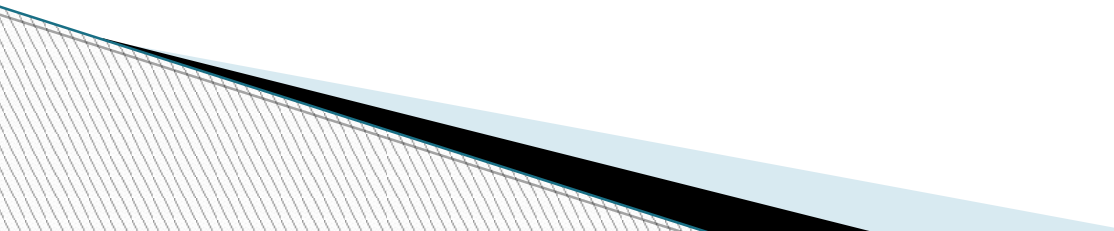


- ▶ Apple , Amazon, Facebook, General Electric, Google, Groupon, Intel, Microsoft, Twitter Zynga.....



# Brand

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 competition.”

*: - American Marketing Association*



# A Brand Is.....





# The Role of Brands

Identify the maker

Simplify product handling

Organize accounting

Offer legal protection





# The Role of Brands

Signify quality

Create barriers to entry

Serve as a competitive advantage

Secure price premium





# What is Branding?

**Branding** is endowing products and services with the power of the brand.

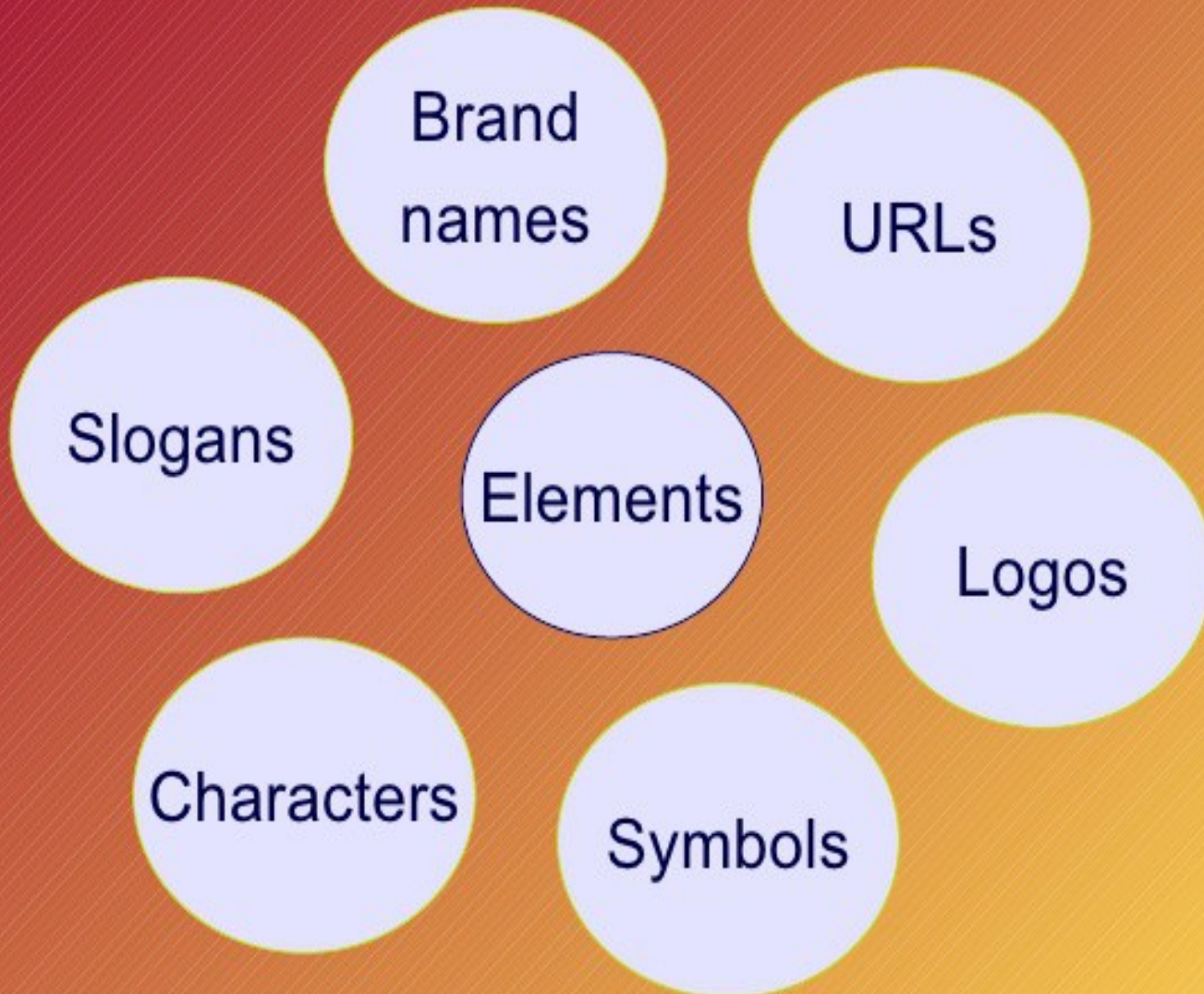


# The Scope of Branding

- Brand differences are often related to attributes or benefits of product itself.
- Branding can be of :
  - Physical goods
  - Services
  - A store
  - A person
  - A place
  - An organization
  - An Idea



# Brand Elements

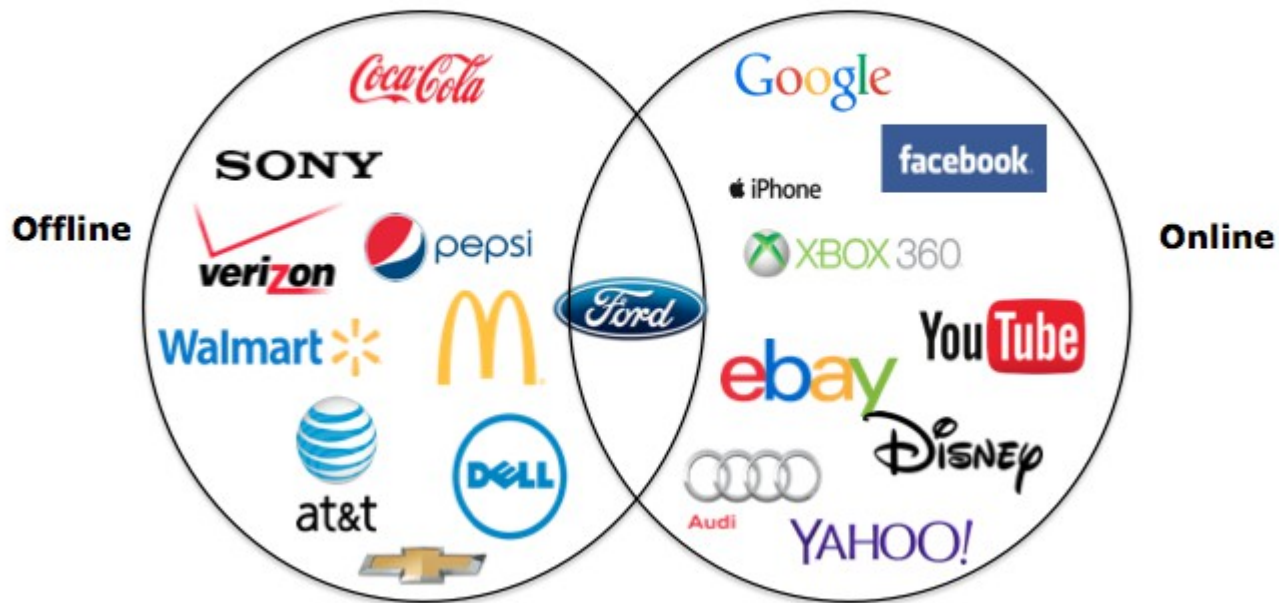




## Brand element choice mix

- Memorable
- Meaningful
- Likeability
- Transferable
- Adaptable

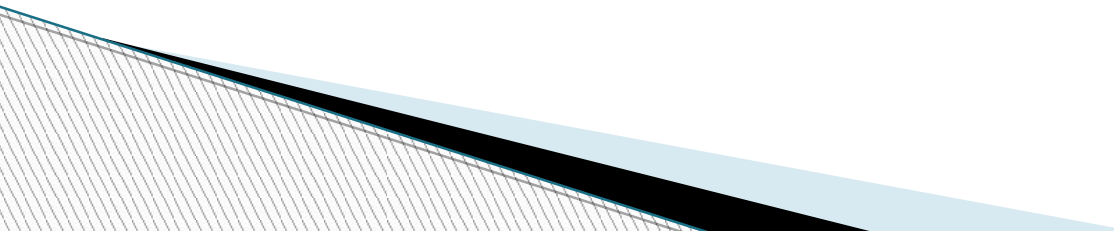
# Top 10 Most Mentioned Brands





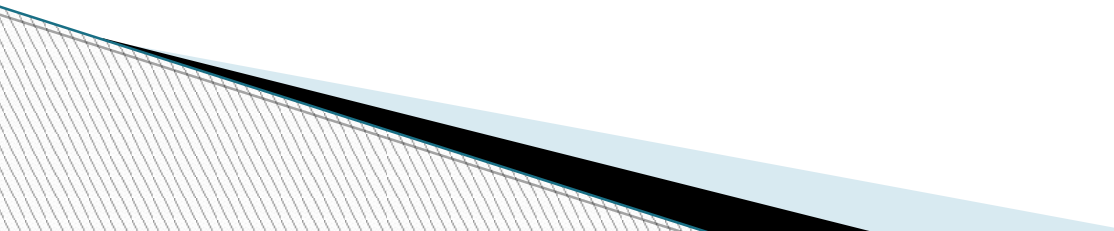
# Roles that brands play

## Consumers

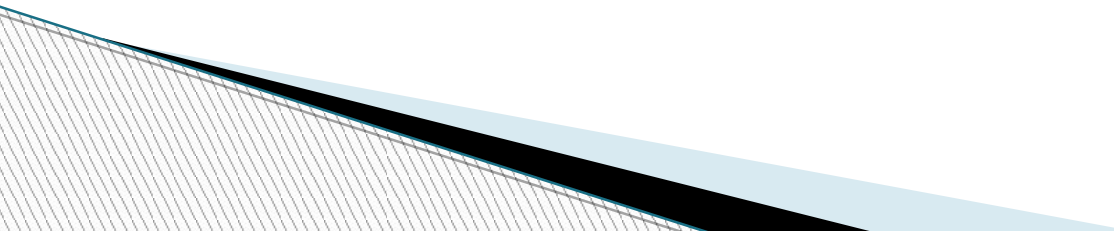
- ▶ Identification of source of product
  - ▶ Assignment of responsibility to product maker
  - ▶ Risk reducer
  - ▶ Search cost reducer
  - ▶ Promise, bond, or pact with maker of product
  - ▶ Signal of quality
- 

# Roles that brands play

## Manufacturers

- ▶ Means of identification to simplify handling or tracing
  - ▶ Means of legally protecting unique features
  - ▶ Signal of quality level to satisfied customers
  - ▶ Means of endowing products with unique associations
  - ▶ Source of competitive advantage
  - ▶ Source of financial returns
- 



- ▶ **Functional risk:** The product does not perform up to expectations.
  - ▶ **Physical risk:** The product poses a threat to the physical well-being or health of the user or others.
  - ▶ **Financial risk:** The product is not worth the price paid.
  - ▶ **Social risk:** The product results in embarrassment from others.
  - ▶ **Time risk:** The failure of the product results in an opportunity cost of finding another satisfactory product.
  - ▶ **Psychological risk:** The product affects the mental well-being of the user.
- 

# Google

- ▶ Founded in 1998 by two Stanford University Ph.D. students, Google takes its name from a play on the word googol—the number 1 followed by 100 zeroes—a reference to the huge amount of data online.
- ▶ Google's stated mission is "To organize the world's information and make it universally accessible and useful." The company has become the market leader in the search engine industry through its business focus and constant innovation. Its home page focuses on searches but also allows users to employ many other Google services. By focusing on plain text, avoiding pop-up ads, and using sophisticated search algorithms,
- ▶ Google provides fast and reliable service. Google's revenue traditionally was driven by search ads, text-based boxes that advertisers pay for only when users click on them. Increasingly, Google is seeking additional sources of revenue from new services and acquisitions.



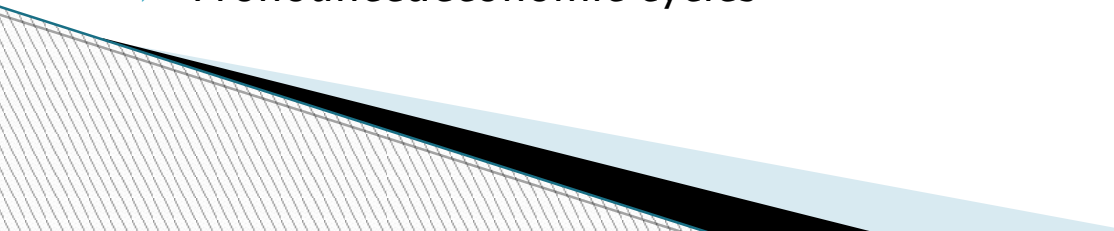
# Harry Potter



- ▶ HARRY POTTER With its ability to transcend its original format—books—the Harry Potter film series has been likened to the Star Wars franchise. All seven of the popular novels have been turned into blockbuster movies, generating over \$7.7 billion worldwide by the end of 2011.
- ▶ In the first year it launched Harry Potter toys, Mattel saw \$160 million in sales. And in 2010, Universal Studios opened a Florida theme park based on the Harry Potter stories. The Harry Potter empire has been praised for its attention to core marketing techniques—a good product, emotional involvement of its consumers, word-of-mouth promotion, “tease” marketing, and brand consistency.
- ▶ Several estimates have pegged the Harry Potter brand to be worth \$15 billion, which, beyond the movies and the books, included more than \$1 billion in DVD sales, nearly \$12 million in licensing, and \$13 million in music sales related to the films.<sup>29</sup>

Brand	Growth in Brand Strength 2007–2010
Facebook	195%
Skype	79%
YouTube	78%
Netflix	72%
Samsung	66%
Apple	51%
iTunes	50%
Amazon.com	44%

# Challenges to Brand Builders

- ▶ Savvy customers
  - ▶ More complex brand families and portfolios
  - ▶ Maturing markets
  - ▶ More sophisticated and increasing competition
  - ▶ Difficulty in differentiating
  - ▶ Decreasing brand loyalty in many categories
  - ▶ Growth of private labels
  - ▶ Increasing trade power
  - ▶ Fragmenting media coverage
  - ▶ Eroding traditional media effectiveness
  - ▶ Emerging new communication options
  - ▶ Increasing promotional expenditures
  - ▶ Decreasing advertising expenditures
  - ▶ Increasing cost of product introduction and support
  - ▶ Short-term performance orientation
  - ▶ Increasing job turnover
  - ▶ Pronounced economic cycles
- 

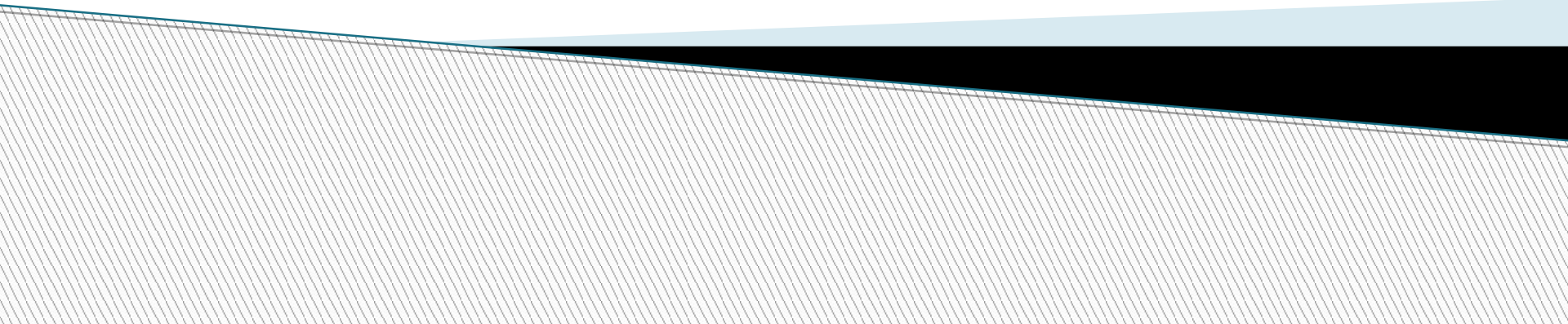


# Example of Multiple Consumer Information Sources

Friends/peers	81%
Fashion magazines	68%
Ads	58%
Company websites	44%
Consumer reviews	36%
Celebrities	33%
Parents/adults	25%
Bloggers	14%

- ▶ (Percentage of information they typically use when trying to learn about the latest trends) Source: Varsity Brands/ Ketchum Global Research Network, as cited in “Teen Girls as Avid Shoppers,” ADWEEK MEDIA, 15 November 2010.

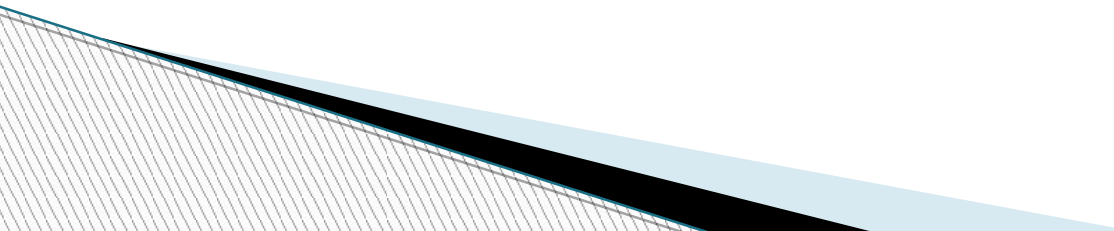
# Brand equity

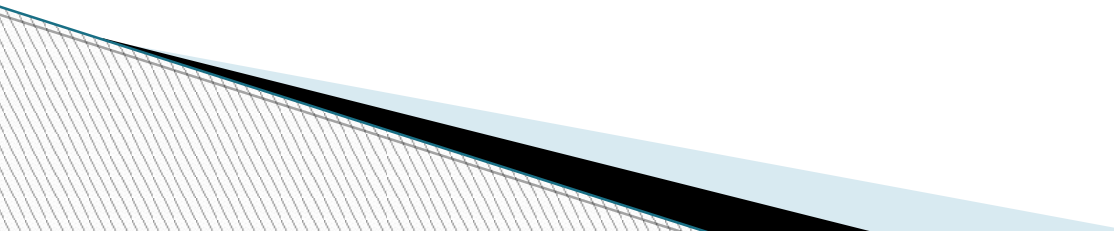


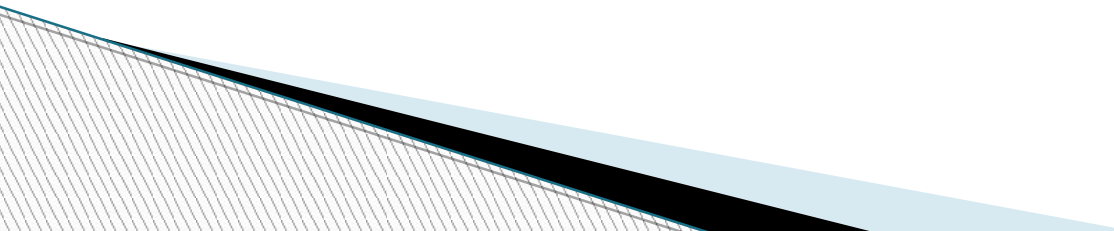
# Objectives

- ▶ What is brand equity?
- ▶ BAV Model



- ▶ One of the most valuable intangible assets of a firm is its brands, and it is incumbent on marketing to properly manage their value.
  - ▶ Building a strong brand is both an art and a science.
  - ▶ It requires careful planning, a deep long term commitment, and creatively designed and executed marketing.
  - ▶ A strong brand commands loyalty– as its heart is a great product or service.
- 

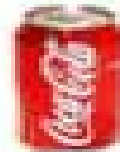
- ▶ Marketers of successful 21<sup>st</sup> century brands must excel at the strategic brand management process.
  - ▶ Strategic brand management combines the design and implementation of marketing activities and programs to build, measure, and manage brands to maximize their value.
- 

- ▶ The strategic brand management process has four main steps.
  - ▶ Identifying and establishing brand positioning.
  - ▶ Planning and implementing brand marketing.
  - ▶ Measuring and interpreting brand performance.
  - ▶ Growing and sustaining brand value deals with brand positioning.
- 



Coca Cola product line	Pepsi product line
Coca Cola 	Pepsi 
Coca Cola c2 	Pepsi Max 
Diet Coke 	Diet Pepsi 
Coca Cola Zero 	Pepsi one 

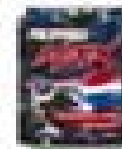
**Sugar Level/Calories**



**Feminine**



**Masculine**



**No Sugar/No Calories**

# Strategic Brand Management Process:

## Where are we?

### STEPS

### KEY CONCEPTS

Identify and Establish  
Brand Positioning and Values

Mental maps  
Competitive frame of reference  
Points-of-parity and points-of-difference  
Core brand values  
Brand mantra

Plan and Implement  
Brand Marketing Programs

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

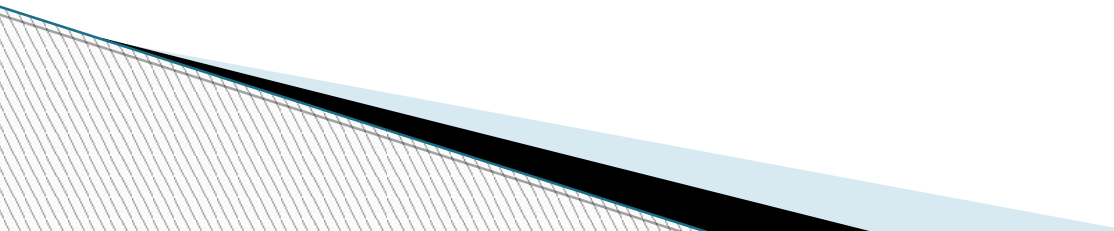
Measure and Interpret  
Brand Performance

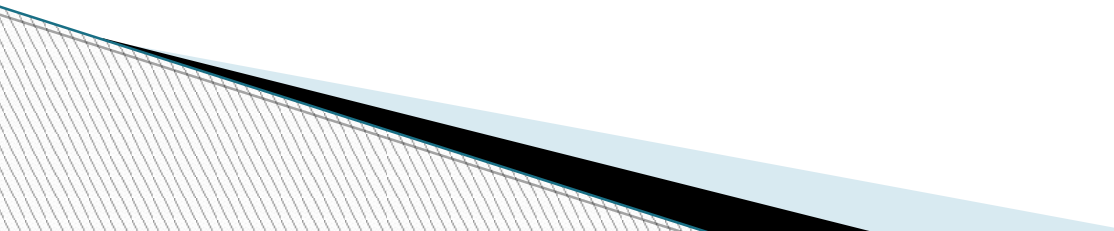
Brand Value Chain  
Brand audits  
Brand tracking  
Brand equity management system

Grow and Sustain  
Brand Equity

Brand-product matrix  
Brand portfolios and hierarchies  
Brand expansion strategies  
Brand reinforcement and revitalization

# Defining brand equity

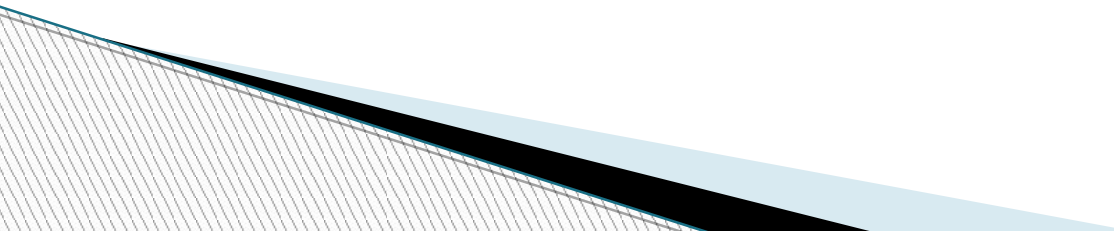
- ▶ Brand equity is the added value endowed on products and services.
  - ▶ It may be reflected in the way consumers think, feel, and act with respect to the brand, as well as in the prices, market share, and profitability the brand commands.
- 

- ▶ Marketers and researchers use various perspectives to study brand equity.
  - ▶ Customer based approaches view it from the perspective of the consumer—either an individual or an organization—and recognize that the power of a brand lies in what customers have seen , read, heard, learned, thought, and felt about the brand over time.
- 



# Customer based brand equity

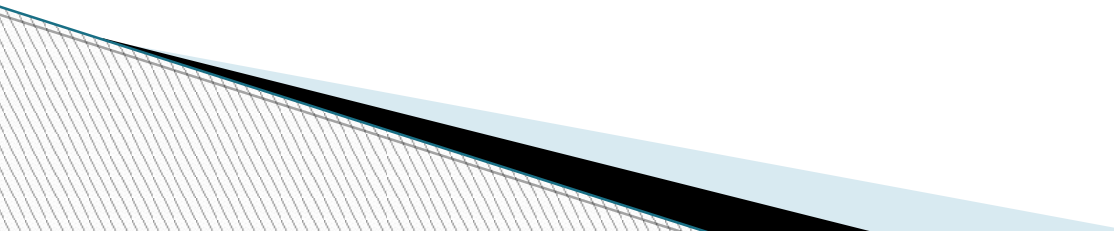
- ▶ The differential effect brand knowledge has on consumer response to the marketing of that brand.
- ▶ A brand has positive customer – based brand equity when consumers react more favorably to a product and the way it is marketed when the brand is identified, than when it is not identified.

- ▶ A brand has negative customer- based brand equity if consumers react less favorably to marketing activity for the brand under the same circumstances.
  - ▶ Brand equity arises from differences in consumer response.If no differences occur ,the brand name product is essentially a commodity, and competition will probably be based on price.
- 

- ▶ Differences in response are a result of consumers' brand knowledge ,all the thoughts, feelings, images, experiences, and beliefs associated with customers, as have Toyota(reliability),Hallmark(caring),and Amazon.com(convenience)

- ▶ Brand equity is reflected in perceptions, preferences, and behavior related to all aspects of marketing of a brand.

# Key benefits of brand equity

- ▶ Improved perceptions of product performance
  - ▶ Greater loyalty
  - ▶ Less vulnerability to competitive marketing actions
  - ▶ Less vulnerability to marketing crises
  - ▶ Larger margins
  - ▶ More inelastic consumer response to price decreases
- 



- ▶ The challenge for marketers is therefore ensuring customers have the right type of experiences with products and services and marketing programs to create the desired brand knowledge.
- ▶ Brand equity provides marketers with a vital strategic bridge from their past to their future.



## Brands with Highest Differentiation



# Brand Equity as a Bridge

- The quality of investment in brand building is the critical factor, not necessarily the quantity

## Brand Promise

- Marketer's vision of what the brand must be and do for the consumers.



# Brand Equity Models

- Brand Asset Valuator
  - Aaker Model
  - BRANDZ
- Brand Resonance



# BAV Key Components





# Power Grid

**Brand Strength**



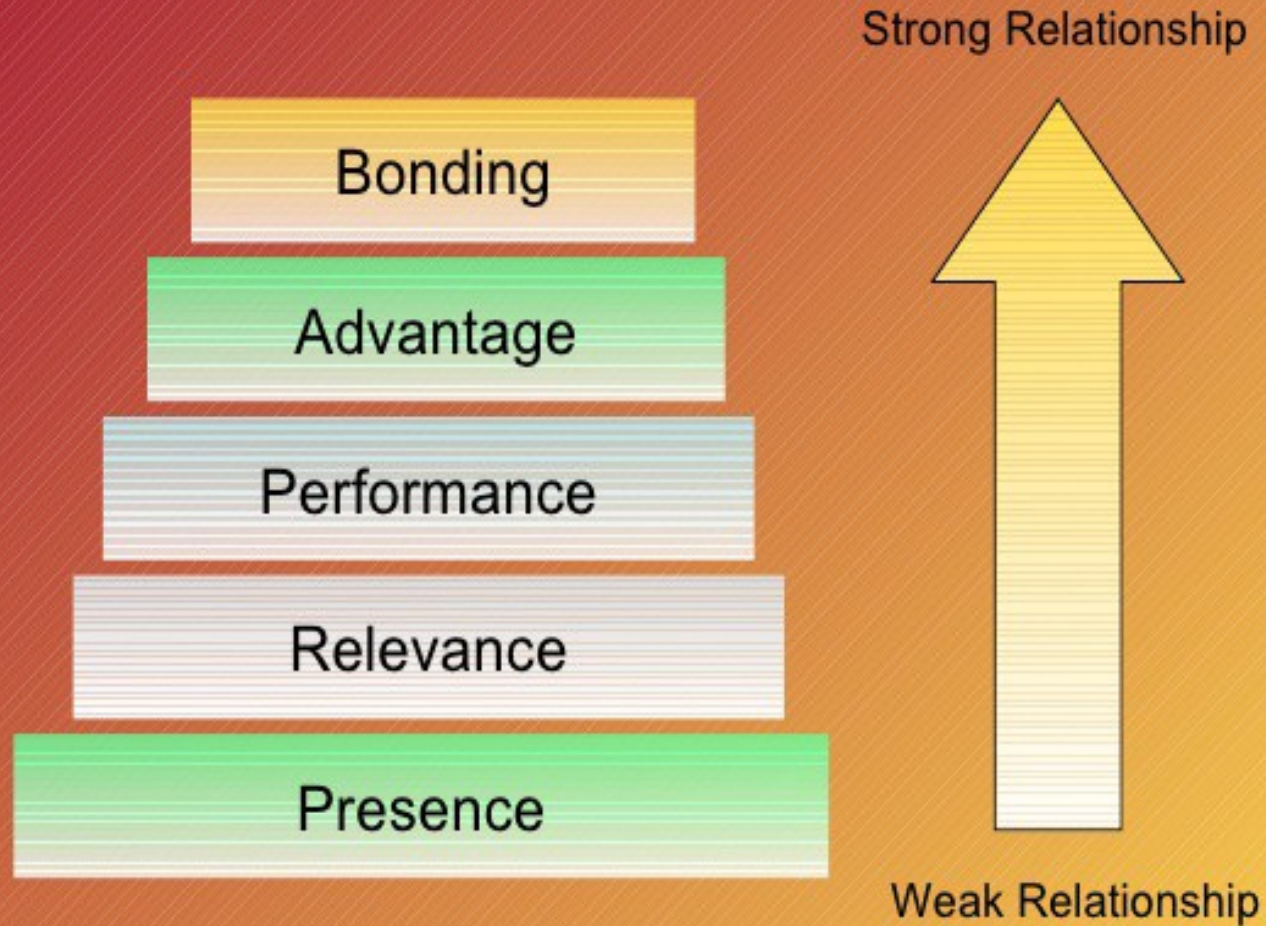
**Brand Stature**

# BrandZ

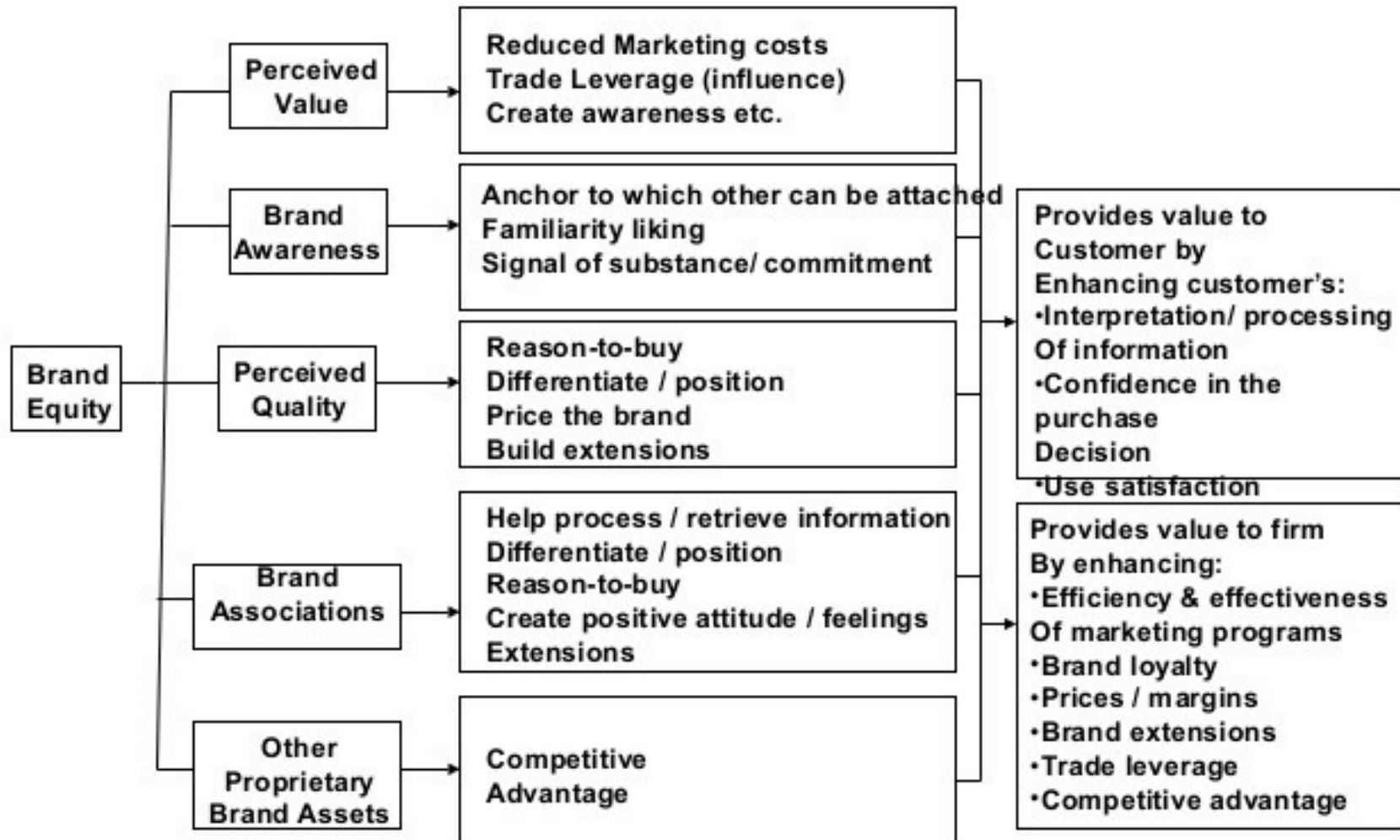
- ▶ Marketing research consultants:–MillwardBrown(WPP)
- ▶ Model of brand strength–at the heart of it is the brand dynamics pyramid



# Brand dynamics pyramid

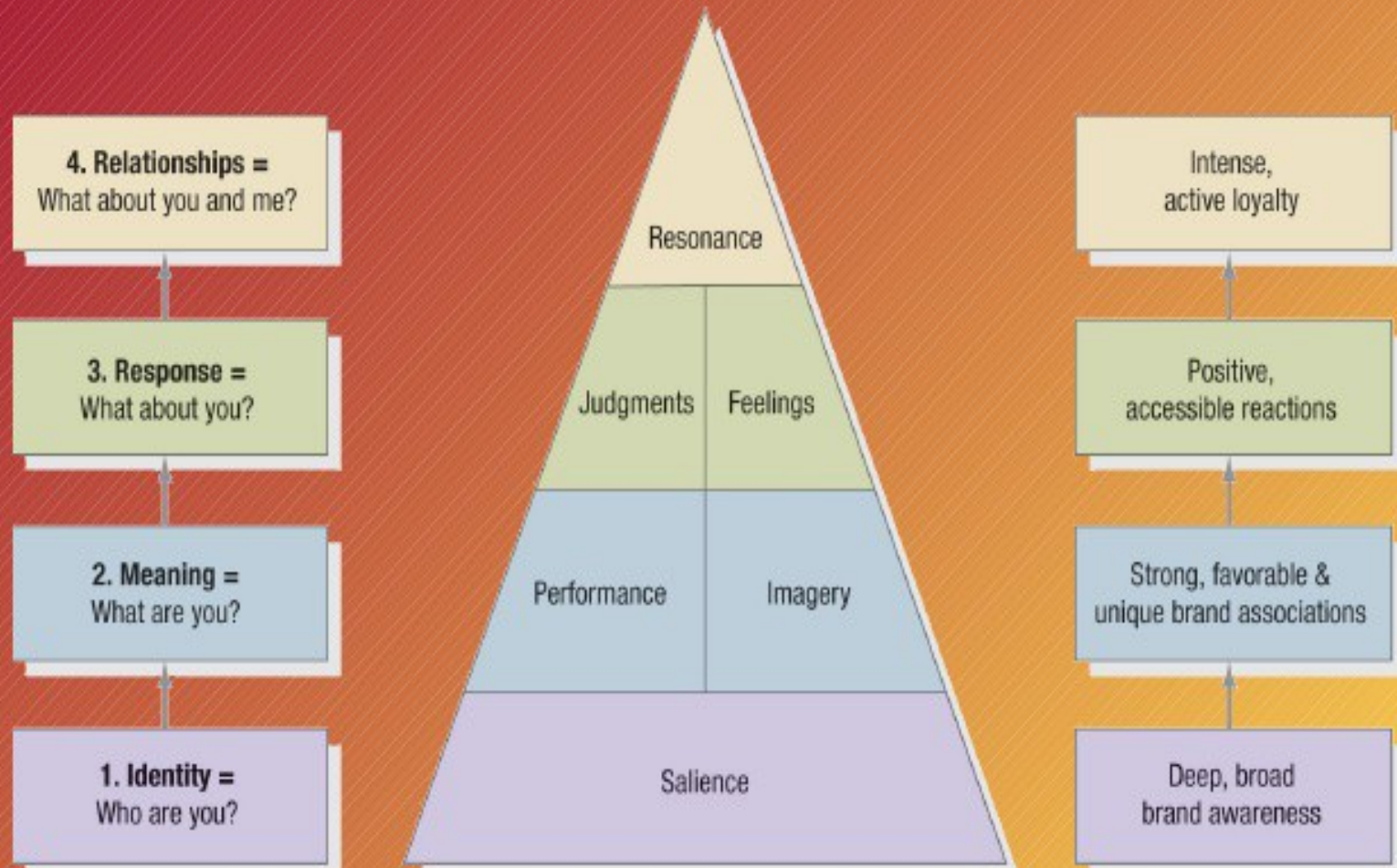


# David Aaker's Brand Equity Model






# Brand resonance pyramid





# Measuring Brand Equity



Brand Audits

Brand Tracking

Brand Valuation



## Measuring Brand Equity:

There are two approaches for measuring brand equity.  
Indirect approach and direct approach.

### ➤ Brand Audit:

- is a consumer-focused exercise that involves a series of procedures to assess the health of the brand, uncover its sources of equity and suggest ways to improve and leverage its equity.

**Colgate®**

## Brand Audits consist of two steps:

### Brand inventory and brand explanatory

The purpose of brand inventory is to provide a current, comprehensive profile of how all the products and services sold by a company are marketed and branded.

The brand explanatory is research activity conducted to understand what consumers think and its corresponding product category to identify sources of brand equity.



TATA

TATA CONSULTANCY SERVICES

*Campbell's*

## ➤ Brand tracking:






























- ❑ Tracking studies collect information from the consumers on a routine basis over time. Tracking studies employ quantitative study methods.
- ❑ It provides a basis for decision making
- ❑ It provides insights to marketing activities



# Brand Valuation

It is concerned of estimating the total financial value of the brand.

# Top 10 most valuable brands–2014

01  +21% 118,863 \$m	02  +15% 107,439 \$m	03  +3% 81,563 \$m	04  -8% 72,244 \$m	05  +3% 61,154 \$m	06  -3% 45,480 \$m	07  +15% 45,462 \$m	08  +20% 42,382 \$m
09  +1% 42,254 \$m	10  +8% 34,338 \$m	11  +7% 34,214 \$m	12  -8% 34,153 \$m	13  +14% 32,223 \$m	14  +6% 30,936 \$m	15 	
16  +8% 25,980 \$m	17  -8% 23,758 \$m	18  -9% 22,845 \$m	19  -9% 22,552 \$m	20  +17% 21,673 \$m	21  +16% 21,083 \$m		
22  +16% 19,875 \$m	23  +11% 19,510 \$m	24  +7% 19,119 \$m	25  +4% 17,340 \$m	26  +15% 15,885 \$m	27  +5% 14,470 \$m	28  +9% 14,358 \$m	30  +8% 14,078 \$m