect of the rebrand e.g. situation analysis, objectives, target markets, budget, resources, time frames, appointed project leader, known parameters, approval structures, stakeholders and metrics for assessing results.

8. Don't overlook the basics.
Having a stunning website, market materials, physical environment or amazing product solution is wasted if the fundamentals of your customer services sucks. Equally if your brand purchasing or processing experience falls short, the brand becomes undermined. Keep all your customer touch points and basic interactions in mind as much as the more glamorous aspects when rebranding. Review, fine tune and improve and don't underestimate the ordinary essentials, they are just as important.

9. Don't overlook feedback from customer facing staff.
The staff who interact with your customers on a daily basis can yield valuable information and insights into your target market. This is where customers are typically at their most candid and the information garnered from the real world is just as valuable if not more in some cases, then other forms of research.

10. Don't think you're too small to rebrand.
Every brand needs revitalising to stay relevant as markets evolve whether the brand is a global multinational or smaller national brand, even non-profits and artisan brands are not immune. Like larger brands, smaller brands have target markets, positions etc. that need to be kept relevant and enhanced. They too have to move with the changes of their market and customer preferences or disappear into the mists of time.

Re-Branding & Re-Launching: The Story of One Freelancer's Survival

This month, Inky Clean officially turns a year old. It's weird to say that because I've basically been freelancing full-time under my actual name since late 2006. But by early 2010, everything had changed for me: I was moving to a new state, I had recently changed my name, and I was refocusing my business. To be completely honest, I was freaking out. I wasn't sure if my business could survive me moving away from my clients and starting over in a city where I didn't know a soul. I was starting to get those facial ticks Princess

always talks about, because (gasp!) what if I had go back to the 9-to-5 grind?
So I thought really hard about what was and wasn't working in my business, and I had this weird freelancer epiphany that (looking back) should've been obvious: The only way my business would survive was if I stopped trying to please everyone, and started trying to please the type of clients I most enjoyed working with.
Starting Over Isn't Quitting
Rebranding and relaunching your business can feel overwhelming, like you're starting from zero, or quitting. But truthfully, the only thing you're giving up is all the stuff that wasn't working to begin with. For me, that meant no more generic, all-over-the-place writing samples, no more bland web design and business cards, no more saying that as a writer, I could write anything. I decided that the best thing I could do as a freelancer was to have a well-defined brand (actually, that's great advice for any business). So now the question was—what brand?
The whole process is surprisingly existential. You find yourself wondering things like:
Who am I?
Why am I here?
What do I want to do?
Who are the people I want to reach?
I thought a lot about the projects I'd most enjoyed working on. They were copywriting projects for small businesses that were looking to inject some fun and personality into their brand (funny thing—me, too). I tried putting myself into these clients' minds. What would make them choose me over another writer? It always came back to the brand.
What's in a Brand?
My first step was to come up with a name. While not all freelancers need a company name, I knew it was the best thing for me. I wanted something fun and quirky, something that stayed in people's minds because it was surprising. After about four or five names who's url's were already taken, I decided on Inky Clean.
Lil' sidenote: I should point out that choosing your name based on domain availability is not a great idea. What I should've been doing was making sure that the name wasn't already copyrighted, which luckily, it wasn't. But buying a domain does not mean you own the copyright. Registering it with**USPTO** does. So before you apply for your **DBA** or spend oodles of cash trying to buy your url from a domain squatter, search the database and make sure your name isn't already taken.
But yes—I had a name, and soon after, I had a professionally designed logo, and soon after that, a website (with carefully written copy tailored to my audience) and an Inky Clean Facebook page, Twitter handle, and business cards. But I'm skimming through that part because, you know what?
None of it equals a brand.
These are all the supporting materials for your brand. They're like the costumes actors wear in a historical movie—absolutely necessary, but worthless if the performances don't ring true. So while I was happy to have my shiny new costume, I knew the real work was in my actions: the prep and the execution.
The prep is the process of defining your brand. Just like an actor gets into the mind of the character they're playing, you have to know what your brand is made of. I thought I'd already done that in asking all those existential questions I mentioned, but what I learned

this past year is that a brand is always evolving, and you have to pay attention and make sure it's going in the direction you want it to. Ultimately, you're not the one who'll define your brand—your customers will. So you have to make sure the messages you're putting out there are the ones you want them to hear.

That's where the execution comes into play. Are you following through on your brand, keeping the promises it makes? Are you saying yes to the projects that are well-aligned with your goals and no to the ones that aren't? Are you being consistent, injecting your brand into even the smallest customer interactions?

It may sound like a lot of work, but if you've built your brand right, it'll only make your job easier because you can finally be yourself.

UNIT V

BRAND PERFORMANCE

What is brand value performance measurement?

The process of valuing an intangible asset such as a brand requires a certain degree of estimation and subjectivity. Much the same as the process for developing five-year financial forecasts and strategic business plans!

Nevertheless, the process can be consistently applied over time to all brands managed by a company. Because of such consistent application, brand valuation can become an essential element of a brand management strategy. With year-on-year consistency, the technique will gain greater respect from management and can be applied more confidently over time to evaluate evolving trends in brand values.

Through this process, companies are able to create a consistent, quantifiable value that is comparable across product lines, countries, customers, channels, and company units. Current brand expenditures expected to generate future benefits, such as promotions and advertising, can be reflected in the current value of the brand. Additionally, alternative strategies can be compared, by assessing their potential impact on the creation of brand value.

Brand valuation is particularly useful in that it is not solely a historical, cost-based measure, but also allows a means to incorporate future results. Importantly, it provides a firm with a measure of performance that describes the magnitude of the asset of the brand, in relation to the entire organisation.

A management information system with an emphasis on brand valuation facilitates a regular process whereby marketing professionals can help alert corporate strategists to the critical importance of the brand. This can be done more effectively when the value of the brand can be compared to the value of the tangible assets in the organisation. In many cases, the value of the brand will far exceed the value of the tangible assets, thus reinforcing the need for strategic attention.

Benefits of a brand value performance measurement system

Sharing information across an organisation is often problematic. However, the process of brand valuation encourages different departments to share information and work together. An effective brand valuation system requires input from a broad spectrum of functional areas - market research, consumer insight, competitor and market intelligence, financial forecasts and strategic assumptions, marketing investment data.

Financial information has always been valuable as a means of communication. A financial value provides a common point of reference for all functional disciplines within the organisation. For example, market share can be viewed as an expectation of sales. Market share is an important measure, but it does not allow for the present value of future sales, the strength of the brand in the marketplace, or the profitability of the brand relative to expenditures. These deficiencies highlight how brand value is more comprehensive than conventional measures.

The brand valuation process can give a long-term focus that also helps with planning and budgeting decisions. Brand value is a more meaningful metric that provides marketers and accountants with a common focus in brand planning. The effect of a decision on brand value provides a common means for choosing alternatives and setting priorities. It also keeps the central focus of the entire organisation of paramount importance. Maximising brand value can become a fundamental operational goal of the planning process, consistent with the corporate objective of maximising shareholder value.

Managing a complex brand portfolio can be simplified with brand valuation. Grand Metropolitan, before its merger with Guinness, has a very large portfolio of brands. It included both acquired and organic brands, including Smirnoff, Baileys, Haagen-Dazs, Green Giant and Burger King. With such a valuable and diverse portfolio of brands (acquired brands valued on the balance sheet at over £608 million), management grappled with the need for a consistent and reliable mechanism for monitoring performance and comparing investment decisions between brands.

This need for a consistent framework for monitoring actual and potential changes in value, led to the creation of a brand equity reporting system. The system required the individual operating management to regularly provide a range of data for each brand in each segment or territory. The monitor was not just used to provide regular segmented brand valuations, but was more commonly used to track key performance measures to inform strategic decision-making processes.

Proctor and Gamble is another company which faces the difficulty of owning and managing a host of brands. P&G uses brand valuation to assist in determining a fair price to charge, sometimes as many as 50 subsidiaries, for using the brand and/or the technology associated with it. Brand valuation helps them determine inter-company transfer prices.

Brand valuation in measurement and performance :

Ultimately, the success of any brand valuation process depends on the firm's ability to use the measure to help improve financial performance. Some suggest that the measurement of intangibles such as brand value, human capital and innovation should take precedence over the measurement of profits, as it is these longer-lasting assets of an organisation that will translate to sustainable long-term profits.

Recent statements in an Exposure Draft from the UK Accounting Standards Board suggest that, marketing measures, including such things as brand equity, marketing investment and NPD programmes should be measured if possible, or at least, consistently reported, in terms of how they are expected to influence the reported strategy and financial forecasts for the business.

Brand valuation is a useful process, capable of illustrating the importance of the brand to senior managers, whilst also bridging the differences between marketers and accountants. Since the value of the brand is expressed in monetary terms, all decision-makers have a common point of reference.

The measure of brand value may include subjective elements, but the lack of such a measure means that the importance of intangible assets may be overlooked. The use of brand valuation can help foster recognition of a common goal for individuals in pursuing corporate, strategic objectives.

Both finance and marketing departments can contribute a substantial amount of expertise to the brand valuation process. This joint contribution can then assist the entire organisation with the strategic management of what is (often) the most valuable asset of the company

Brand Equity Management:

Brand Equity is defined as value and strength of the Brand that decides its worth whereas Customer Equity is defined in terms of lifetime values of all customers.

Brand Equity and Customer Equity have two things in common-

- Both stress on significance of customer loyalty to the brand

- Both stress upon the face that value is created by having as many customers as possible paying as high price as possible.

But conceptually both **brand equity and customer equity differ**.

- While customer equity puts too much emphasis on lower line financial value got from the customers, brand equity attempts to put more emphasis on strategic issues in managing brands.

- Customer Equity is less narrow alternative. It can overlook a brands optional value and their capacity effect revenues and cost beyond the present marketing environment.

- Just as customer equity can persist without brand equity, brand equity may also exist without customer equity. For instance I may have positive attitude towards brands - McDonald and Burger King, but I may only purchase from McDonald's brand consistently.

To conclude, we can say brands do not exist without consumer and consumer do not exist without brands. Brands serve as a temptation that utilizes other intermediaries to lure the customers from whom value is extracted. Customers serve as a profit-medium for brands to encash their brand value. Both the concepts are highly co-related.

Brand Equity Measurement:

Brand Equity is the value and strength of the Brand that decides its worth. It can also be defined as the differential impact of brand knowledge on consumers response to the Brand Marketing. **Brand Equity exists as a function of consumer choice in the market place**. The concept of Brand Equity comes into existence when consumer makes a choice of a product or a service. It occurs when the consumer is familiar with the brand and holds some favourable positive strong and distinctive brand associations in the memory.

Brand Equity can be determined by measuring:

- Returns to the Share – Holders
- Evaluating the Brand Image for various parameters that are considered significant

- Evaluating the Brand's earing potential in long tun
- By evaluating the increase volume of sales created by the brand compared to other brands in the same class
- The price preimium charged by the brand over non- branded products
- From the prices of the shares that an organisaiton commands in the market (specifically if the brand name is identical to the corporate name or the consumers can easily co- relate the performance of all the individual brands of the organization with the organizational financial performance
- OR, An amalgamation of all the above methods

Factors contributing to Brand Equity

1. Brand Awareness
2. Brand Associations
3. Brand Loyalty
4. **Perceived Quality:** refers to the customer's perception about the total quality of the brand. While evaluating quality the customer takes into account the brands performance on factors that are significant to him and makes a relative analysis about the brand's quality by evaluating the competitor's brands also. Thus quality is a perceptual factor and the consumer analysis about quality varies. Higher perceived quality might be used for brand positioning. Perceived quality affect the pricing decisions of the organizations. Superior quality products can be charged a price premium. Perceived quality gives the customers a reason to buy the product. It also captures the channel member's interest. For instance - American Express.
5. **Other Proprietary Brand Assets:** Patents, Trademarks and Channel Inter-relations are proprietary assets. These assets prevent competitors attack on the organization. They also help in maintaining customer loyalty as well as organization's competitive advantage.

Brand Management Challenges in Changing Times

Last few decades have changed our world beyond recognition. There has been unprecedented progress in all spheres of life. Technology and scientific advancement has played major role affecting all parts of the economy, politics as well as markets. With globalization and opening of markets we see a sea of changing in the way business is conducted and organizations are structured. Global and open markets have changed the structure of consumer economy. The financial mechanisms that aid in trade and consumer buying too have impacted the consumer's buying habits. Online trading and buying, online payments, mobile banking etc have empowered the customers to make their choices and buying decisions at their discretion.

Marketer's job has always been very challenging, but the complexities that they face in the market today are different from the earlier times. With markets opening up the competition from 'Me Too' brands have increased considerably. Brands face competition from local brands as well as foreign brands and generic products as well.

With brand logo and image being central to brand, the brand logo, color and image or design hold the key to the brand image as perceived and recalled by the consumers. Good brand management calls for strengthening and re-affirming this brand image association with the consumers at all times. Any slight change in the brand image be it the color, logo or image, the consumer loyalty gets affected resulting in change of buying decision by the consumer. As the consumer perceives an image and associates a pleasant or unpleasant experience with a particular brand, the consumer perception management is a very important part of brand management. With the changes in the technology and lifestyle, the expectations of the consumers with reference to the brand image too changes. Consumers are likely to expect trendy, stylish and modern brand images that go with the current trends rather than an outdated logo that is perceived to be old fashioned. While the brand logos and image have to be modified to suit the latest trends and reach out to the customer, the logos have to retain elements of the old brand components mainly of colors, image etc in modified but familiar pattern so that the consumers continue to recognize and recall the old brand familiarity and image.

Over the years with change in communication, publishing and electronic media, the advertising and promotion of brands too have had to change and keep up with the new trends. Traditional mass advertising of brands is no longer prevalent. The concept of personalized and customized advertising to the target customers is in. On one hand the consumer segment has become highly fragmented and warrants that the brand communications reach out to the consumers at an individual and customized manner. On the other hand, the consumer behavior and expectations too have changed. Consumers expect much more from the brand than ever before. Consumers today are very demanding in terms of their expectations of the product as well as of the brand reputation, image and value etc. The well informed customers of today, having access to electronic media like to ask for more information, compare with competition and arrive at their decision based on rationalization. The brand communication has to take into account the change in consumer's buying process and position the brand image as well as the communication accordingly to the individual customers.

Social Media networks provide an interactive platform for the brand managers and consumers to interact with one another. The social media networks are participant driven and the consumers have access to a larger audience to discuss, share, question and voice their opinions. Thus this media provides an exciting as well as challenging platform for brand managers to position their brands, to engage the consumers to get to know the brand, to get the already consumers to influence the others positively and build loyal communities supporting the brand.

Major role of Brand Manager:

- Analyze the market and its activity, including the growth factors of the total market and various market segments within it, and their performance relative to the competition
- Ensure that the brand platform is maintained and that the brand stays true to its values and positioning
- Propose future brand strategy with particular regard to positioning, extensions and others
- Manage the marketing mix-price, promotion, packaging and others
- Measure the success of brand performance, assess expenditure against volume, profit and other variable.

BRAND AUDIT:

A brand audit examines the health of your brand by looking at your brand equity.
That is, what are the elements that lie behind your brand image. It is a very valuable tool because it can set your future marketing communications on the right track. This saves both money and time. Your brand audit will ascertain whether your sources of brand equity are satisfactory as well as finding any brand equity associations that are weak or damaging. Believe it or not, we rarely undertake a brand audit and not find any negative associations. It also will indicate whether you have any unique positive associations that make you stand out in the crowd. Remember, without these unique associations, you are just another sheep in the flock.

To start off, we analyse all of your present and past marketing and market related communications. We then seek customer perceptions of your brand; both your internal and external customers are important sources. We want to capture a candid story from them about their thought and feelings about your brand. We then develop that vital brand schema that gives unique insights into how your brand can be better managed.

With our marketing research we are then able to ascertain the level of brand awareness, your brand image or profile, your target market and competition as well as your brand's points-of-parity (POP) and points-of-difference (POD). Both are very important because you need to check all the POPs as well as having some stand out PODs. You wouldn't want a competitor winning hands down just because you have left out an element that every one of your customers expects and you must have something unique that makes them decide to choose your brand.

What is a Brand Audit?

A brand audit is a thorough examination of a brand's current position in an industry compared to its competitors and the examination of its effectiveness. When it comes to brand auditing, five questions should be carefully examined and assessed. These five questions are how well the business' current brand strategy is working, what are the company's established resource strengths and weaknesses, what are its external opportunities and threats, how competitive are the business' prices and costs, how strong is the business' competitive position in comparison to its competitors, and what strategic issues are facing the business.

Generally, when a business is conducting a brand audit, the main goal is to uncover business' resource strengths, deficiencies, best market opportunities, outside threats, future profitability, and its competitive standing in comparison to existing competitors. A brand audit establishes the strategic elements needed to improve brand position and competitive capabilities within the industry. Once a brand is audited, any business that ends up with a strong financial performance and market position is more likely than not to have a properly conceived and effectively executed brand strategy.

A brand audit examines whether a business' share of the market is increasing, decreasing, or stable. It determines if the company's margin of profit is improving, decreasing, and how much it is in comparison to the profit margin of established competitors. Additionally, a brand audit investigates trends in a business' net profits, the return on existing investments, and its established economic value. It determines whether or not the business' entire financial strength and credit rating is improving or getting worse. This kind of audit also assesses a business' image and reputation with its customers. Furthermore, a brand audit seeks to determine whether or not a business is perceived as an industry leader in technology, offering product or service innovations, along with exceptional customer service, among other relevant issues that customers use to decide on a brand of preference.

A brand audit usually focuses on a business' strengths and resource capabilities because these are the elements that enhance its competitiveness. A business' competitive strengths can exist in several forms. Some of these forms include skilled or pertinent expertise, valuable physical assets, valuable human assets, valuable organizational assets, valuable intangible assets, competitive capabilities, achievements and attributes that position the business into a competitive advantage, and alliances or cooperative ventures. The basic concept of a brand audit is to determine whether a business' resource strengths are competitive assets or competitive liabilities. This type of audit seeks to ensure that a business maintains a distinctive competence that allows it to build and reinforce its competitive advantage. What's more, a successful brand audit seeks to establish what a business capitalizes on best, its level of expertise, resource strengths, and strongest competitive capabilities, while aiming to identify a business' position and future performance.

Brand Leveraging:

This article is fourth in a five-part series on building a brand and developing it in the marketplace. Previous articles explore the importance of branding, the process of building and developing a brand for new products, as well as flanker branding and brand line extension strategies. This article examines another aspect of the topic, brand leveraging.

What is Brand Leveraging?

A brand leveraging strategy uses the power of an existing brand name to support a company's entry into a new, but related, product category. For example, the manufacturer of Mr. Coffee™ coffee makers used its brand name strength to launch Mr. Coffee™ brand coffee. While coffee machines and coffee beans are in different product categories, there is a strong enough correlation between the two items that the brand name has a powerful impact on consumers of both categories.

Brand leveraging communicates valuable product information to consumers about new products. Consumers enter retail outlets equipped with pre-existing knowledge of a brand's level of quality and consistently relate this knowledge to new products carrying the familiar brand. Generally, consumers maintain a consistent brand perception until disappointed – creating a risky advantage for established brands.

Why is Brand Leveraging Important?

Brand leveraging is an important form of new product introduction because it provides consumers with a sense of familiarity by carrying positive brand characteristics and attitudes into a new product category. Instant recognition of the brand is established, and consumers with a favorable brand opinion likely will try a new product they perceive to have a similar quality level and attributes as their original favorite. Additionally, because the products are in different categories, they will not compete for market share – the crux of a successful branding strategy.

For example, Bic™ is a strong brand name with years of experience in marketing low-cost disposable plastic products such as the Bic™ pen. Thus, Bic™ is positioned well to introduce products that capitalize on these same basic strengths – products such as disposable razors and cigarette lighters.

To avoid disappointing brand-loyal consumers, the greatest risk involved in brand leveraging, it is important to maintain a consistent level of quality within the brand across category lines. Likewise, it is as important to leverage a brand only into new categories that are related to the original product. Trying to sell too many diverse products will dilute the brand name and yield poor results.

For example, the Frito Lay™ name is extended from potato chips into other types of snack foods and dips. However, an introduction of Frito Lay™ lemonade did not succeed because the fruity, sweet drink had little connection to other Frito Lay™ products. Other examples that did not work in the consumer market include Smucker's™ ketchup, Ben-Gay™ aspirin, and Fruit of the Loom™ laundry detergent. However, M&M™ ice cream, Reese's™ peanut butter, and Minute Maid™ orange soda experienced success because the brands held direct and logical connections to their new categories.

Additional advantages of brand leveraging include:

- More products mean greater shelf space for the brand and more opportunities to make a sale.
- The cost of introducing a brand-leveraged product is less than introducing an independent new product due to a much smaller investment in brand development and advertising designed to gain brand recognition.

- A full line permits coordination of product offerings, such as bagels and cream cheese, potato chips and ranch dip, peanut butter and jelly, etc.
- A greater number of products increase efficiency of manufacturing facilities and raw materials.

Brand leveraging does present challenges. To avoid brand dilution, leveraging should be limited to entering only those categories that are directly related to the original product. Potential exists for damaging the reputation of the parent product if new products fail. Also, manufacturing and inventory costs may be higher as a result of product diversification.

Will Brand Leveraging Work for You?

A brand leveraging strategy will not work in every situation. There are important questions that should be considered in order to make the best decision for your brand:

- Does the new product fit into the established product family?
- Does the brand have attributes or features that easily and effectively carry into new categories?
- Is the brand name strengthened or diluted by representing two (or more) differentiated products?
- Does your company have facilities necessary to manufacture and distribute a new and differentiated product?
- Will sales of the new product cover the cost of product development and marketing?

A brand leveraging strategy can be extremely successful and profitable if it is correctly implemented and provides new products with the right image

5 Strategies to Build a Global Brand:

Building a global brand requires more than just launching a web site that's accessible from almost anywhere in the world.
From language missteps to misunderstanding cultural norms, veteran branding expert Barbara E. Kahn has seen it all when it comes to the missteps of launching a brand across borders. Here, she shares five tips to help entrepreneurs avoid the pitfalls.

1. **Understand customer behavior.**

Just because consumers have certain buying preferences or habits in one culture, doesn't mean that such preferences are universal. "It's astonishing how many retailers haven't made it because they haven't studied how consumers shop," she says.

In her book, *Global Brand Power* (Wharton Digital Press, 2013), Kahn cites Walmart's mistake in choosing locations in China that were near industrial parks when consumers were used to shopping closer to home instead of near work.

2. **Position yourself properly.**

Good brand positioning includes truly understanding your competition and then looking at your competitive advantage. Who are the providers of similar products and services that you sell in this country? They may not be the same providers as in the U.S.

For example, if you sell athletic clothing, look at where people are buying their athletic clothing. It could be from specialty stores, online retailers, or sporting goods stores. If you have a high-end brand and you're going into a market where the preferred buying location is discount retailers, it may take a different strategy from the one you use in the U.S. "You need to understand how people shop and how your brand will fit into that mix," she says.

3. **Know how your brand translates.**

A clever brand or product name in one language may translate into an embarrassing misstep in another. For example, the French cheese brand Kiri changed its name to Kibi in Iran because the former name means “rotten” or “rank” in Farsi -- not exactly the association you want for cheese.

In addition to ensuring that your brand translates well into other languages, consider which colors are favored in various markets. In the U.S., blues and greens are favored, while reds and yellows are frequently used in some Latin American countries and may be appealing and familiar to audience members from those areas.

4. **Think broadly.**

Since your company may need to expand into offering new products based on regional market demands, it's important that your company name be broad enough to accommodate those changes."Boston Chicken changed its name to Boston Market because it had expanded into other foods," Kahn says. If your company name is Brian's Computers for example, consider whether that will be limiting in other markets if you also sell peripherals and services, she says.

5. **Find good partners.**

Work with your attorney to protect your intellectual property overseas, filing the appropriate trademark and patent protections in the U.S. and elsewhere, if applicable. Find trade representatives who come recommended from colleagues or state or federal trade offices, since they're more likely to be reputable.

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