

TYBMS



MANAGEMENT

MODULE 1

-BY MS. ADITI KAPOOR

INTRODUCTION TO BRAND MANAGEMENT

Branding has been around for centuries as a means to distinguish the goods of one producer from those of another. In fact, the word brand is derived from the Old Norse word brandr, which means “to burn” as brands were and still are the means by which owners of livestock mark their animals to identify them.

BRAND

According to the American Marketing Association (AMA), a brand is a “name, term, sign, symbol, or a 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 competition.”

Technically speaking, then, whenever a marketer creates a new name, logo, or symbol for a new product, he or she has created a brand.

Brand is the sum of the expectations that a customer or stake holder has when purchasing a product or dealing with an organisation. A brand is an expectation or a promise waiting to be fulfilled. Brands are shorthand for trust.

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 are its offerings.

Few Examples:

Name – Coca Cola

Nike - Swoosh (Symbol) and tagline Just Do It

BRANDING

Branding is the act of creating a brand. The process involves positioning your company or product in the market (carving out your own place), devising brand strategy (how you will reach your goals), creating your name (your verbal identity), designing corporate identity or product identity (your visual identity), writing brand messaging (verbal and written tone), and setting brand standards (how you keep your brand consistent and strong). In other words, it's the marketing practice of creating a name, symbol or design that identifies and differentiates a product from other products.

Branding creates consistency, familiarity, helps meet consumer needs, provides competitive edge and helps deliver to the right audience.

BRAND MANAGEMENT:

Brand management is the analysis and planning on how that brand is perceived in the market by the consumer. Brand management helps to manage the tangible and intangible characteristics of a brand. A competent brand management includes building brand identity, launching the brand, maintaining the brand position in the market and brand management builds and maintains the corporate image of the business.

An application of marketing techniques to a specific product, product line or brand is known as brand management. Brand management plays a significant part in maintaining company's reputation and ensuring consumer experience it in the way its intend to be. Eg – if a customer like Amul butter he or she will try other products of Amul because the customer gets value and trusts the brand.

IMPORTANCE OF BRANDING TO CONSUMERS & FIRMS:

TO CONSUMERS:

Brand is the way customer perceives the firm. Good branding increases the value of a company, provides employees with direction and motivation, and makes acquiring new customers easier. Brand plays an important role and occupy a unique position in consumer's lives. Brands are important to consumers in different ways. They are:

- 1) Identification of source of product** – Brands allow to identify the source of the maker. It helps the consumers to know who the manufacturer is e.g. Philips Air fryer, Philips iron, Philips Led light bulb. Often consumers make their buying decisions on the basis of the name of the manufacturer.

- 2) **Allow consumers to assign responsibility to a particular manufacturer or distributor** - Consumers find out which brands satisfy their needs and which ones do not, because of their past experiences. Eg: TATA – Trust
- 3) **Risk reducer** – Brands can reduce the risks in product decisions. Often consumers buy products of a well known brand due to their positive past experience. The risk is high when the brand is unknown.
- 4) **Search cost reducer** - When consumers identify the brands or have experienced the brand it becomes easy for them during product decision and don't need any extra information, both internally as well as externally .
- 5) **Promise, bond or pact with maker of product** - Brands share a great relationship of trust with customers. They inturn expect brands to provide them with consistency in product or service. When consumers are satisfied with brand they will continue buying it.
- 6) **Symbolic device:** Brands can serve as symbolic devices allowing consumers to project their self image. Consuming such products is a means by which consumers can communicate to others or even to themselves the type of person they are or would like to be. E.g.: iPhone user or Mercedes owner consider themselves as classy and elite.
- 7) **Signal of quality:** Brands indicate the quality of product the consumer is buying. Buying a branded product means a consumer is guaranteed a consistent quality.

(b) TO FIRMS: brands also provide a number of valuable functions to their firms. They are:

- 1) **Means of identification:** Brands basically serve as an identification purpose. it simplifies product handling or tracing for the firms. Brands also help organise inventory and accounting records.
- 2) **Means of legal protections:** A brand also offers the firm legal protection for unique features of the product. The brand name can be protected through registered trademarks. Manufacturing processes can be protected through patents and packaging can be protected through copyrights and designs. example- Dove bar of soap unique shape with iconic dove bird logo.
- 3) **Signal of quality level:** Brands can indicate a certain level of quality so that satisfied buyers can easily choose the product again. This brand loyalty provides predictability and security of demand for the firm and creates barriers of entry that make it difficult for other firms to enter the market.
- 4). **Endowing products with unique associations:** Investments in the brand can endow a product with unique associations and meanings that differentiate it from other products. example -Nike- swoosh, thumbs up a stronger Cola.
- 5). **Competitive advantage:** Manufacturing processes and product designs can be easily copied or duplicated but years of marketing activities and product impressions last in the minds of consumers. example- Colgate tooth paste, Bisleri, Raymonds etc.
- 6). **Financial returns:** strong brands generate profit for the firm which in turn creates value to shareholders. Hence strong brands are profitable to firms.

BRAND V/S PRODUCT:

Branding is inextricably linked to similarity.

Branding in modern context has always been an important aspect of marketing.

Some brands that ruled once in India:

Murphy Radio

CTC AD #0007

This New Year...
a Murphy
for a happy
DIVALI



cuttingedgechat.com

This Diwali, Murphy offers you more new models than ever before—each in the Murphy tradition of providing you the finest in reception and tonal quality. Exquisitely designed, with every component thoroughly tested and assembled by trained experts, a Murphy Model will delight your home this festive season and through many, many years to come.

Visit any of the 800 Murphy Dealers and take home the Murphy Model of your choice... there's a wide range to choose from!



murphy radio
Delights the home!
Murphy sets the standard.

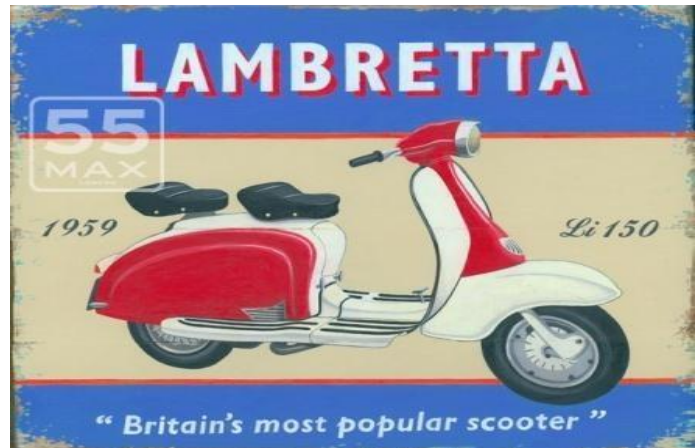
HMV Radio



Premier Padmini



Lambretta



Often confusion exist around the concept of brand & products - Are they same or different? The main essence of this debate is to increase the marketing effectiveness.

It could lead to faulty decision. A product is anything that can be offered to market to satisfy a want or need. The concept of product is broad it could be anything salt & pepper, toothpaste , insurance, person etc.

Marketers are often trapped in the commodity mentality. The emphasis on the manufactured products leaves them with commodity –like offerings which tend to be indistinguishing and undifferentiated .

All goods and services can be differentiated and usually are.

BRAND VS PRODUCT



According to Philip Kotler, well-regarded marketing academic, a product is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a need or want. Thus, a product may be a physical good like a cereal, tennis racquet or an insurance company, a service like an airline or a bank, a retail outlet like a departmental store, a person such as a political figure or entertainer etc., an organisation like a non-profit or trade organisation or even an idea like a political or social cause.

We can define 5 levels of meaning for a product:

1. The core benefit level is the fundamental need or want that consumers satisfy by consuming the product or service.
2. The generic product level is a basic version of the product containing only those attributes or characteristics absolutely necessary for its functioning but with no distinguishing features.
3. The expected product level is a set of attributes or characteristics that buyers normally expect and agree to when they purchase a product.
4. The augmented product level includes additional product attributes, benefits or related services that distinguish the product from competitors.
5. The potential product level includes all the augmentations and transformations that a product might ultimately undergo in the future.

A brand is therefore more than a product because it can have dimensions that differentiate it in some way from other products designed to satisfy the same need. These differences may be rational and tangible- related to the product performance of the brand – or more symbolic, emotional and intangible – related to what the brand represents.

Some brands create competitive advantages with product performance. For example – brands like Gillette, Merck and others have been leaders in their product categories for decades due in part to continual innovation. Steady investments in research and development have produced leading edge products and sophisticated mass marketing practices have ensured rapid adoption of new technologies in the consumer market.

A brand is a complex symbol that can convey up to six levels of meaning

- 1) Attributes: A brand brings to mind certain attributes. Mercedes suggests expensive, well-built, well-engineered, durable, high-prestige automobiles.
- 2) Benefits: Attributes must be translated into functional and emotional benefits. The attribute “durable” could translate into the functional benefit “won’t have to buy another car for several years”. The attribute “expensive” translates into the emotional benefit. “The car makes me feel important and admired.”
- 3) Values: The brand also says something about the producer’s values. Mercedes stands for high performance, safety, and prestige.
- 4) Culture: The brand may represent a certain culture. The Mercedes represents German culture: organized, efficient, high quality.
- 5) Personality: The brand can project a certain personality. Mercedes may suggest a no-nonsense boss (person), a reigning lion (animal), or an austere palace (object).
- 6) User: The brand suggests the kind of consumer who buys or uses the product. We would expect to see a 55-year-old top executive behind the wheel of a Mercedes, not a 20-year-old secretary.

PRODUCT	BRAND
Term used to describe all goods, services and knowledge sold.	A term, sign, symbol or design or a combination of them intended to identify the products or services of one's business or group of businesses and differentiate them from those of competitors.
Products are bundles of attributes (features, functions, benefits and uses) and can be either tangible or intangible or can be a combination of the two.	Brands are bundles of functional benefits, emotional benefits and self expressive benefits.
Product = Commodity	Brand = Mind Set
A product is a produced item always possessing these characteristics : tangibility, attributes and features.	In essence, the brand is a piece of real estate you occupy in a person's mind and the related impressions it leaves behind.
A product can be outdated quickly.	A brand if properly managed can be timeless.
A product which is distinct from others in its category.	Something available to the consumer undistinguished from others in the category.
The physiological response to a product is important.	The psychological response to a brand can be as important as the physiological response.
A product example – Toothpaste	Brand example – Colgate, Pepsodent, Close-Up etc.

So...

- A brand is often taken to be the same as product but it is not.
- A product is essential for a brand to exist but a brand is much more than a product.
- The essence of branding is to lift the product to a higher plane.
- It makes a product relevant and meaningful for the target customers.

CASE STUDY: Case Study: 1 Coca-Cola's Branding Lesson

One of the classic marketing mistakes occurred in April 1985 when Coca-Cola replaced its flagship cola brand with a new formula. The motivation behind the change was primarily a competitive one. Pepsi-Cola's "Pepsi Challenge" promotion had posed a strong challenge to Coke's supremacy over the cola market starting initially just in Texas, the promotion involved advertising and in-store sampling showcasing consumer blind taste tests between Coca-Cola and Pepsi-Cola. Invariably, Pepsi won these tests. Fearful that the promotion, if expanded nationally, could take a big bite out of Coca-Cola's sales, especially among younger cola drinkers, Coca-Cola felt compelled to act.

Coke's strategy

Coca-Cola's strategy was to change the formulation of Coke to more closely match the slightly sweeter taste of Pepsi. To arrive at a new formulation, Coke conducted taste tests with an astounding number of consumers-190,000! The findings from this research clearly indicated that consumers "overwhelmingly" preferred the taste of the new formulation to the old one Brimming with confidence; Coca-Cola announced the formulation change with much fanfare. Consumer reaction was swift but, unfortunately for Coca-Cola, negative.

In Seattle

In Seattle, retired real estate investor Gay Mullins founded the "Old Cola Drinkers of America" and set up a hotline for angry consumers. A Beverly Hills wine merchant bought 500 cases of "Vintage Coke" and sold them at a premium. Meanwhile, back at Coca-Cola headquarters, roughly 1,500 calls a day and literally truckloads of mail poured in, virtually all condemning the company's actions. Formulation would return as "Coca-Cola Classic" and join "New" Coke in the marketplace. The New Coke debacle taught Coca-Cola a very important, albeit painful and public, lesson about its brand. Coke clearly is not just seen as a beverage or thirst-quenching refreshment by consumers. Rather, it seems to be viewed as more of an American icon, and much of its appeal lies not only in its ingredients but also in what it represents in terms of Americana, nostalgia, and its heritage and relationship with consumers. Coke's brand image certainly has emotional components, and consumers have a great deal of strong feelings for the brand. The psychological response to a brand can be as important as the physiological response to the product. At the same time, American consumers also learned a lesson just how much the Coke brand really meant to them. Although coke had made several mistakes this is one of the most memorable branding lessons.

SOME COKE ADS



Come on - let's have a 'COKE'!



There's only one refreshment for everybody...
 any time of day. The one everyone can get along with the
 best. It's always the right time and place for 'Coke'.
 That's why it's everywhere, delicious and refreshing.
 Coca-Cola is always your best friend in the world.
 Enjoy 'Coke' whenever you feel like it. "Coke" is
 not found in bottles or glass
 anywhere else.

Call it Coke or Coca-Cola
 it's the same delicious drink

alamy

imageID: 141141
 www.alamy.com

For home and hospitality



Put a carton of Coca-Cola on your
 shopping list. When guests drop by, it's there
 to help you feel a welcoming welcome.
 For the family... Coke is always around.

When Coke is the answer, you'll see your refrigerator
 and you'll see it all... made by the Bottles.

SCOPE OF BRANDING:

The scope of branding is indeed very vast. They are:

- 1) **Physical Goods** : They are what are traditionally associated with brands and include many of the best known and highly regarded consumer products like Parle-G, Nescafe etc.
- 2) **Services** : Although strong service brands like American Express, British Airways etc have existed for years, branding of services is important as it helps customers to distinguish one service from another.
- 3) **Retailers & Distributors:** Brands can generate consumer interest, patronage and loyalty in a store as consumers learn to expect certain brands and products. Retailers can introduce their own brands by using their store name, creating new names or some combination of the two.
- 4) **Online products and services:** Some of the strongest brands in recent years have been born online. Google, Facebook and Twitter are three notable examples. Online marketers now realise the realities of brand building. Successful online brands have been well positioned and have found unique ways to satisfy consumers' unmet needs.
- 5) **People and organisations:** When the product category is people or organisations, the naming aspect of branding at least is generally straight forward. Some organisations have become well-known brands such as TATA, Google, Philips, etc. These brands often have well defined images that are easily understood and liked or disliked by others. Even public figures are brands in their own way and they are influencers in customer buying behaviour.
- 6) **Sports, Arts and Entertainment:** Sports marketing has become highly sophisticated in recent years. Many sports teams are marketing themselves through a creative form of communications. E.g.: VIVO IPL, FIFA, etc. Certain movie franchises such as Spider Man, James Bond, Harry Potter etc. have established themselves as strong brands by combining all these ingredients into a formula that appeals to consumers.
- 7) **Geographic Locations:** Geographic locations like country, city, place and people can also be branded. In the recent years there is a growth in tourism industry. Kutch Ran Mahotsav, Dubai Shopping festival, etc. have created awareness and a favourable brand image.
- 8) **Ideas and causes:** Numerous ideas and causes have been branded especially by nonprofit organisations. They may be captured in a phrase or slogan and even be represented by a symbol, such as AIDS ribbons, Swatch Bharath etc.

Branding is not easy. It is not just about giving a name or an attractive logo or slogan. It is one of the most challenging tasks a manager's faces.

Branding Challenges

1. Knowledgeable customers
2. Brand proliferation (explosion)
3. Media transformation
4. Decreasing brand loyalty in many categories
5. Increased competition
6. Increased costs
7. Greater accountability

Branding Challenges – Knowledgeable Customers

In this day and age, consumers can consult a vast number of sources of information (for example Google). This has become one of the prime challenges of the marketing environment.

It is a strong belief that it's become tougher than before to convince consumers with conventional communications like print ads, outdoor ads, and TV ads. Having more knowledge and experience in marketing has made consumers increasingly demanding. A brand's fate is actively affected by an empowered customer.

Example – Customers interacting with Tesla CEO Elon Musk

Concerns and queries of Tesla customers on Twitter, are responded to by Elon Musk, the CEO of the company.

One driver complained on Twitter that his children became overheated in the back of a Tesla due to poor airflow and asked Musk for ideas.

Put the kids in the rear of my in-laws' Tesla S & went for a 20 min drive. Air was set as cold as possible, but the kids were dehydrated & drenched in sweat after the drive. It turns out there's no air circulation back there. @elonmusk Any ideas? Love the car, but that's dangerous.

Elon Musk responded to the query himself and advised the driver to change the settings of the airflow.

If there is anyone in the third row, turn off air recirculation. Third-row cooling happens by air entering from the front and exiting through the vents in the rear bumper.

Branding Challenges – Brand Proliferation [Explosion].

- There has been a constant rise in brand extensions.
- This has resulted in an explosion of new brands and products, which has been an important change in the branding environment.
- Now, “a number of different products” with various levels of similarities can be the identifying factors of a brand.

Example – Samsung Smartphones

- Samsung has many phone brands like – A, J, Note, M, Galaxy, etc.
- This can see sometimes get confusing.
- Now that a lot of brands are expanding, selling places have become congested.
- Just getting a product on the shelf of a retail store can cause fights between brands.

Branding Challenges – Media Transformation

There has been a divide between conventional advertising media and the rise of interactive and non-conventional media. Marketers are willing to spend more on non-conventional forms of communications.

New forms of communications like sports and event sponsorship, product placement in movies, interactive digital media, mini billboards in transit vehicles, and in store advertising, are on the rise.

Example – Red Bull Stratos

- Austrian skydiver Felix Baumgartner was involved in a high-altitude diving project called The Red Bull Stratos.
- On 14 October 2012, he flew approximately 39 kilometers (24 mi) into the stratosphere over New Mexico, United States,
- He flew up in a helium balloon, before free falling in a pressure suit and then parachuting to Earth.
- According to the Austrian media, more than €50M (\$64.8M) was invested in the event by Red Bull.

Branding Challenges – Decreasing Brand Loyalty

Every product and service category has a large number of sellers. This creates problems like a decrease in brand loyalty among customers.

Example

1. Services

A lot of brand switching happens in the airline and hospitality industry.

2. Product

Declining brand loyalty is the beginning of E-commerce players in every product category.

Branding Challenges – Increased Competition

- The market has become increasingly competitive.
- This has forced marketers to use a lot of discounts or financial incentives.
- The increase in demand has been made possible because of both the demand and the supply-side factors.

A number of factors have led to new competition on the supply side

1. Globalization

1. Globalization has initiated new markets and new potential sources of income and profits.
2. At the same time, the number of competitors has increased in the same existing markers.
3. This threatens the established current revenue sources.

Example – Gillette facing completion from smaller brands

- Almost 14 years ago, P&G acquired Gillette for \$57 billion.
- As the grooming habits changed, buying a high-margin, market-dominating brand proved to be a good deal.
- The Dollar Shave Club, a direct-to-consumer start-up with the most appeal for Millennials, was the biggest threat to them.
- The competitive company shipped to customers razors for the whole month at just \$1.
- This price was a major discount when compared to Gillette.
- According to the Wall Street Journal, in 2010, Gillette dominated 70% of the market share of the US.
- They cited a data-tracking firm Euromonitor while making these observations, which also said that in 2016, Gillette fell down to 54%.

2. Low-priced competitors

- “Private labels” and “low prices clones” have entered the market.
- Imitation of the product leaders of the market has increased worldwide.

Private Label

- Like many other large retail and grocery chain stores, Walmart, Inc., gives the customers the option of private brands.
- They are also called house brands or store brands.
- These are lower-priced alternatives for branded products.
- Almost 84% of Walmart customers purchase private label products.
- According to these statistics, four out of five shoppers regularly pick in-house Walmart products over big-name brands.

- Walmart's Great Value brand earns more than \$27 billion yearly.

Low Priced Clones

- Micromax has always imitated Samsung Galaxy products through its Canvas range of Smartphones.
- Xiaomi also made clones of Apple products and gave the company some competition.

-

Branding Challenges – Increased Costs

With an increase in competition, the cost of launching a new product or supporting a pre-existing one has gone up drastically. This has made it harder to match the investment and support levels that brands were receiving in their previous years.

Example: Super Bowl Ad Rates

- During Super Bowl LIV, in 2020, \$5.6 million was reportedly the rate for a 30-second TV commercial on Fox.
- In 2019, during the championship match-up between the Los Angeles Rams and New England Patriots, CBS charged \$5.25 million for a 30-second slot.
- It could amount to \$175,000 per second, roughly.
- In 2018, the price was approximately \$5.2 million.
- This was one million more than the cost to air a commercial during the 2014 Super Bowl.
- In 2008, the average ballpark figure for a 30-second ad was \$2.69 million, according to Nielsen Media Research.
- In only two years, the price of a Super Bowl ad almost doubled.

Branding Challenges – Greater Accountability

Marketers may find themselves accountable for meeting large-scale short-term profit targets. This was because of the financial market pressure and Senior management pressures. This may result in a dilemma of having to make decisions with short-term benefits but long-term costs. Such as cutting advertising expenditures.

BRANDING OPPORTUNITIES:

1. Brands build their strength by providing customers consistently superior product and service experiences.
2. A strong brand is a promise or bond with customers. In return for their loyalty, customers expect the firm to satisfy their needs better than any other competitors.
3. Brands will always be important given their fundamental purpose-to identify and differentiate products and services.
4. Good brand makes people's lives a little easier and better. People are loyal to brands that satisfy their expectations and deliver on its brand promise.
5. The predictably good performance of a strong brand is something that consumer will always value.

STRATEGIC BRAND MANAGEMENT PROCESS

It involves the design and the implementation of marketing programmes and activities to build measure and manage equity. There are four management processes which are explained below:

1. Identifying and establishing brand positioning and values: The strategic brand management process starts with a clear understanding of what the brand is to represent and how it should be positioned with respect to competitors. Brand positioning is how a product is perceived in the minds of customer. Philip Kotler defines positioning as an "Act of designing the company's offering and image to occupy a distinctive place in the minds of target market". Ries & Trout defines "Positioning starts with the product. But positioning is not what you do to the product. Positioning is what you do the mind of the prospect. For example VANISH has clearly positioned as Stain remover - TRUST PINK FORGET STAINS. The positioning has been clearly incorporated in all integrated marketing communication and has undoubtedly created a point of difference which convinces consumers about the advantages and differences over the competitors.

2. Planning and implementing brand marketing programmes: Building brand equity requires properly positioning the brand in the minds of customers and achieving as much brand resonance as possible.

The process depends on three factors:

(a) Choosing brand elements: The most common brand elements are brand names, URLs, logos, symbols, characters, packaging, and slogans. The best test of the brand-building contribution of a brand element is what consumers would think about the product or service if they knew only its brand name or its associated logo or other element e.g. Nike Swoosh.

McDonalds' M (Golden Arc) LIC zindagi ke sath bhi, Zindagi ke badh bhi, Amul Girl, 7 up Green bottle etc.

(b) Integrating the brand into marketing activities and the supporting marketing programme: The biggest contribution comes from marketing activities related to the brand. It is an important step because it bridges the gap between planning and implementation.

(c) Leveraging secondary associations: The third and final way to build brand equity is to leverage secondary associations. E.g. the brand may be linked to certain source factors, such as the company (through branding strategies), countries or other geographical regions e.g. India Gate basmati rice, Gujarat tourism etc.

3. Measuring and interpreting brand performance: To manage their brand profitably, managers must successfully design and implement a brand equity measurement system. A brand equity measurement system is a set of research procedures designed to provide timely, accurate, and actionable information for marketers so that they can make the best possible tactical decisions in the short run and the best strategic decisions in the long run. System involves three key steps conducting brand audits, designing brand tracking studies, and establishing a brand equity management system.

4. Growing and sustaining brand equity: Maintaining and expanding on brand equity can be quite challenging. Brand equity management activities take a broader and more diverse perspective of the brand's equity understanding how branding strategies should reflect corporate concerns and be adjusted, if at all, over time or over geographical boundaries or multiple market segments.

CUSTOMER-BASED BRAND EQUITY MODEL (CBBE)

Two questions often arise in brand marketing:

(a) What makes a brand strong? and (b) How do you build a strong brand?

To help answer both the questions, CBBE model was introduced. The CBBE concept approaches brand equity from the perspective of the consumer- whether the consumer is an individual or an organisation or an existing or prospective customer. The model understands the need and wants of customers or an organisation and devising products and programmes to satisfy their needs and wants.

The basic premise of the CBBE concept is that the power of a brand lies in what customers have learned, felt, seen, and heard about the brand as a result of their experiences over time. In other words, the power of a brand lies in what resides in the minds and hearts of customers.

The challenge for marketers in building a strong brand is ensuring that customers have the right type of experiences with products and services and their accompanying marketing programmes so that the desired thoughts, feelings, images, beliefs, perceptions, opinions, and experiences become linked to the brand. CBBE model has three key ingredients to this definition:

(a) **Differential effect:** Brand equity arises from differences in consumer response. If no differences occur, then the brand-name product can essentially be classified as a commodity or a generic version of the product. Competition, most likely, would then just be based on price.

(b) **Brand knowledge:** The differences in response are a result of consumers' knowledge about the brand, that is, what they have learned, felt, seen, and heard about the brand as a result of their experiences over time. Ultimately it depends on what resides in the minds and hearts of consumers.

(c) **Consumer response to marketing:** Customers' differential responses, which make up brand equity, are reflected in perceptions, preferences, and behaviour related to all aspects of brand marketing.

E.g. When a customer wants to make a choice of buying a car/bike. He will look at all the brands that are available, will search the net for information, go for test drive, discuss with friends, reference groups and family and then finally will make decision. The decision will be strongly influenced by knowledge he or she has accumulated about the brand from these various resources.

SOURCES OF BRAND EQUITY

Brand equity is a marketing term that describes a brand's value. That value is determined by consumer perception of and experiences with the brand. Brand equity refers to a value premium that a company generates from a product with a recognisable name when compared to a generic equivalent. Companies can create brand equity for their products by making them memorable, easily recognisable, and superior in quality and reliability. If people think highly of a brand, it has positive brand equity. When a brand consistently under-delivers and disappoints to the point where people recommend that others avoid it, it has negative brand equity.

In other words Brand equity is the sum of all distinguishing qualities of a brand, drawn from all relevant stakeholders, that results in personal commitment to and demand for the brand; these differentiating thoughts and feelings make the brand valued and valuable.

Keller's Brand Equity Model is also known as the Customer-Based Brand Equity (CBBE) Model. Kevin Lane Keller, a marketing professor at the Tuck School of Business at Dartmouth College, developed the model and published it in his widely used textbook, "Strategic Brand Management."

Customer-based brand equity occurs when the consumer has a high level of awareness and familiarity with the brand and holds some strong, favourable, and unique brand associations in memory. While in certain cases, brand awareness alone is enough to create favourable consumer response; for example, in low-involvement decisions when consumers are willing to base their choices on mere familiarity. In most other cases, however, the strength, favourability, and uniqueness of brand associations play a critical role in determining the differential response that makes up brand equity. If customers perceive the brand as only representative of the product or service category, then they'll respond as if the offering were unbranded.

Thus marketers must also convince consumers that there are meaningful differences among brands. Consumers must not think all brands in the category are the same. Establishing a positive brand image in consumer memory- strong, favourable, and unique brand associations hand-in-hand with creating brand awareness to build customer-based brand equity. goes

The sources of Brand Equity are:

(a) **Brand Awareness:** Brand awareness consists of brand recognition and brand recall performance

a) Brand recognition is consumers' ability to confirm prior exposure to the brand when given the brand as a cue. In other words, when they go to the store, will they be able to recognise the brand as one to which they have already been exposed.

b) Brand recall is consumers' ability to retrieve the brand from memory when given the product category, the needs fulfilled by the category, or a purchase or usage situation as a cue. In other words consumers recall of Cadbury will depend on their ability to recall the brand when they think of chocolates category or what they should eat for chocolates, whether at the store when making a purchasing decision or at home when they decide eat.

Advantages of Brand Awareness

There are three elements of advantages for Brand Awareness which is as follows;

(a) Learning Advantages: The first step in building brand equity is to register the brand in the minds of consumers. If the right brand elements are chosen, the task becomes easier e.g. "Nimbooz" The brand name - Nimbooz - from Nimboo, Visual emphasis of fresh lemon, Use of colours - yellow and green that associate with freshness Wooden lemon squeezer to give the feel. All the brand elements compliment the brand.

(b) Consideration Advantages: Consumers must consider the brand whenever they are making a purchase. Research has shown that consumers are rarely loyal to only one brand. Raising brand awareness increases the likelihood that the brand will be a member of the consideration set, that the consumer considers before making a purchase. (c) Choice Advantages: The third advantage of creating a high level of brand awareness is that it can affect choices among brands in the consideration set, even if there are essentially no other associations to those brands.

Establishing Brand Awareness

Creating brand awareness means increasing the familiarity of the brand through repeated exposure, although this is generally more effective for brand recognition than for brand recall. The more consumers experiences the brand by seeing it, hearing it, or thinking about it, the more likely he or she is to strongly register the brand in memory. Thus the marketer must try to establish a strong link between various brand elements and the brand. Name, symbol, logo, character, packaging, or slogan, including advertising and promotion, sponsorship and event marketing, publicity and public relations, and outdoor advertising should be used to the advantage of the brand. E.g. in addition to its name, Intel uses the "Intel Inside" logo and its distinctive symbol as well as its famous four-note jingle in TV ads to enhance awareness.

(a) Brand Image: Once a sufficient level of brand awareness is created, marketers can put more emphasis on crafting a brand image. Creating a positive brand image takes marketing programmes that link strong, favourable, and unique associations to the brand in memory. Brand associations may be either brand attributes or benefits.

Brand attributes are those descriptive features that characterise a product or service for e.g. Close-up Red gel is different than other toothpaste in the market.

Brand benefits are the personal value and meaning that consumers attach to the product or service attributes, e.g. Dermicool prickly heat powder which provides instant relief and a cooling effect removing irritation. To create a strong brand image, marketers need to make

sure that some brand associations are made which are different from those of the competitors. Unique associations help consumers choose the brand. E.g. Dove beauty bar with % moisturiser, uses dove bird as its logo. Some factors that, in general, affect the strength, favourability, and uniqueness of brand associations.

(i) Strength of brand associations: The more deeply a person thinks about product information and relates it to existing brand knowledge, the stronger the resulting brand associations will be. Two factors that strengthen association are its personal relevance and the consistency with which it is presented over time. Direct associations are particularly influential in consumers' decisions when they accurately interpret them. Word-of-mouth is likely to be particularly important for restaurants, entertainment, banking, and personal services. Starbucks, Google, Red Bull, and Amazon are all classic examples of companies that created amazingly rich brand images without the benefit of intensive advertising programmes. Another classic example is PULSE hard boiled candy sold over 100 crore within 3 months of launch without any advertising because it was a "discovery" brand fuelled by word-of-mouth. Marketing communication programmes should use creative communications that get the consumer thinking about the brand. They should be continuously expose communication to customers and ensure that they don't forget the brand.

(ii) Favourability of brand associations: Marketers create favourable brand associations by convincing consumers that the brand possesses relevant attributes and benefits that satisfy their needs and wants, such that they form positive overall brand judgment. E.g. the associations that come to mind when consumers think of FedEx may be "fast," "reliable," and "convenient," with "purple and orange packages".

(iii) Uniqueness of brand associations: Unique associations are critical to a brand's success, Marketers can make this unique difference explicit through direct comparisons with competitors, or they may highlight it completely. Thus, in almost all cases, some product category associations will be shared with all brands in the category. However, the strength of the brand associations to the product category is an important determinant of brand awareness.

STEPS OF BRAND BUILDING INCLUDING BRAND BUILDING BLOCKS

The brand resonance model looks at building a brand as a sequence of steps, each of which is dependent on successfully achieving the objectives of the previous one. The steps are as follows:

1. Ensure identification of the brand with customers and an association of the brand in customers' minds with a specific product class, product benefit, or customer need.
2. Firmly establish the totality of brand meaning in the minds of customers by strategically linking a host of tangible and intangible brand associations.
3. Bring out the proper customer responses to the brand.
4. Convert brand responses to create brand resonance and an intense, active loyalty relationship between customers and the brand.

These four steps represent a set of fundamental questions that customers invariably ask about brands:

1. Who are you? (brand identity)

2. What are you? (brand meaning) 3. What about you? What do I think or feel about you? (brand responses)

4. What about you and me? What kind of association and how much of a connection

would I like to have with you? (brand relationships) There is a relationship between all steps until the former is not completed the latter will not make sense.

(b) Brand Building Blocks

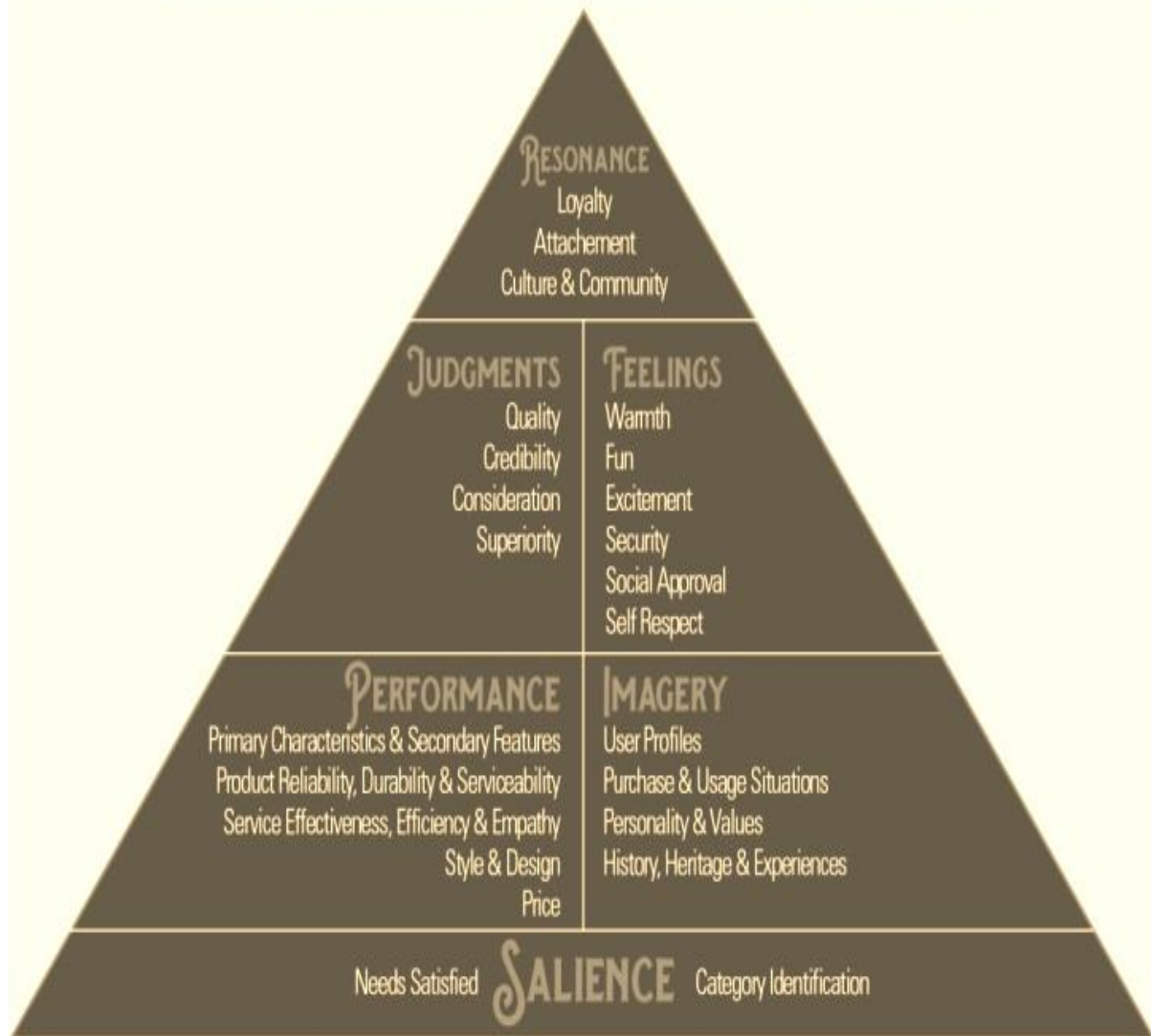
The brand building blocks have six dimensions and various sub-dimensions. Brand equity can be achieved only if the brand reaches the top of the pyramid.

Sub-dimensions of Brand Building Blocks



Keller's Brand Equity Model – CBBE Model

SUBDIMENSIONS OF BRAND BUILDING BLOCKS



Building blocks up the left side of the pyramid represent a more "rational route" to brand building, whereas building blocks up the right side of the pyramid represent a more "emotional route." Most strong brands are built by going up both sides of the pyramid. Let's try to understand each of the building blocks in detail;

1. **Brand Salience:** Achieving the right brand identity means creating brand salience with customers. Brand salience measures various aspects of the awareness of the brand and easily and often the brand is evoked under various situations or circumstances. Brand awareness refers to customers' ability to recall and recognise the brand under different conditions and to link the brand name, logo, symbol, and so forth to certain associations in memory. The breadth of brand awareness measures the range of purchase and usage situations in which the brand element comes to mind and depends to a large extent on the organisation of brand and product knowledge in memory. E.. Let's look at Tropicana Juice. The depth would be that whenever Orange juice is mentioned the consumer thinks about Tropicana. The breadth would be the various occasions the consumer thinks having Tropicana juice. Does the consumer only think of Tropicana juice as a type of beverage to drink, especially when seeking a "tasty but healthy" beverage? A highly salient brand is one that has both depth and breadth of brand awareness.

2. Brand Performance: Designing and delivering a product that fully satisfies consumer needs and wants is a requirement for successful marketing. It is important for the brand to meet customer's expectations. If the brand surpasses customer expectation it creates customer delight. Brand performance describes how well the product or service meets customers' more functional needs. The strongest brands excel because they offer performance advantage which the competitors cannot match up.

3. Brand imagery: Brand imagery depends on the extrinsic properties of the product or service, including the ways in which the brand attempts to meet customers' psychological or social needs. It is the way people think about a brand abstractly, rather than what they think the brand actually does. Thus, imagery refers to more intangible aspects of the brand, and consumers can form imagery associations directly from their own experience or indirectly through advertising or by some other source of information, such as word of mouth. E.g. Raymond the textile brand with some of its intangible associations such as family, elegant and classic/timeless. (a) User imagery: One set of brand imagery associations is about the type of person or

organisation who uses the brand. Celebrities, sportspersons, entertainers or politicians may be used to create user imagery. (b) Purchase and usage imagery: A second set of associations tells consumers under what conditions or situations they can or should buy and use the brand. E.g. BIG

BAZAAR offers special discounts on Wednesday "SAB SE SASTHA DIN".

thus creating an occasion for them to buy. (c) Brand personality and values: Through consumer experience or marketing activities, brands may take on personality traits or human values and, like a person, appear to be "modern," "old-fashioned," "lively," or "exotic". Marketing communication and advertising are influential in shaping the brand personality of a brand product. Consumers often choose and use brands that have a personality. E.g. fenoIn Thumps Up - Ruggedness, Outdoor Dove - feminine.

(d) Brand history, heritage, and experiences: Finally, brands may take on associations to their past and certain noteworthy events in the brand's history. These types of associations may recall distinctly personal experiences and episodes from past behaviours and experiences of friends, family, or other e.g. Colgate.

4. Brand judgments: Brand judgments are customers' personal opinions about and

evaluations of the brand, which consumers form by putting together all the different brand performance and imagery associations. Customers may make all types of judgments with respect to a brand, but four types are particularly important: judgments about quality, credibility, consideration, and superiority.

5. Brand feelings: Brand feelings are customers' emotional responses and reactions to the brand. These feelings can be negative or positive e.g. Saffola cooking oil gives a positive feeling in the wife's mind as it is healthy oil which is good for her husband's heart even though it is more expensive than the competitor brand. Brand judgments are driven by head while brand feelings are driven by heart.

6. Brand resonance: Brand resonance describes the nature of this relationship and the extent to which customers feel that they are "in sync" with the brand. Examples of brands with historically high resonance include Harley-Davidson, Apple, and eBay.

(a) Behavioural loyalty: Behavioural loyalty can be measured in term of repeated purchases. In other words the marketer can gauge the behavioural loyalty by the number of times the customer purchases the product.

(b) Attitudinal attachment: Brand Resonance requires a strong personal attachment. Customers should go beyond having a positive attitude to viewing the brand as something special and the customers may say that they are in love with the brand. Creating greater loyalty requires creating deeper attitudinal attachment, through marketing programmes and products and services that fully satisfy consumer needs.

(c) Sense of community: The brand may also take on broader meaning to the customer by conveying a sense of community. Activities done for the good to society also develop goodwill for the brand.

(d) Active engagement: Finally, perhaps the strongest affirmation of brand loyalty occurs when customers are engaged, or willing to invest time, energy, money, or other resources in the brand beyond those expended during purchase or consumption of the brand. E.g. if a customer is actively involved in the brand and respond to the brands various social media platform.

In short, brand resonance and the relationships consumers have with brands have two dimensions: intensity and activity. Intensity measures the strength of the attitudinal attachment and sense of community. Activity tells us how frequently the consumer buys and uses the brand, as well as engages in other activities not related to purchase and consumption. The brand. resonance model provides a road map and guidelines to brand building. It also reinforces the number of important brand building block.

BRAND POSITIONING:

Brand Positioning can be defined as the positioning strategy of the brand with the goal to create a unique impression in the minds of the customers and at the marketplace. Brand Positioning has to be desirable, specific, clear, and distinctive in nature from the rest of the competitors in the market.

Effective brand positioning enables a firm's brand to be readily distinguishable from competing brands in the marketplace. Distinguishing the brand from other brands can be in terms of associated brand attributes, benefits to users, and/or market segment emphasis, among other factors. Effective brand positioning further emphasizes elements of superiority along one or more distinguishing dimensions which are valued by consumers.

IMPORTANCE OF BRAND POSITIONING AND STRATEGY :



1) **Market differentiation**

The unique and creative Brand Positioning not only clears the clutter from the market but also gives the factor of differentiation to the brand as compared to its direct and indirect competitors. It makes the brand stand out in the market as well as in the customer's mind with the unique selling proposition and the strong attributes of the brand getting ingrained in their minds working as a recall factor.

2) **Justifies the pricing strategy**

Yet another benefit of the Brand Positioning is that it helps the management of the company to justify the pricing strategy. If the pricing of the products offered by the brand is high owing to the feature of quality and class, and the Brand Positioning is formulated in such a way that showcases the factors of quality and class, the pricing part gets automatically justified in the minds of the customers. The same is applicable for the products that are reasonable and affordable in nature and the positioning strategy is planned and executed accordingly.

3) **Competitive advantage**

A strong Brand Positioning that tactfully and strategically highlights the core values, strengths, attributes, and the unique selling propositions of the brand enjoys the facet of competitive advantage that results in accomplishing the objectives of higher sales, increased market share, customer loyalty, attracting the new set of customers, and elevated profits.

4) **Makes the brand more creative**

There are quite many brands in the market offering the similar lines of products and services to the same target market and audience but it is the Brand Positioning that makes one brand different and unique from the other. And if the brand is able to come up with the innovative and novel positioning strategy and execution, the brand is adorned with the tag of the creative brand.

A good Brand positioning helps customers to resonate with the values and concepts of brand and helps them to associate with it on a deeper level which is beyond buyer and seller relationship. A positive positioning helps the brand to stand out amongst competitors and gain competitive advantage along with the added market share.

(iii) Brand Positioning Basis

1. Positioning by product attributes and benefits: Associating a product with an attribute, a product feature or a consumer feature. Sometimes a product can be positioned in terms of two or more attributes simultaneously. Generally whenever a brand is launched, it's positioned on Product attributes. Consider the example of Ariel that offers a specific benefit of cleaning even the dirtiest of clothes because of the micro cleaning system in the product. Colgate offers benefits of preventing cavity and fresh breath. Surf Excel - dirt is good - Daag ache hain.

2. Positioning by price/quality: One way they do it is with ads that reflect the image of a high-quality brand where cost, while not irrelevant, is considered secondary to the quality benefits derived from using the brand. Premium brands positioned at the high end of the market use this approach to positioning. Another way to use price/quality characteristics for positioning is to focus on the quality or value offered by the brand at a very competitive price. Kent RO @ 8500/-, the wheel detergent or Rin soap which always focuses on the value addition and price- Rin Bar @5/-

3. Positioning by use or application: Another way is to communicate a specific image or position for a brand is to associate it with a specific use or application. E.g. Vanish is positioned as stain remover- Trust Pink forget stains. Colgate pain out.

4. Positioning by product class: Often the competition for a particular product comes from outside the product class. The product is positioned against others that while not exactly the same, provide the same class of benefits. Airlines know that while they compete with other airlines, trains and buses are also viable alternatives. Dove is positioned as a moisturiser, not soap. Dettol soap is positioned as a germ killer.

5. Positioning by product user: Positioning a product by associating it with a particular user or group of users is yet another approach. Facebook, Sunsilk GOG.

6. Positioning by competitor: Competitors may be as important to positioning strategy as a firm's own product or services. This approach is similar to positioning by product class, although in this case the competition is within the same product category. For example, Onida was positioned against the giants in the television industry through this strategy, ONIDA colour TV was launched with the message that all others were clones and only Onida was the leader. Neighbours envy owners pride, Moov compares itself with Iodex.

7. Positioning by cultural symbols: An additional positioning strategy where in the cultural symbols are used to differentiate the brands. E.g. would be Humara Bajaj, Tata Tea, Ronald McDonald, India gate Basmati Rice etc. Each of these symbols has successfully differentiated the product it represents from competitors.
