

STRATEGIC BRAND MANAGEMENT

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What is a Brand?

“A **name, term, sign, symbol** or **design**, or a combination of these that is intended to identify the goods and services of one business or group of businesses and to differentiate them from those of competitors”

“A mixture of **tangible** and **intangible attributes** symbolized by a product or company, which is properly managed, creates influence and generates value”

“Augmenting **core product** and **value proposition** with unique values that set it apart from competitors”

Brands

- Bundle of **images and experiences** in the **customer's mind**
- **A promise** made by a particular company about a particular product
- A **quality certification**
- **Differentiation** between competing products
- The sum of impressions about a brand is the ***Brand Image***
- **The added value** that accrues to a product as a result of investments in the marketing of the brand
- An **asset that represents the value** created by the relationship between the brand and customer over time

A Brand Is.....

**The sum TOTAL
of a customer's (the
market's) EXPERIENCE
with a product or company
OVER TIME**

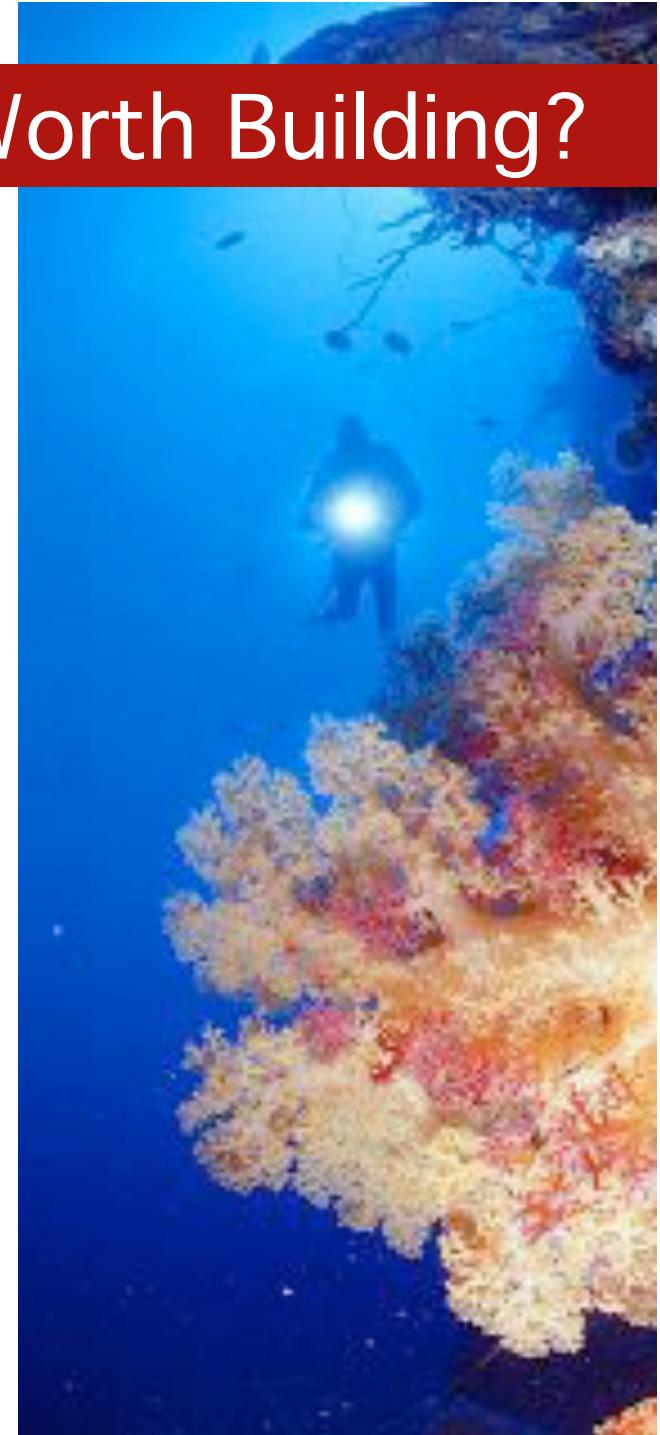


Why is a Brand Worth Building?

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- **Brand awareness = higher valuations**
- **Brand equity = strategic asset**
- Stabilizing **influence** for market participants, especially customers
- Provides **pre-emptive** protection in highly competitive markets
- Enables **pricing premiums**, better profit margins
- Helps company enter new product categories and/or markets more easily
- Builds employee, partner pride in company/product

**A STRATEGIC, SUSTAINABLE
COMPETITIVE ADVANTAGE**



THE ROLE OF BRANDS

Identify the maker

Signify quality

Simplify product
handling

Create barriers to
entry

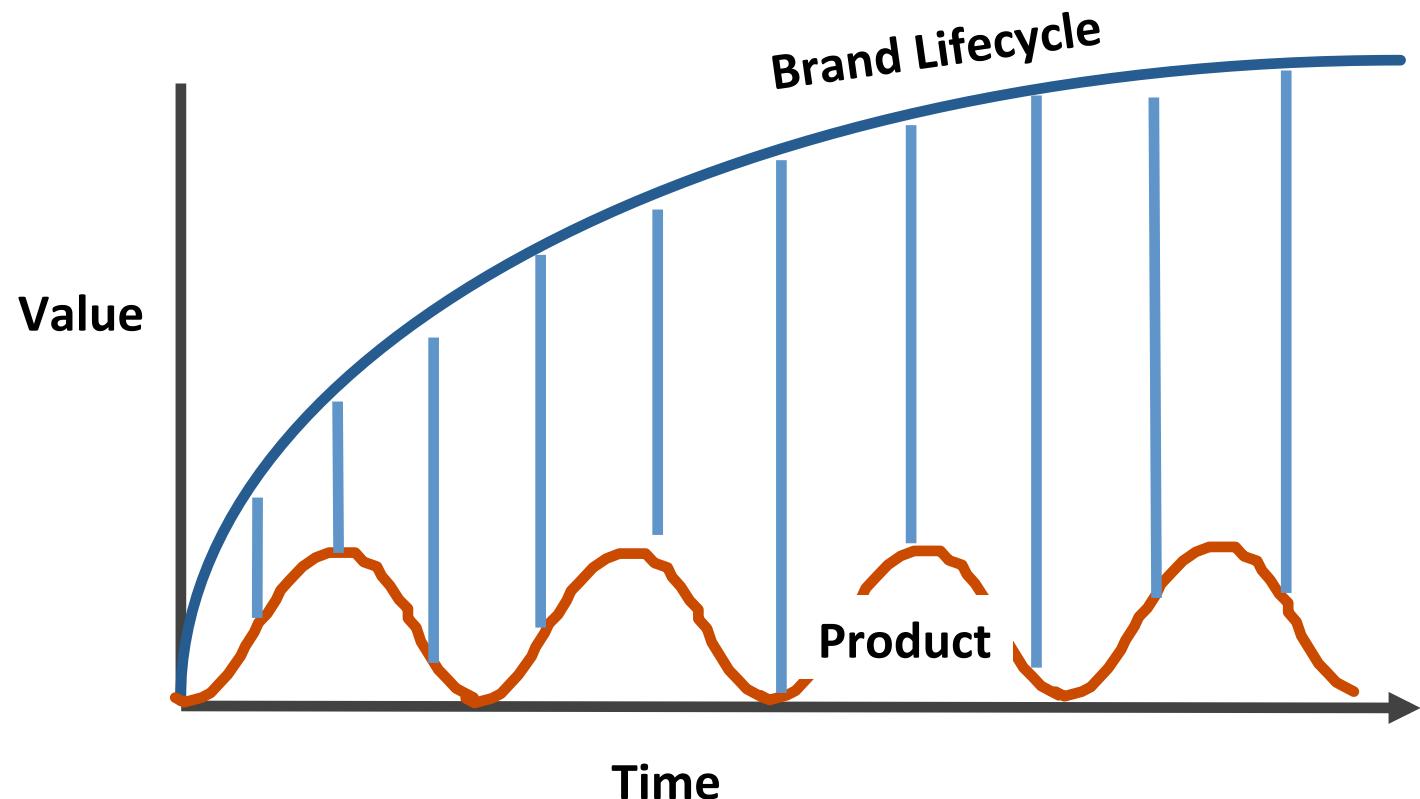
Organize accounting

Serve as a competitive
advantage

Offer legal
protection

Secure price premium

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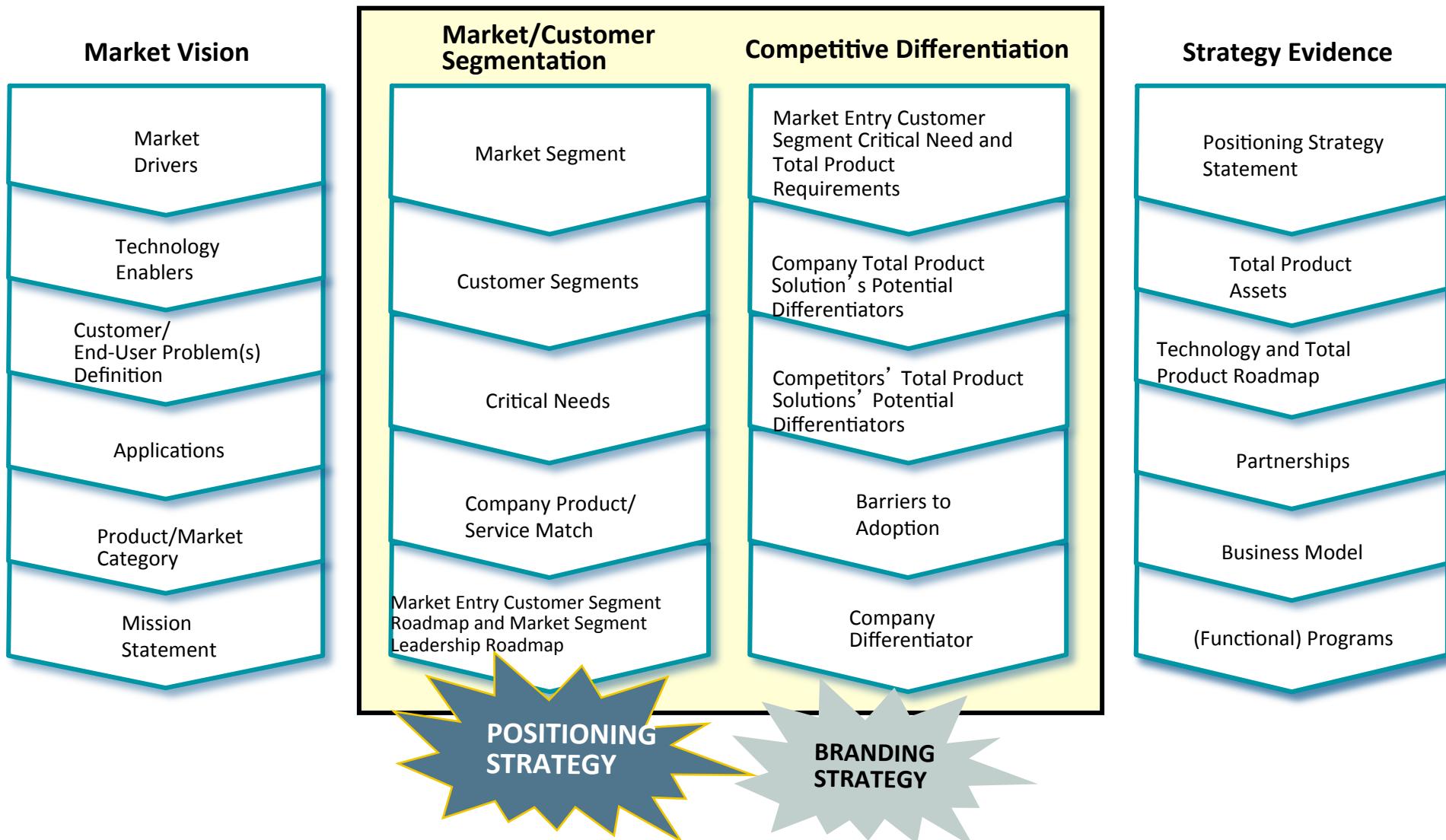
Strong brands establish a long-lasting place in short-lived markets



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POSITIONING & BRANDING



Measured in three stages:

- **Brand recognition** Consumer awareness and identification of a brand.
- **Brand preference** Consumer reliance on previous experiences with a product to choose that product again.
- **Brand insistence** Consumer refusal of alternatives and extensive search for desired merchandise.

Creative Communication - LifeBuoy Hand Washing Campaign

BRAND EQUITY

Brand equity Added value that a respected, well-known brand name gives to a product in the marketplace.

Strong brand equity

- Increases likelihood customers will recognize **firm's product or product line.**
- Can contribute to **buyers' perceptions of product quality.**
- Can reinforce **customer loyalty** and **repeat purchases.**
- Facilitates **expansion into international markets.**
- Built sequentially on four dimensions: **differentiation, relevance, esteem, and knowledge.**

BRAND NAME AND BRAND MARKS

Brand name Part of a brand consisting of words or letters that form a name that identifies and distinguishes a firm's offerings from those of its competitors.

Brand mark—symbol or pictorial design that distinguishes a product.

- Effective brand names **are easy to pronounce, recognize, and remember.**
- Should give buyers **correct connotation** of product's image and **qualify for legal protection.**
- Brand name **loses protection** when class of products **generally** comes to be known by that name. Examples include nylon, kerosene, and zipper.



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Trademark Brand for which the owner claims exclusive legal protection.

Protecting Trademarks

- Gives firm exclusive legal right to use brand name, brand mark, and any slogan name or product name appreciation.
- Firms can also seek protection for packaging elements and product features.

Trade Dress

- Visual cues in branding that create an overall look.
Examples: McDonald's golden arches, KFC's Kolonel Sanders



BRAND EXTENSIONS

- Brand extension Strategy of attaching a popular brand name to a new product in an unrelated product category.
- Accor with Sofitel, Pullman, Mercure, Ibis etc

BRAND LICENSING

- Authorizing other companies to use a firm's brand name.
- Brand's owner receives royalties, typically four to eight percent of wholesale revenues.
- Can hurt a brand if the licensed product is poor quality or ethically incompatible with the brand.
- Another risk is overextending the brand.

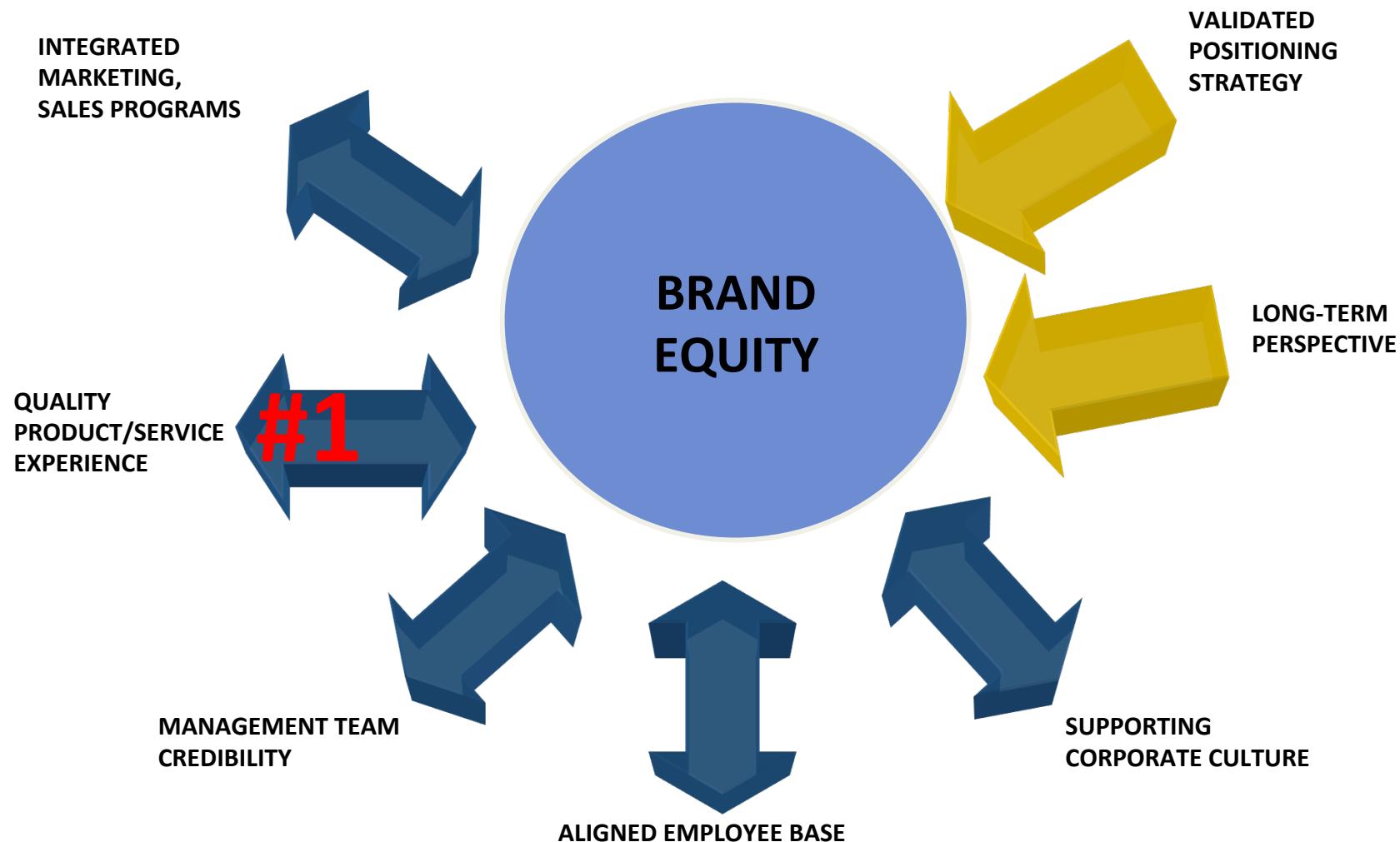
When Does Positioning Strategy Convert to a Brand?

When the positioning strategy evidence comes into contact with the customer

And, the customer **AGREES** with it,

Time and time again.....

Building Brand Equity



NEW-PRODUCT PLANNING

Firms must add new products in order to continue prospering as other items reach the later stages of the product life cycle.

PRODUCT DEVELOPMENT STRATEGIES

Alternative Product Development Strategies

	Old Product	New Product
Old Market	Market Penetration	Product Development
New Market	Market Development	Product Diversification