Strategic Brand Management
– IV Semester –

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BRAND

- ‘Is a name, term, sign, symbol or design or a combination of them, intended to identify the goods & services of one seller or group of sellers & to differentiate them from those of competition’.

Brand management

- **Is the application of marketing techniques to a specific product, product line, or brand. It seeks to increase the product's perceived value to the customer and thereby increase brand equity.**

Branding Challenges

- Savvy customers
- Brand proliferation
- Media fragmentation
- Increased competition
- Increased cost
- Greater accountability

Strategic brand management

Involves the design & implementation of marketing programmes & activities to build, measure and manage brand equity.

Brand elements

Different components of a brand that identify and differentiate it are ***brand elements.***

Why do brands matter? (Role)

1. Consumers
- Source of a product
- Assignment of responsibility to product maker
- Risk reducer
- Search cost reducer
- Promise, bond or pact with manufacturer of product
- Symbolic device
- Signal of quality

2. Manufacturers

- Means of identification to simplify handling or tracing
- Means of legally protecting unique features
- Source of competitive advantage
- Source of financial returns

Product – is anything we can offer to a market for attention, acquisition, use or consumption that might satisfy a need or want.

5 levels

1. **Core benefit level**-is the fundamental need or want that consumers satisfy by consuming the product or service.
2. **Generic product level**- a basic version of the product containing only those attributes absolutely necessary for its functioning but with no distinguishing features.

3. **Expected product level**- is a set of attributes that buyers normally expect or agree to when they purchase a product.
4. **Augmented product level**- includes additional product attributes, benefits or related services that distinguish the product from competitors.
5. **Potential product level**- includes all the augmentations & transformations that a product might ultimately undergo in the future.

A brand ; is more than a product, because it can have dimensions that differentiate it in some way from other products designed to satisfy the same need.

- May be rational or tangible – product performance of the brand.
- More symbolic, emotional or intangible – related to what the brand represents.

Brand knowledge

As consisting of a brand node in memory with a variety of associations linked to it.

Includes 2 components ;

1. **Brand awareness** – as the consumers ability to identify the brand under different conditions.
2. **Brand image** – is consumers perceptions about a brand as reflected by the brand associations held in consumer memory.

Brand awareness consists of

1. **Brand recognition** – is consumers ability to confirm prior exposure to the brand when given the brand as a cue.

   or the one to which they have already been exposed.

2. **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.

Brand attributes – are those descriptive features that characterize a product or service.

Brand benefits – are the personal value and meaning that consumers attach to the product or service attributes.

Brand performance – describes how well the p/s meets customers more functional needs.

Brand judgements – are customers personal opinions about and evaluations of the brand, which consumers form by putting together all the different brand performance & imagery associations.

Marketing advantages of strong brands

- Improved perceptions of product performance.
- Greater loyalty.
- Less vulnerability to competitive marketing actions.
- Less vulnerability to marketing crisis.
- Large margins.
- More inelastic consumer response to price increases.
- More elastic consumer response to price decreases.
- greater trade cooperation & support.
- Increased marketing communication effectiveness.
- Possible licensing opportunities.
- Brand extension opportunities.

Strategic Brand Management Process

STEPS & KEY CONCEPTS

1. Identify & establish brand positioning & values

- Mental maps
- Competitive frame of reference
- Points of parity & points of difference
- Core brand associations
- Brand mantra

2. Plan and implement brand marketing programs

- Mixing and matching of brand elements
- Integrating brand marketing activities
- Leveraging secondary associations

3. Measure & interpret brand performance

- Brand value chain
- Brand audits
- Brand tracking Studies
- Brand equity management system

4. Grow and sustain brand equity

- Brand- product matrix
- Brand portfolios & Hierarchies
- Brand expansion strategies
- Brand reinforcement & revitalization.

Building a strong Brand: The 4 steps of Brand building

1. Ensure identification of the brand with customers & an association of the brand in customers minds with a specific product class or customer need.

   (*Who are you?*) (BRAND IDENTITY)

2. Firmly establish the totality of brand meaning in the minds of customers by strategically linking a host of tangible& intangible brand associations with certain properties.

   (*What are you?*) (BRAND MEANING)

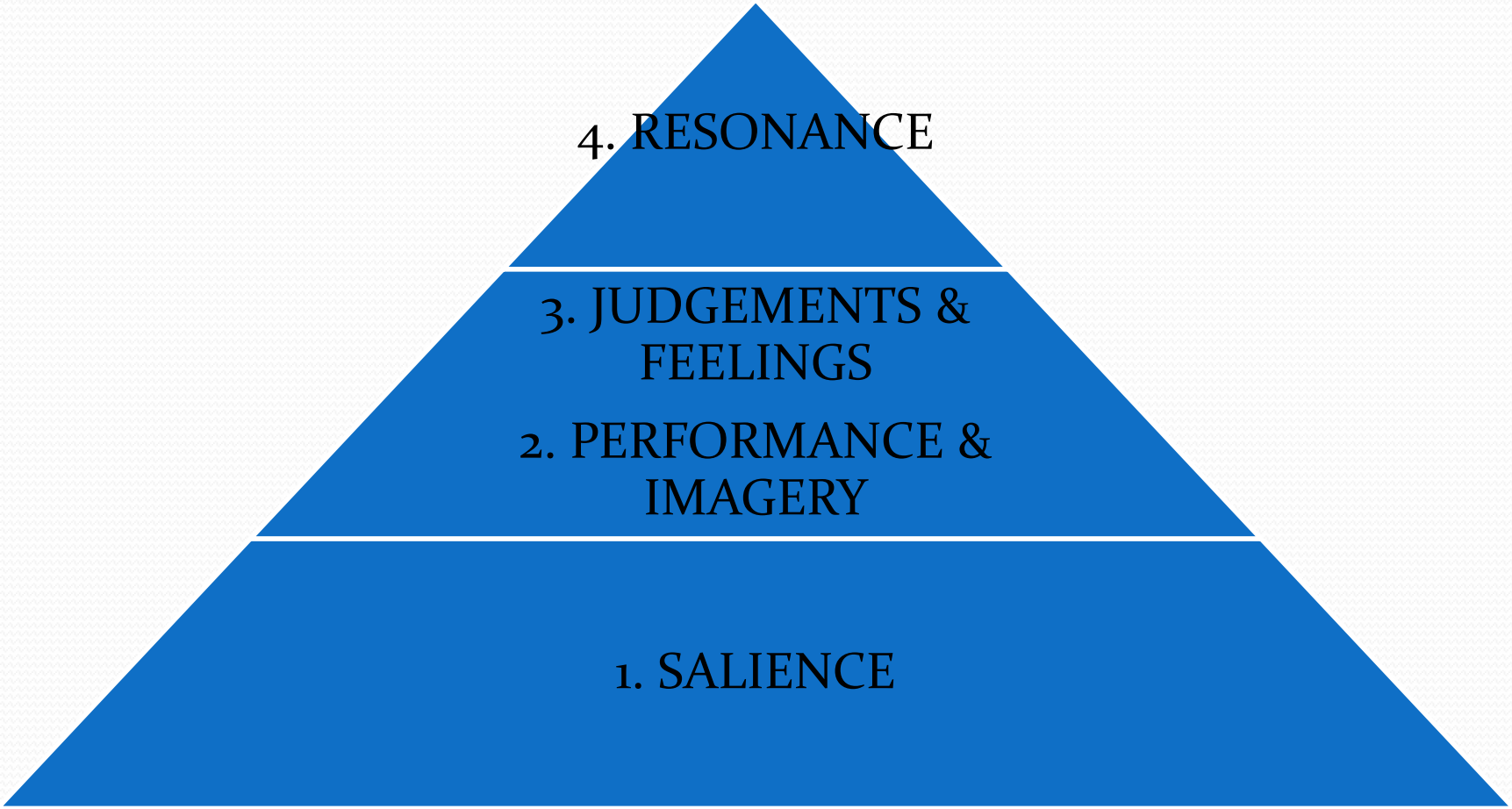
3. Elicit the proper customer responses to this brand identification and brand meaning.

(*What about you? What do I think or feel about you?)* (BRAND RESPONSES)

4. Convert brand response to create an intense, active loyalty relationship between customers & the brand.

(*What about you & me? What kind of association & how much of a connection would I like to have with you?)* (BRAND RELATIONSHIP)

CUSTOMER- BASED BRAND EQUITY PYRAMID



Four stages of brand building

1. Salience/ Identity
   - Category identification
   - Need satisfied
2. Meaning
   - Performance
   - Primary & secondary features
   - Product reliability, durability & serviceability
   - Service effectiveness, efficiency & empathy
   - Style, design & price.

- Imagery
  - user profiles
  - Purchase & usage situations
  - Personality & values
  - History, heritage & experiences

3. Response

- Judgements
  - Quality
  - Credibility
  - Consideration
  - superiority

- Feelings

➢ Warmth, fun, excitement, security, social approval, self respect.

4. Resonance/ Relationships

➢ Loyalty

➢ Attachment

➢ Community

➢ Engagement

Identifying and establishing brand positioning.

- Brand positioning- “act of designing the company’s offer & image so that it occupies a distinct and valued place in the target customer’s mind.”
- Target market
- Nature of competition
- Points of difference associations (POD’s) – are attributes or benefits that consumers strongly associate with a brand, positively evaluate & believe that they could not find to the same extent with a competitive brand.

Points of parity associations (POP's)

- Are not necessarily unique to the brand but may in fact be shared with other brands.

1. Category points of parity ; represents necessary- but not necessarily sufficient conditions for brand choice.
2. Competitive points of parity ; are those associations designed to negate competitors points of difference.

POSITIONING means identifying and establishing POP & POD to establish the right brand identity.

Positioning guidelines

1. Defining & communicating the competitive frame of reference.
2. Choosing & establishing POP & POD.

- Desirability criteria
  - Relevance
  - Distinctiveness
  - Believability
- Deliverability criteria
  - Feasibility
  - Communicability
  - Sustainability

3. Establishing pop & pod

- Separate the attributes
- Leverage equity of another equity
- Redefine the relationship

4. Updating positioning over time

- Laddering – how to deepen the meaning of the brand to tap into core brand associations or other, more abstract considerations.
- Reacting – is how to respond to competitive challenges that threaten an existing position.

❖ Do nothing
❖ Go on the defensive
❖ Go on the offensive

“Defining & establishing brand mantras”

- Core brand associations – are those abstract associations (attributes & benefits) that characterize the 5 to 10 most important aspects or dimensions of a brand.
- Mental Map – accurately portrays in detail all salient brand associations & responses for a particular target market.

BRAND MANTRAS

A brand mantra is an articulation of the " heart and soul" of the brand, a short, 3 to 5 word phrase that captures the irrefutable essence or spirit of the brand positioning.

"What the Brand is & What it is Not"

Its similar to " brand essence" or " core brand promise" and is purpose is to ensure that all employees & external marketing partners understand what the brand most fundamentally is to represent to consumers, so they can adjust their actions accordingly.

Designing a brand mantra

- The brand function term describes the nature of the product or service or the type of experiences or benefits the brand provides.
- The descriptive modifier
- Emotional modifier

Brand Mantra

	Emotional modifier	Descriptive modifier	Brand function
Nike	Authentic	Athletic	performance
Disney	Fun	Family	Entertainment
McDonald's	Food	Folk	Fun

Implementing a brand mantra

- Communicate; should both define the category of business to set the brand boundaries & clarify what is unique about the brand.
- Simplify; should be memorable, short, crisp. 3 word is ideal.
- Inspire; should stake out ground that is personally meaningful & relevant to as many employees as possible.

Internal Branding-making sure that members of the organisation are properly aligned with the brand & what it represents.

BRAND AUDIT – is a comprehensive examination of a brand to discover its sources of brand equity.

Brand Inventory; provide a current, comprehensive profile of how all the products & services sold by a company are marketed and branded.

Brand exploratory; is research directed to understanding what consumers think & feel about the brand & its corresponding product category in order to identify sources of brand equity.

- Preliminary activities
- Interpreting qualitative research
- Conducting quantitative research

Brand positioning and supporting marketing programs