Product and Brand management

18MBA 402 A

CONCEPT OF PRODUCT MANAGEMENT: module 1,2,3

Product : **A product is anything that can be offered to a market that might satisfy a want or need of customer.**

Product development is the term used to describe the complete process of bringing a new **product** or service in the market and its an ongoing practice in which the entire organization is looking for opportunities as new **products** provide growth promise to organizations that allow them to strengthen their company.

Product Concept states that customers or consumers prefer product which is of the highest quality, performance and features. Product concept is a mandatory concept in order to give the best possible product to the customer as per the demand and expectation. A product is not complete in itself and requires other factors of business like marketing, distribution, sales, service etc to be successful. Using Product concept, a company can give identity to the product and can add functional value and usability so that the intended customers can derive this benefit and eventually buy the product in the market.

Product concept is one of the orientation strategies & marketing strategies towards market which a company can follow. Other being Selling Concept, Production Concept, Marketing Concept etc. Marketing Pull is generated because of superior products which helps in success of the brand.

Innovation helps to get new products with features which customers would like.

Example of Product Concept:

- Apple is one company which works highly on product concept to get the best products to their consumers. Apple's products are perceived to be very high quality with innovative features and great performance. Customers go after the products of Apple and that creates a marketing pull.

Responsibility of and role of product manager:

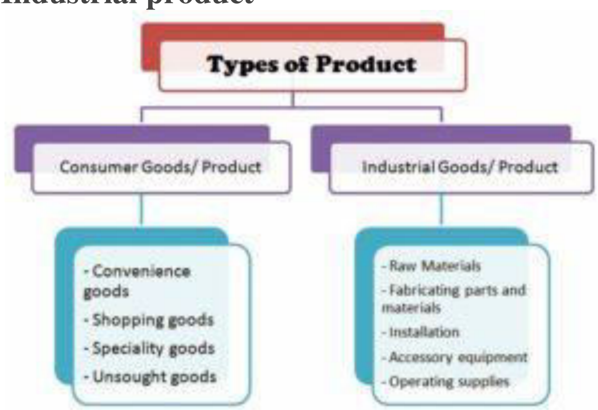
- Defines the product vision, strategy and roadmap.
- Gathers, manages, and prioritizes market/customer requirements.
- Acts as the customer advocate articulating the user's and/or buyer's needs.
- Works closely with engineering, sales, marketing, and support to ensure business case and customer satisfaction goals are met.
- Has technical product knowledge or specific domain expertise.
- Defines what to solve in the market needs document, where you articulate the valuable market problem you're solving along with priorities and justification for each part of the solution.

- Runs beta and pilot programs during the qualify phase with almost final products and samples. In Agile environments, regularly reviews completed work and checks with customers to ensure that it meets the customer expectations.
- Is a market expert. Market expertise includes understanding the reasons customers purchase products. This includes a deep understanding of the competition, and how customers think of and buy your product. Product Managers need market research and competitive analysis skills to complete these tasks.
- Acts as the product's leader within the company.
- Develops the **business case** for new products, improvements to existing products, and business ventures.
- Develops positioning for the product.
- Recommends or contributes information in setting product pricing. This point isn't true in all industries, especially, for example, insurance; however, an awareness of competitive pricing is part of what companies expect you to provide as part of the pricing decision.

Product Classification:

A product is anything offered for sale for the purpose of satisfying a want or need on both side of the exchange process. Products are classified on two types on the basis of customer characteristics.

- **Consumer product**
- **Industrial product**



Consumer Products: Consumer products are products and services bought by final consumers for personal consumption. Consumer products are mainly use in personal consumption. Various types of consumer products are given below:

A. Convenience products: Convenience products are consumer's products and services that customers usually buy frequently, immediately and with minimum of comparison and buying effort. There are various types of convenience products are:

- **Staple products**: Staple products are products that are bought often, routinely, and without much thought. Such as; Rice, Sault, etc.
- **Impulse products**: Impulse products are products that are bought quickly as unplanned purchases because of a strongly felt need. Such as; Ice-cream, toys, magazines, etc.

- **Emergency products**: Emergency products are products that are purchased immediately when the need is great. Parts of car, medicine service for emergency patient, raincoat for rainy season, etc.
- **Home delivery products**: These products are mainly delivered to customer's home.

B. Shopping Products: The products which are purchased by customers on the basis of pre planning is called shopping product. Shopping products are less frequently purchased consumer products and services that customers compare carefully on suitability, quality, price and style. Shopping products are:

- **Fashion products**: Fashion products are shopping goods that are purchased for their appearance, distinctiveness or style. Such as; garments, gift etc.
- **Service products**: Service goods are durably shopping goods that represent relatively large outlays to the consumer and that usually require repair or other servicing. Such as; TV, Air conditioner etc.

C. Specialty Products: These products are charming and technology based. These are consumer products and services with unique characteristics or brand identification for which a significant group of buyers is willing to make a special purchase effort. Such as; Mercedes Car, High priced watch, etc.

D. Unsought products: These are consumer products that the consumer either does not know about or know about but does not normally think of buying. Such as; Life insurance policy, grave stone, etc. Unsought products are:

- New unsought products
- Regular unsought products

Industrial Products: Industrial products are mainly used for further production. According to Philip Koter "Industrial products are products bought by individuals and organizations for further processing or for use in conducting a business". There are various types of industrial products are given below:

A. Materials and parts: Materials and parts are industrial products that enter the manufacturer's productcompletely.

a).Rawmaterials

b). Manufactured materials and parts

B. Capital item: Capital items are industrials products that aid in the buyer's production or operations, including installations and accessory equipment. It has two types: a)equipments.

b). Installations

C. Supplies and services: These are industrial products that do not enter the finished product at all.Theseare:

a).Supplies

b). Business services

Product line and product mix decisions.

Product line decisions. A product line is a group of products that are closely related because they function in a similar manner, are sold to the same customer groups, are marketed through the same types of outlet, or fall within given price ranges. For Example, HUL in India is having different product line like laundry, personal care, etc.

Product line length.

Product line managers have to decide on product line length. Product line length is influenced by company objectives. Companies that want to be positioned as full-line companies, or that are seeking high market share and market growth, usually carry longer lines. A different objective is to create a product line that facilitates cross-selling: Hewlett-Packard sells printers as well as computers. Still another objective is to create a product line that protects against economic ups and downs; Electrolux offers white goods such as refrigerators, dishwashers, and vacuum cleaners under different brand names in the discount, middle-market, and premium segments, in part in case the economy moves up or down. Over time, product line managers tend to add new products either to use up excess manufacturing capacity, or because the sales force and distributors are calling for a more complete product line to satisfy their customers, or because the firm needs to add items to the product line to increase sales and profits. A company lengthens its product line by two ways: line stretching and line filling.

Line Stretching. Each and every marketer's product line covers a only a certain portion of total possible range. For example, Audi in India is selling its product only to the upper class market. Line stretching is said to be done when a company lengthens its product line beyond its current range. The option lies with company to which side it want to stretch. It can stretch downside, upside or both also.

Downside stretch. A company offering middle class or upper class product line to current market may offer a new product line to the lower market also.

Downward stretching occurs when a company that is located at the upper end of the market later stretches its lines downwards. The firm may have first entered the upper end to establish a quality image and intended to roll downwards later. It may be responding to an attack on the upper end by invading the low end. A company may have so many choices to go for downward stretch in the market. Opportunity of strong sales growth• It can be used as a counter attack on competitors whenever strategically used.• When opportunity in the current(middle and upper) is less.• In stretching downwards, the company faces some risks. The low-end item might provoke competitors to counteract by moving into the higher end. The company's dealers may not be willing or able to handle the lower-end products or the move may confuse the customer.

Upward Stretch.

Companies at the lower end of the market may want to enter the higher end. They may be attracted by a faster growth rate or higher margins at the higher end, or they may simply want to position themselves as full-line manufacturers. An upward stretch decision can be risky. The higher-end competitors not only are well entrenched, but also may strike back by entering the lower end of the market. Prospective customers may not believe that the newcomer can produce quality products. Finally, the company's salespeople and distributors may lack the talent and training to serve the higher end of the market.

Two way stretch. Companies in the middle range of the market may decide to stretch their lines in both directions. Sony did this to hold off copycat competitors of its Walkman line of personal tape players. Sony introduced its first Walkman in the middle of the market. As imitative competitors moved in with lower-priced models, Sony stretched downwards. At the same time, in order to add lustre to its lower-priced models and to attract more affluent consumers keen to trade up to a better model, Sony stretched the Walkman line upwards.

Line Filling. Rather than stretching into lower- or higher-end segments, the firm can lengthen its product line by adding more items within the present range of the line. There are several reasons for product line filling: reaching for extra profits, trying to satisfy dealers, trying to use excess capacity, trying to be the leading full-line company, and trying to plug holts to keep out competitors.

Product mix decisions.

A product mix (also called a product assortment) is the set of all products and items a particular seller offers for sale. A product mix is the assortment of product lines and individual offerings available from a marketer. Its two primary components are product line (a series of related products) and individual offerings (single products). Product mixes are assessed in terms of length, width, depth and consistency. For example, an organization's product mix consists of tobacco products, biscuits products and cosmetic products. The length of a product mix refers to the total number of items in the mix. We can also talk about the average length of a line. This is obtained by dividing the total length by the number of lines or an average product length. The width of a product mix refers to how many product lines the mix has. For example, if an organization sells cosmetics, food products and bathing products, the width of the product mix is three i. e. cosmetics, food products and bathing products. The depth of the product mix refers to variants are offered of each product in the line. If a product comes in two scents, two formulations and two additives, that product has a depth of eight as there are eight distinct variants. The average depth of a company’s product mix can be calculated by averaging the number of variants within the brand groups. The consistency of the product mix refers to how closely related the various product lines are in end use, production requirements, distribution channels, or some other way. A company’s product lines are consistent insofar as they are consumer goods that perform same or similar functions for consumers and go through the same distribution channels. The lines are less consistent insofar as they perform different functions for the buyers and go through different distribution channels.

The New Product Development Process.

1. **Idea generation :**

The new product development process starts with idea generation. Idea generation refers to the systematic search for new-product ideas. Typically, a company generates hundreds of ideas, maybe even thousands, to find a handful of good ones in the end. Two sources of new ideas can be identified:

- Internal idea sources: the company finds new ideas internally. That means R&D, but also contributions from employees.
- External idea sources: the company finds new ideas externally. This refers to all kinds of external sources, e.g. distributors and suppliers, but also competitors. The most important external source are customers, because the new product development process should focus on creating customer value.

2.Idea screening
The next step in the new product development process is idea screening. Idea screening means nothing else than filtering the ideas to pick out good ones. In other words, all ideas generated are screened to spot good ones and drop poor ones as soon as possible. While the purpose of idea generation was to create a large number of ideas, the purpose of the succeeding stages is to reduce that number. The reason is that product development costs rise greatly in later stages. Therefore, the company would like to go ahead only with those product ideas that will turn into profitable products. Dropping the poor ideas as soon as possible is, consequently, of crucial importance.

3.Concept development and Testing;
To go on in the new product development process, attractive ideas must be developed into a product concept. A product concept is a detailed version of the new-product idea stated in meaningful consumer terms**.**
Concept testing
New product concepts, such as those given above, need to be tested with groups of target consumers. The concepts can be presented to consumers either symbolically or physically.

4.**Marketing strategy development**

The next step in the new product development process is the marketing strategy development. When a promising concept has been developed and tested, it is time to design an initial marketing strategy for the new product based on the product concept for introducing this new product to the market.

The marketing strategy statement consists of three parts and should be formulated carefully:

- A description of the target market, the planned value proposition, and the sales, market share and profit goals for the first few years
- An outline of the product's planned price, distribution and marketing budget for the first year
- The planned long-term sales, profit goals and the marketing mix strategy.

5.**Business analysis**

Once decided upon a product concept and marketing strategy, management can evaluate the business attractiveness of the proposed new product. The fifth step in the new product development process involves a review of the sales, costs and profit projections for the new product to find out whether these factors satisfy the company's objectives. If they do, the product can be moved on to the product development stage.

In order to estimate sales, the company could look at the sales history of similar products and conduct market surveys. Then, it should be able to estimate minimum and maximum sales to assess the range of risk. When the sales forecast is prepared, the firm can estimate the expected costs and profits for a product, including marketing, R&D, operations etc. All the sales and costs figures together can eventually be used to analyse the new product's financial attractiveness.

6. **Product development**

The new product development process goes on with the actual product development. Up to this point, for many new product concepts, there may exist only a word description, a drawing or perhaps a rough prototype. But if the product concept passes the business test, it must be developed into a physical product to ensure that the product idea can be turned into a workable market offering. The problem is, though, that at this stage, R&D and engineering costs cause a huge jump in investment.The R&D department will develop and test one or more physical versions of the product concept. Developing a successful prototype, however, can take days, weeks, months or even years, depending on the product and prototype methods.

7.Test marketing;

The last stage before commercialisation in the new product development process is test marketing. In this stage of the new product development process, the product and its proposed marketing programme are tested in realistic market settings. Therefore, test marketing gives the marketer experience with marketing the product before going to the great expense of full introduction. In fact, it allows the company to test the product and its entire marketing programme, including targeting and positioning strategy, advertising, distributions, packaging etc. before the full investment is made.

The amount of test marketing necessary varies with each new product. Especially when introducing a new product requiring a large investment, when the risks are high, or when the firm is not sure of the product or its marketing programme, a lot of test marketing may be carried out.

8.Commercialisation :
Test marketing has given management the information needed to make the final decision: launch or do not launch the new product. The final stage in the new product development process is commercialisation. Commercialisation means nothing else than introducing a new product into the market. At this point, the highest costs are incurred: the company may need to build or rent a manufacturing facility. Large amounts may be spent on advertising, sales promotion and other marketing efforts in the first year.

Module 2: Branding:

BRAND: A brand is a name, term, design, symbol or any other feature that identifies one seller's good or service as distinct from those of other sellers.

Naming a brand: A name is the basic core differentiator of your brand. It helps to build awareness and convey meaning.

What would Apple be without its name? There are plenty of innovative technology companies around the world, but Apple has the brand. The name provides a platform for the brand, and it's the first indicator that this company thinks differently**.**

There are four primary categories of brand names.

Descriptive Name: Indicates what the company, product, or service is or does.

Descriptive brand names are the oldest class of brand names. John Deere, for example, is the brand name for Deere & Company. The company was founded in 1837 and the name is derived from its founder.

Descriptive names are also effective for describing the business. PayPal is a payment company. Subway serves submarine sandwiches. These names clearly position the brands and make it easier for consumers to identify their products and services and when to choose them.

The pitfall of a descriptive name is it can be constraining. For example, Salesforce.com was founded as a CRM software provider focused on salesforce automation. The company has evolved dramatically into a cloud computing company. It offers a variety of applications that reach well beyond sales teams.

Acronyms: An abbreviation of a descriptive name.

Many of the world's most recognized brands are acronyms: GE, UPS, IBM, SAP, HP, and TD, to name a few.

Most acronyms evolve out of functional names. Either deliberately or organically, descriptive names can be paired down into bite size chunks. For example, it’s easier to say AFLAC than American Family Life Assurance Company, or GEICO than Government Employees Insurance Company.

An acronym can be quick to say, easy to remember, and easier to trademark. But, and this is a big but, they lack a soul.

The primary pitfall of acronyms is they are empty vessels. They don’t draw from any other words in our lexicon, and even with a lot of use acronyms don’t absorb much meaning. They are just a grouping of letters.

Invented Names: A made-up word.

Some of the most iconic brands are invented words: Kodak, Xerox, Acura, and Google. They are names created specifically to represent a brand.

Invented words are very powerful, because they don’t come with any baggage. They are empty vessels designed to represent a brand.

The best invented brand names are based on poetically constructed names. Twitter evokes the experience of communicating rapidly in 140 characters. Google resonates with the act of searching and discovering. Kodak demonstrates strength and being in the moment.

Manning explains, “By design, the target audience likes saying these [poetically constructed] names, which helps propel and saturate them throughout the target audience.”

Experiential Names: Build upon what the feeling or experience the brand delivers.

Experiential names are the most powerful class of names. This is where the most iconic brands stand: Apple, Virgin, Caterpillar, and Oracle.

These names are positioning statements. They help a company stand out in their marketplace by setting an expectation of what it’s like to choose them.

The biggest obstacle of generating an experiential name is connecting meaning to the brand. This requires a deep understanding of your business and what it stands for before the naming process begins. If the name is out of sync with the positioning of the business it loses impact.

What Makes a Good Brand Name

- **Meaningful:** It communicates your brand essence, conjures an image, and cultivates a positive emotional connection.
- **Distinctive:** It is unique, memorable, and stands out from your competitors.
- **Accessible:** People can easily interpret it, say it, spell it, or Google it. (Even if you have an unusual or bizarre name, it must be understandable.)
- **Protectable:** You can trademark it, get the domain, and “own” it, both legally and in the general consciousness.
- **Future-proof:** It can grow with the company and maintain relevance—and be adapted for different products and brand extensions.
- **Visual:** You can translate/communicate it through design, including icons, logos, colors, etc.

Brand association is all about how people perceive a brand. Brands associations are usually brand's qualities and characteristics that deliver the business message and objectives over to the targeted audience and potential business prospects.
Brands nurture these associations and improve the audience's perceptions through innovative marketing tactics and business activities.
The brand association assists the customers and targeted audience to remember the brands and recall its characteristics which are the key differentiating factors.
Better product quality, a higher standard of customer service, word of mouth marketing are some of the primary examples as to how brands stand out in the crowded business world.
All you need is a heedful brand manager and a strategic marketer to build a strong brand perception and brand association.

A positive brand association is formed on these bases:

- Quality of the offered products and services.
- Targeted advertisements.
- Celebrity association.
- Customer's relationship with the company and its employees.
- Point of purchase displays.
- Word of mouth marketing.

Types of brand associations

Attributes :

An excellent quality, a distinguishing feature and innovative service or product, a brand association based on such characteristics fall in this category.Any such feature gets directly associated with the company's products which later helps the potential prospects in recalling the brand via such features and characteristics.

Benefits:

The name suggests it all, a brand association built on the offered benefits provided by the developed product or service.

These benefits can be functional which refers to the nature and functionality of the product.

Attitudes:

Customer feedback and customer experience are critical factors in determining the character and attitude of any brand.

Take the example of one of the biggest apparel brand Nike, which use celebrity endorsements and work with rising sports stars and known athletes. This strategy has made Nike a brand the choice of sports celebrities while reflecting the true values and the winning attitude of the company.

Interest :

Customers usually buy a product solely because of two reasons, either it's their need, or they are interested in it.

Interest is the core factor that determines the intellect and consciousness of customers. The chief objective of the brand association based on the interest of the potential customers is to pique the curiosity while generating the attention of the offered products and services in customers' minds.

Celebrity :

One of the most effective and widely-practiced brand association methods is to hire a well-known face of the industry and get your product endorsed by them.The face of a celebrity is enough to imprint the product and the brand's name in the minds of the targeted audience and potential business prospects.

Brand image:

It is the current view of the customers about a brand. It can be defined as a unique bundle of associations within the minds of target customers. It signifies what the brand presently stands for. It is a set of beliefs held about a specific brand. In short, it is nothing but the consumers' perception about the product. It is the manner in which a specific brand is positioned in the market. Brand image conveys emotional value and not just a mental image. Brand image is nothing but an organization's character. It is an accumulation of contact and observation by people external to an organization. It should highlight an organization's mission and vision to all. The main elements of positive brand image are- unique logo reflecting organization's image, slogan describing organization's business in brief and brand identifier supporting the key values.

1. **Brand identity** stems from an organization, i.e., an organization is responsible for creating a distinguished product with unique characteristics. It is how an organization seeks to identify itself. It represents how an organization wants to be perceived in the market. An organization communicates its identity to the consumers through its branding and marketing strategies. A brand is unique due to its identity. Brand identity includes following elements - Brand vision, brand culture, positioning, personality, relationships, and presentations.Brand identity is a bundle of mental and functional associations with the brand. Associations are not "reasons-to-buy" but provide familiarity and differentiation that's not replicable getting it. These associations can include signature tune(for example - Britannia "ting-ting-ta-ding"), trademark colours (for example - Blue colour with Pepsi), logo (for example - Nike), tagline (for example - Apple's tagline is "Think different"),etc.Brand identity is the total proposal/promise that an organization makes to consumers. The brand can be perceived as a product, a personality, a set of values, and a position it occupies in consumer's minds. Brand identity is all that an organization wants the brand to be considered as. It is a feature linked with a specific company, product, service or individual. It is a way of externally expressing a brand to the world.Brand identity is the noticeable elements of a brand (for instance - Trademark colour, logo, name, symbol) that identify and differentiates a brand in target audience mind. It is a crucial means to grow your company's brand.

Sources of brand identity

1 SYMBOLS- Symbols help customers memorize organization's products and services. They help us correlate positive attributes that bring us closer and make it convenient for us to purchase those products and services. Symbols emphasize our brand expectations and shape corporate images. Symbols become a key component of brand equity and help in differentiating the brand characteristics. Symbols are easier to memorize than the brand names as they are visual images. These can include logos, people, geometric shapes, cartoon images, anything. **For instance**, Marlboro has its famous cowboy, Pillsbury has its Poppin' Fresh doughboy, Duracell has its bunny rabbit, Mc Donald has Ronald, Fed Ex has an arrow, and Nike's swoosh. All these symbols help us remember the brands associated with them.

Brand symbols are strong means to attract attention and enhance brand personalities by making customers like them. It is feasible to learn the relationship between symbol and brand if the symbol is reflective/representative of the brand. For instance, the symbol of LG symbolize the world, future, youth, humanity, and technology. Also, it represents LG's efforts to keep close relationships with their customers.

2. **LOGOS-** A logo is a unique graphic or symbol that represents a company, product, service, or other entity. It represents an organization very well and make the customers well-acquainted with the company. It is due to logo that customers form an image for the product/service in mind. Adidas's "Three Stripes" is a famous brand identified by it's corporate logo.

   Features of a good logo are :

   a. It should be simple.
   b. It should be distinguished/unique. It should differentiate itself.
   c. It should be functional so that it can be used widely.
   d. It should be effective, i.e., it must have an impact on the intended audience.
   e. It should be memorable.
   f. It should be easily identifiable in full colours, limited colour palettes, or in black and white.
   g. It should be a perfect reflection/representation of the organization.
   h. It should be easy to correlate by the customers and should develop customers trust in the organization.
   i. It should not loose it's integrity when transferred on fabric or any other material.
   j. It should portray company's values, mission and objectives.

   The elements of a logo are:

   11. Logotype - It can be a simple or expanded name. Examples of logotypes including only the name are Kellogg's, Hyatt, etc.
   12. Icon - It is a name or visual symbol that communicates a market position. For example-LIC 'hands', UTI 'kalash'.
   13. Slogan - It is best way of conveying company's message to the consumers. For instance- Nike's slogan "Just Do It".

TRADEMARKS- Trademark is a unique symbol, design, or any form of identification that helps people recognize a brand. A renowned brand has a popular trademark and that helps consumers purchase quality products. The goodwill of the dealer/maker of the product also enhances by use of trademark. Trademark totally indicates the commercial source of product/service. Trademark contribute in brand equity formation of a brand. Trademark name should be original. A trademark is chosen by the following symbols:

™ (denotes unregistered trademark, that is, a mark used to promote or brand goods);
SM (denotes unregistered service mark)
® (denotes registered trademark).

Registration of trademark is essential in some countries to give exclusive rights to it. Without adequate trademark protection, brand names can become legally declared generic. Generic names are never protectable as was the case with Vaseline, escalator and thermos.

Some guidelines for trademark protection are as follows:

. Go for formal trademark registration.
i. Never use trademark as a noun or verb. Always use it as an adjective.
ii. Use correct trademark spelling.
iii. Challenge each misuse of trademark, specifically by competitors in market.
iv. Capitalize first letter of trademark. If a trademark appears in point, ensure that it stands out from surrounding text.

Brand Identity Prism

The **Brand Identity Prism** is a concept coined by J. Kapferer in 1986. According to him, any brand can be identified by its characteristics. The Brand Prism is represented by a hexagonal prism which defines 6 characters of a brand. Just like a person is known by his name, job, education, physical and emotional traits, a brand can be identified by the following:-

1. **Physical Facet**:- Salient physical qualities which are seen by the target audienc - like its color, shape, logo or anything that brings an image in the mind of the consumer when thinking or talking about the brand.
2. **Brand Personality**:- This defines the brand's personality or character. Here the brand is personified and its traits are perceived in the eyes of the consumer in a particular way. It can be related to calling a person shy or stylish or philanthropic.
3. **Brand Culture**:- This represents the values and principles a brand stand for. For example, a brand that has a 'Go Green' motto will be eco friendly is all its aspects- from manufacturing to marketing.
4. **Brand Relationships**:- The relationship a brand has, with its customers, the way each communication relates to its target audience or how brands influence and provide a particular service to its customers.
5. **Customer Reflection**:- How a customer reflects with a particular brand. This is different with how customers perceive the brand. This talks more about the consumers who use the brand as opposed to the brand itself.
6. **Customer Self Image**:- This explains how a customer perceives himself by using the brand. For example:- how men and women differentiate certain brands as being masculine or feminine.[1]

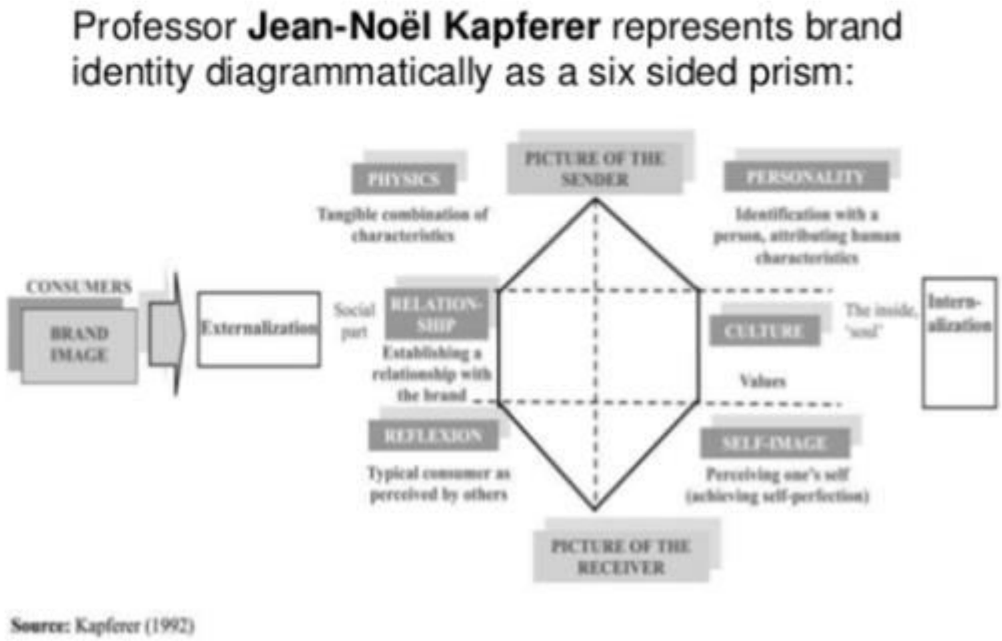


Figure 1. source: Zeynep Çıkın

Essentially, the prism has the style and themes of the marketer (sender) on one side which are being received by the consumer (recipient) on the other side. The other axes of the prism define the level of internalization or externalization of the activities. When flipped over, the brand identity prism is an integral part of the **brand identity pyramid** – which has 3 parts – (i) The **Brand Kernel** which is the ultimate essence or core of the brand (ii) The **brand style** – Which brings about the brand personality from the essence and (iii) **Brand themes** – or executions of the styles. While more elaborate tools (eg. brand keys) are being put to use today, this is still a favorite (especially when we need to quickly understand a new brand or a competitor). For any brand to succeed, it needs to present a coherent image in the minds of the consumer. All the 6 facets of the brand need to tie in with the central brand essence. As soon as all the elements come into place, it just clicks ! Lets take the example of Marlboro – developed as a ladies brand (in 1924, with "Mild as may" !!! as the tagline), and later re-positioned in 1954 using a 'mythical cowboy' – The new campaign raised sales by 3241 % within the year !!. Many other similar masculine platforms were tried, later returning to the cowboy theme – lasting till today and becoming one of the most quoted examples in Positioning. Here in lies the power of brand coherence or a consistent positioning of all these elements. Here's the Coca Cola example (see Figure 2. below) of how multiple facets come together in the prism – all to deliver happiness to the consumer making him feel a strong bond with the bottle.[2]

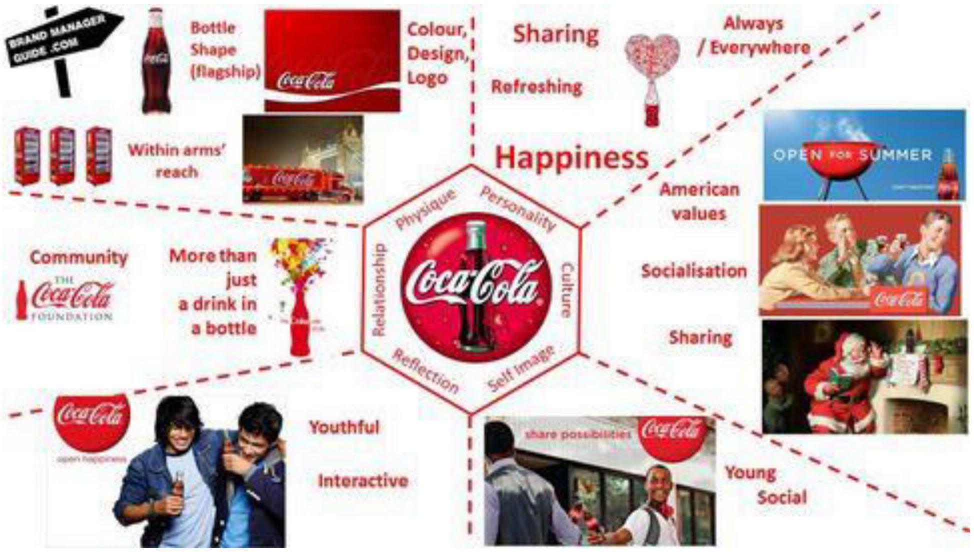


Figure 2. source: [Brand Manager Guide]

Brand Loyalty is a scenario where the consumer fears purchasing and consuming product from another brand which he does not trust. It is measured through methods like word of mouth publicity, repetitive buying, price sensitivity, commitment, brand trust, customer satisfaction, etc. Brand loyalty is the extent to which a consumer constantly buys the same brand within a product category. The consumers remain loyal to a specific brand as long as it is available. They do not buy from other suppliers within the product category. Brand loyalty exists when the consumer feels that the brand consists of right product characteristics and quality at right price. Even if the other brands are available at cheaper price or superior quality, the brand loyal consumer will stick to his brand.

Brand loyal consumers are the foundation of an organization. Greater loyalty levels lead to less marketing expenditure because the brand loyal customers promote the brand positively. Also, it acts as a means of launching and introducing more products that are targeted at same customers at less expenditure. It also restrains new competitors in the market. Brand loyalty is a key component of brand equity.

Brand loyalty can be developed through various measures such as quick service, ensuring quality products, continuous improvement, wide distribution network, etc. When consumers are brand loyal they love "you" for being "you", and they will minutely consider any other alternative brand as a replacement. Examples of brand loyalty can be seen in US where true Apple customers have the brand's logo tattooed onto their bodies. Similarly in Finland, Nokia customers remained loyal to Nokia because they admired the design of the handsets or because of user- friendly menu system used by Nokia phones.

Brand loyalty can be defined as relative possibility of customer shifting to another brand in case there is a change in product's features, price or quality. As brand loyalty increases, customers will respond less to competitive moves and actions. Brand loyal customers remain committed to the brand, are willing to pay higher price for that brand, and will promote their brand always. A company having brand loyal customers will have greater sales, less marketing and advertising costs, and best pricing. This is because the brand loyal customers are less reluctant to shift to other brands, respond less to price changes and self- promote the brand as they perceive that their brand have unique value which is not provided by other competitive brands.

Brand loyalty is always developed post purchase. To develop brand loyalty, an organization should know their niche market, target them, support their product, ensure easy access of their product, provide customer satisfaction, bring constant innovation in their product and offer schemes on their product so as to ensure that customers repeatedly purchase the product.

Brand personality is a set of human characteristics that are attributed to a **brand** name. A **brand personality** is something to which the consumer can relate; an effective **brand** increases its **brand** equity by having a consistent set of traits that a specific consumer segment enjoys. Brand personality is the way a brand speaks and behaves. It means assigning human personality traits/characteristics to a brand so as to achieve differentiation. These characteristics signify brand behaviour through both individuals representing the brand (i.e. it’s employees) as well as through advertising, packaging, etc. When brand image or brand identity is expressed in terms of human traits, it is called brand personality. For instance - **Allen Solley** brand speaks the personality and makes the individual who wears it stand apart from the crowd. **Infosys** represents uniqueness, value, and intellectualism.

Brand personality is nothing but personification of brand. A brand is expressed either as a personality who embodies these personality traits (For instance - Shahrukh Khan and Airtel, John Abraham and Castrol) or distinct personality traits (For instance - **Dove** as honest, feminist and optimist; **Hewlett Packard** brand represents accomplishment, competency and influence). Brand personality is the result of all the consumer’s experiences with the brand. It is unique and long lasting.

Brand personality must be differentiated from brand image, in sense that, while brand image denote the tangible (physical and functional) benefits and attributes of a brand, brand personality indicates emotional associations of the brand. If brand image is comprehensive brand according to consumers’ opinion, brand personality is that aspect of comprehensive brand which generates it’s emotional character and associations in consumers’ mind.

Five key dimensions of brand personality include **Brand Competence**, **Brand Sincerity**, **Brand Excitement**, **Brand Sophistication**, and **Brand Toughness**. Many brands choose to use a brand character as a vehicle to express their brand personality and facilitate their brand storytelling process.

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 focusses 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.

Module 3

Stages in brand building

Step 1: Determine Target Audience

When you are building your brand, always keep in mind who you are targeting with your communication. Identify your target audience and tailor your mission to meet their requirement in the best possible manner.

Aim for a scenario where you create campaigns as per the needs of your customers. Decide what type of communication best delivers your message to the audience you are targeting. Don't forget to filter your audience on the basis of their demography, age, interest and behavior. It will help you to target niche into the segment.

Step 2: Define Brand Mission

Define the values you want to incorporate with your audience base. Your vision and mission statement basically depicts the purpose of your existence. It will guide your brand building process across channels. You need to present an authentic image of what your company strives forYou need to articulate your company's mission across channels so that it sets path of your communication. Everything from logo to your tagline, your communication should reflect your mission. Always ask yourself**:**

- Why have you started your business?
- What are your goals?
- Who is your target audience?

Step 3: Research Competition

Analyze your competition and find out what they are offering to their customers. Think why your business is different from your competitors. Your branding should focus on that difference and should revolve around what makes your product better than the rest.

If you find that your market is filled with a vast number of competitors, then you can try tweaking your branding process with an exclusive communication strategy. Always remember to:

- Be aware about what your competitors are doing
- Research about their USPs
- Differentiate yourself from others
- Convince your customers what makes you the best

Step 4: Create Value Propositions

Always focus on what makes your brand unique and valuable. Find your value propositions that sets your business apart from your competition. Today, customers are interacting with many brands, therefore you need to communicate that you stand out from the market.

Include your value preposition in every marketing communication you are driving across channels. It is one of the most important step to build a successful brand. For example, multiple payment solutions loaded with SSL security feature and zero set-up fee makes PayUmoney **India's best payment solutions provider.**

Step 5: Determine Brand Guidelines

Brand guidelines define your brand's tonality and sets specific rules on how your business should interact with the audience. It helps you to maintain consistency across channels and makes your business more recognizable.

Develop your brand guide as it sets a definite pattern for your visual elements (logo, templates etc.) and structures your brand tone.

Step 6: Market Your Brand

Prepare a definite marketing strategy to market your brand. Apply your branding in every piece of communication, from packaging to stationary, website to marketing collateral. Display your brand in as many places as possible.

Identify new channels such as email, web and affiliates to promote your brand. Also advertise your brand in unexpected locations such as employee t-shirts, your social media pages and office goodies.

Brand strategy is a long-term plan for the development of a successful brand in order to achieve specific goals. A well-defined and executed **brand strategy** affects all aspects of a business and is directly connected to consumer needs, emotions, and competitive environments. Branding consists of a set of complex branding decisions. Major brand strategy decisions involve **brand positioning**, **brand name selection, brand sponsorship and brand development.**

1. Name Brand Recognition

A well-established company will often use the weight of its own name brand to extend to its products. Most often, a company with large name brand recognition can be recognized by its logo, slogan, or colors. Companies such as Coca-Cola, Starbucks, Apple, and Mercedez-Benz are all iconic while featuring multiple subsidiary products featured under the company name.

2. Individual Branding

Sometimes a larger company may produce products that carry their own weight independent of the parent company. This strategy involves establishing the brand as a unique identity that is easily recognizable. General Mills, for example, distributes Cheerios, Chex, Cinnamon Toast Crunch, Kix, Total, Trix, and more—and that's just the cereal division. The company also distributes other major brands from every food group.

3. Attitude Branding

Ambiguous marketing can often go above the actual product itself in the case of attitude branding. These brands all use strategies that bring to life personality and a customized experience with products and services. NCAA, Nike, and the New York Yankees made Forbes list of "The World's Most Valuable Sports Brands 2015," and are automatically associated with a certain style. Other brands, such as Apple and Ed Hardy, also reflect a customer's self-expression.

4. "No-brand" Branding

A minimalist approach can speak volumes. No-brand products are often simple and generic in design. The most successful company to establish this marketing method is the Japanese company, Muji, which simply translates to "no label."

5. Brand Extension

Brand extension occurs when one of your flagship brands ventures into a new market. Say you have a shoe company that is now making jackets, athletic wear, and fragrances. The brand name carries its own identity to your product mix.

6. Private Labels

Store brands—or private labels—have become popular at supermarkets. Retail chains such as Kroger, Food Lion, and Wal-Mart can produce cost-effective brands to compete with larger retailers.

7. Crowdsourcing

These brands are outsourced to the public for brand creation, which allows customers the chance to be involved in the naming process, and effectively drives up personal interest in a product.

Brand Architecture is a system that organizes **brands**, products and services to help an audience access and relate to a **brand**. A successful **Brand Architecture** enables consumers to form opinions and preferences for an entire family of **brands** by interacting or learning about only one **brand** in that family

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.

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 competitors 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.

Ethical branding, as a subset of ethical marketing, relates to certain moral **principles** that define right and wrong behaviour in branding decisions. A brand needs to be evaluated not just by the economic or financial criteria but also by the moral ones

Ethical considerations

- Informed consent.
- Voluntary participation.
- Do no harm.
- Confidentiality.
- Anonymity.
- Only assess relevant components.

Social media branding is managing your company image, identity and market position, as perceived by the market, across digital networks. Characteristics include maintaining consistent brand identity across social media platforms, usually integrating them. Social media marketing increases your brand's awareness.

Benefits of **Social Media** Marketing;
Social media marketing increases your brand's awareness. 78 % of small businesses use social media to attract new customers. ... A company's social media presence, when done correctly, tells consumers that their brand is active and focused on thriving communication with consumers.

Brand revitalization is a strategical process initiated for improving the existing product, process or brand to meet the changing demands and requirements of the consumers in the evolving market. It is a corrective measure applied when the business or the product is at the maturity or decline stage (alarming phase) of its life cycle and is on the verge of becoming obsolete. At the decline phase, the company experiences a downfall in the sales, customer turnover, reduced profitability and falling market share. All these symptoms point towards adopting a suitable brand revival strategy.

REASON FOR BRAND REVITALIZATION;

- **Globalization**: The company need to revive the brand before selling its product in international markets, to make it universally adaptable.
- **Technology**: With the evolving technology, the companies generate a need for constant upgradation of the brand and the products.
- **Competition**: In a competitive market, brand revitalization helps to break the stereotype and attract the target audience.
- **Reputation**: Brand revival becomes necessary to resolve specific issues which harm the company's goodwill; or unnerves employees or consumers.
- **Rationalization**: It is a suitable strategy to handle situations like product complexity, cost inefficiency, consumer turnover and dip in profits.
- **Pertinence**: Brand revival becomes essential when the company no longer serves the purpose of the consumers and tends to go old-fashioned for them.
- **Expansion**: The company has to go for brand revitalization for fulfilling the requirements of a larger organization while restructuring the business.
- **Legal Obligations**: It is a vital practice to deal with specific copyright problems like two or more brands having identical names, logos or design for their products.
- **Mergers and Acquisitions**: A corporate merger requires restructuring and rebranding to please the existing consumers of both companies. Also, in the acquisition, the acquiring company is a dominant player revives the target company's brand to aim a larger market share.

Brand Revitalization Strategies:

Product Improvisation: Any product that is leading the market today, maybe discarded by the buyers tomorrow. Therefore, the company should continuously research and improve product features and usage, to retain its customers.

. **Better Packaging**: If the product looks unappealing to the customer or not available in user-friendly packaging, the chances of rejection increases

Changing Consumer Perception: Even an excellent product fails if the consumer remains unaware or misperceives it or the brand. Thus, it becomes essential to develop customer understanding of the company or the product.

Innovation or New Product Development: The most exciting ways of brand revitalization is creatively inventing a new product or process. It will not only increase the consumer base but also beat the competition in the market.

Analyzing Price Point: The company can also rework the product prices according to its value addition, quantity purchased, features, specialization, class and level of customization.

Brand or Product Renaming: If the product or brand name seems to be unpleasant or hurts the sentiments of any community or group of people, thus hampering the sales; it can be revived through a name change.

Transforming Distribution Channel: Some companies expand their business extravagantly, selling to almost everyone. But, through market segmentation company realizes that the target customers are just a handful.

Redefining Brand Identity: When the existing customers feel disconnected with the brand and look forward to better options, the company can retain them through value enhancement and better customer experience.

Product Differentiation: This strategy is undoubtedly beneficial in a highly competitive market. Product differentiation is the introduction of some additional features, usage or benefits of the product, which is not yet provided by the competitor.
