

Brand Management

ICAI – April 19, 2022

1700 to 1900 hrs

Agenda for this session

- Definitions and context; differentiation & relevance
- Consumer value ladder
- Brand identity & brand positioning
- Brand values & personality
- Building brands & brand extensions
- Concept of Brand Equity

What is a brand?

- A name, term, sign, symbol or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.

American Marketing Association

Brand name & mark

Brand name

- That part of a brand which can be vocalised – the utterable. (AMA)



Brand mark

- That part of a brand which can be recognized but is not utterable, such as symbol, design, or distinctive colouring or lettering. (AMA)



What is a trade mark?

- A brand or part of a brand that is given legal protection because it is capable of exclusive appropriation. A trademark protects the seller's exclusive rights to use the brand name and/or brand mark.

American Marketing Association



Brands

How our understanding has
changed

Day before yesterday...

A brand was name, term, sign, symbol or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them ...

Yesterday...

A brand was a bundle of benefits delivered by products/services to consumers...

Today...

- A brand is an experience that real people enjoy ...
- And it has a name and a personality which fits with them.
- Hence, a relationship is built between the brand and its customers.

Companies own brands.

Customers create brands through their behaviour and perceptions.

Why create a brand?

Advantages of branding

- Build strong customer preferences & loyalty – ‘pull’
- Legal protection
- Assurance of quality, uniformity
- Higher price realisation, higher margin
- Easier to sell into newer markets
- Target different segments of the market
- Makes other brand launches easier
- Insurance against changes in consumer tastes
- Create major company asset
- Competitive advantage

**BRANDS – ONE OF THE BEST WAYS TO CREATE
IMPERFECT COMPETITION**

“Differentiate or die!”

Jack Trout & Steve Rivkin

Differentiation & Relevance

The Y&R Brand Asset Valuator™

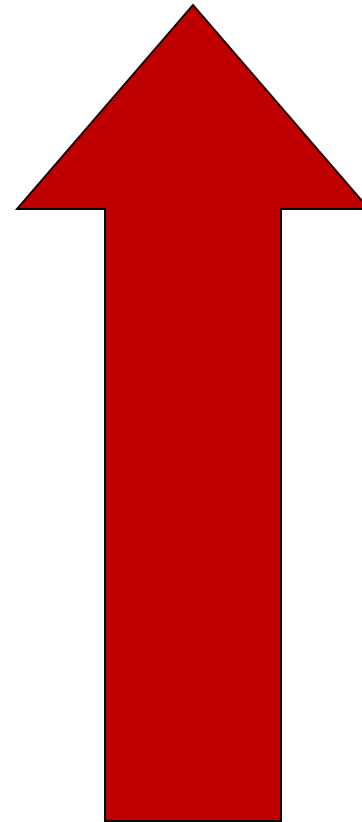
BAV – The 4 Pillars

Knowledge

Esteem

Relevance

Differentiation



The 4 Pillars

Relevance - how relevant is this distinction to your target consumer. High relevance is a function of the marketer's effective usage of the 4 Ps (or 7 Ps) to enable the brand to fit easily in the lives of consumers.

Differentiation - the real or perceived distinction between your brand and your competition. It is a measure of how distinct the consumers perceive a particular brand to be. It is this difference that enables the brands to charge a premium over commodity products.

The 4 Pillars

Knowledge - There is some appeal in a brand that makes you believe that you know the brand as you would a close friend. You know its values, its principle and its ambitions. We call this component of branding - knowledge.

Esteem - how well does your consumer 'respect' your brand. It is a function of positive brand experience and brand communication and essentially the regard that the consumer has for the brand.

The 4 Pillars (contd)

- The **differentiator** is the driver of the brand
- Unless the offering is perceived by the consumer as being different from the competition, there is little scope for a brand
- However, the difference must be made to be **meaningful** and **relevance**. The consumer may buy once on an impulse, but a non-relevant differentiator is not likely to lead to a repeat purchase

Finding a relevant differentiator

Classical tools for differentiation

- Understanding the hierarchy of customer needs
- Mapping the consumer mind-set of competitive offerings against these needs (perceptual maps)
- Gap analysis - is there a viable business potential in that gap?
- Sometimes, you may even need to invent/reinvent the product – Apple



The value ladder

- Value

- Subjective benefits

- Objective benefits

- Attributes



What does the brand uniquely stand for

How does the brand make you feel

What does the product do

What does the product have or contain

How to use

- Start at either end of the ladder
- All the steps in the ladder must be logical
- Essential to understand the competitors very well
- You can differentiate at any point in the ladder
- Make sure this differentiation can be sustained

The value ladder (A)

- Value
- Subjective benefits
- Objective benefits
- Attributes



Jet Airways gives you the finest flying experience under Indian skies

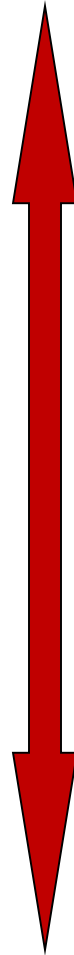
You experience being cared for in a manner that you have never experienced before

You arrive at your destinations totally fresh, as if you never left home

You depart on time, you arrive on time, attended by a friendly crew.

The value ladder – revisited (B)

- Value
- Subjective benefits
- Objective benefits
- Attributes



Jet Airways gives you the finest flying experience under Indian skies

You experience being cared for in a manner that you have never experienced before

You arrive at your destinations totally fresh, as if you never left home

You travel in modern aircrafts attended by a highly trained and efficient crew.

The value ladder – revisited (C)



Let's do this for the new Air India.

Brand Values, Personality

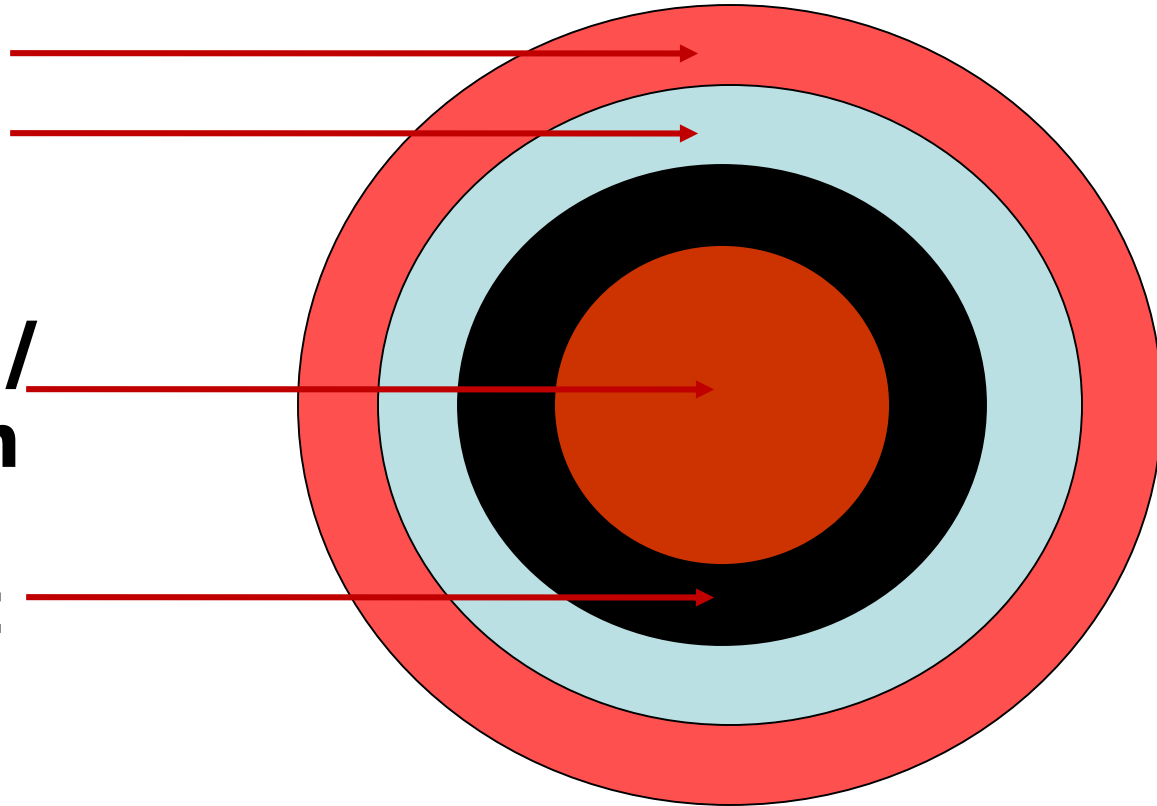
The body of the Brand

Place

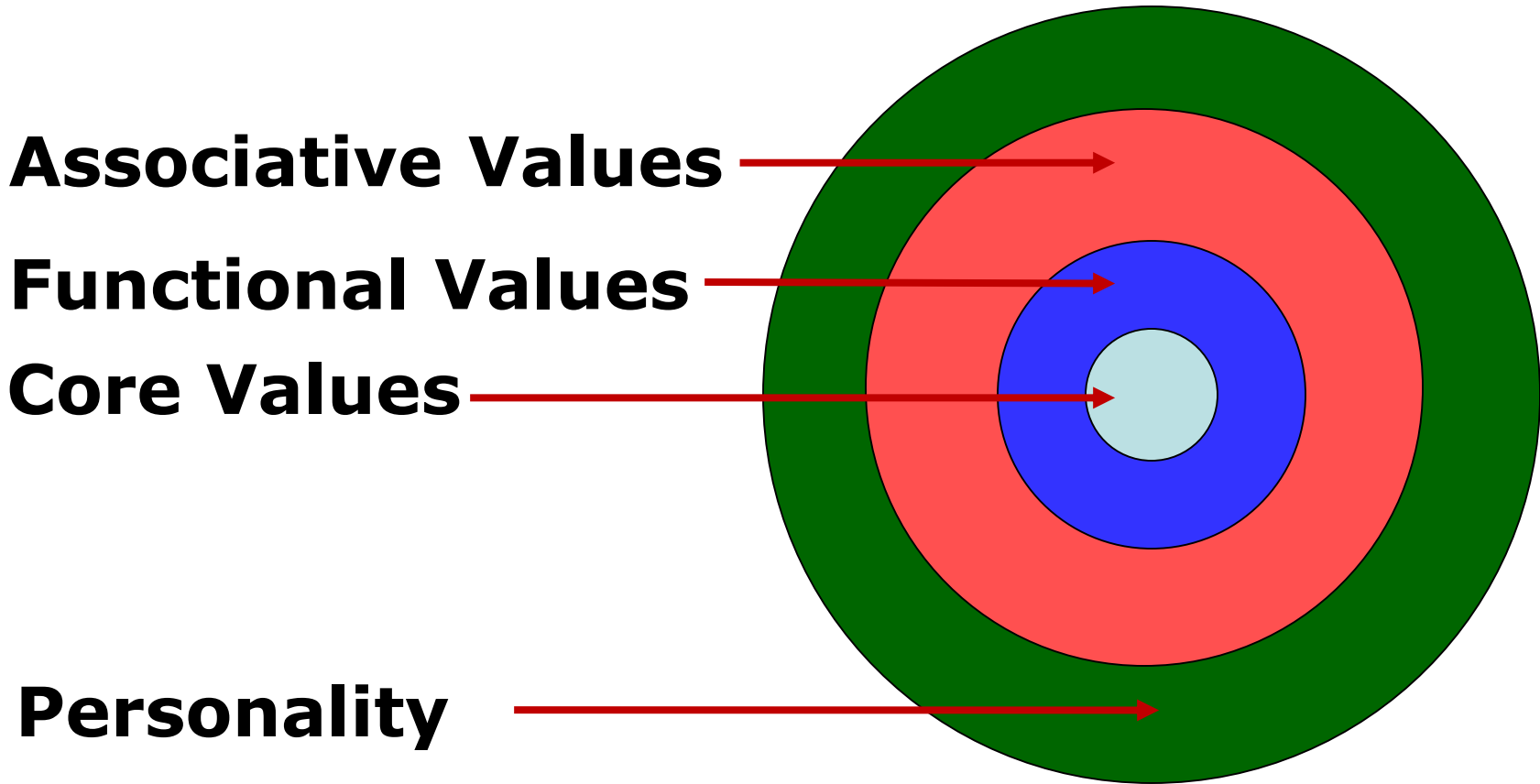
Price

**Benefit /
Solution**

Product



Values - The heart & soul of a Brand



The Values of a Brand

Core Values

- what you would like the brand to stand for, irrespective of what product categories in which the brand operates

Functional Values

- the specific product delivery values you would like for the brand in a specific product category

Associative Values

- associations drawn from the larger universe of consumer stimuli in which the consumer lives

Examples?

- SBI?
- Surf Excel?
- Lemon Tree?

The Brand Personality

- The consumer interacts with a brand as if with a person
- Either we provide the brand with a personality, or the consumer will give it one
- Some categories have personalities by themselves - e.g. the hospitality industry is feminine (care, nurturing, indulgence)
 - however, Taj is a feminine brand; Oberoi is masculine by design
 - industrial products are masculine almost by definition

Which personality?

- A personality which **matches** that of the target consumer: Oberoi targeting the business traveller
- A personality which is the **opposite** of that of the target consumer: Taj targeting the business traveller
- RULE: the brand personality must be **aspirational** to the target consumer; nobody wants to buy a downscale brand

Bang & Olufsen



Xylys

CARLOS MOYA

Tennis Champ

People might see him as one of the 50 most beautiful people on earth. His opponents see him as a demolition man. Chemical Xplos, 2004. Those watch point. Moya gets an explosive deep rally. His response? A killer backhand down-the-line. He wins the point. Later, the tournament.

CHAMPIONS DON'T PLAY SAFE.

Carlos Moya believes the biggest risk is not taking one. His attitude is his game. The power of X.

XYLYS™. THE POWER OF X.

Xylys™ meticulously crafted by master watchmakers in Switzerland. Contemporary. Cutting-edge. Technical and distinctive. Nothing that challenges the way you look at watches. The extraordinary watch for people who live extraordinary lives. Prices begin from Rs. 30,000.

XYLYS™
SWISS MADE
SINCE 1988

XYLYS™ is a trademark of Tiber Industries Ltd.

Model: Boutique - Bangalore. # 1, Sarathy Hill, St. Marks Road. Hyderabad. # 4-2-245/1, Old. Town, Opp. 10, 15th St. # 1, Banjara Hills. Also available at premium multi-brand outlets and special stores of this store.

Vodafone socks TVC

Asian Paints har ghar kuch kahta
hai

Brand Identity

Who am I?

Why should you pay attention to me?

Brand identity

Stakes out its individuality -
“Look at me - I’m different”



Gives out its recognition signs
- “This is how you know me”



Indicates its long-term goals
and ambitions - “This is what I
want to be - in your life”



Signals its values - “This is
what I stand for”



Brand Positioning

Jack Trout & Al Ries

- “...The first step is to position or 'situate' the brand in the target consumer's mind in such a way, that in his or her perception of the brand, it is distinctive and offers a persuasive customer value better than its competitors...competitive advantage.”

Occupy a 'slot' in consumer's mind

Positioning is crafted such that the brand occupies a 'slot' in the mind with reference to other brands.

*Positioning is simply the one **THOUGHT** you want your consumer to remember about your brand.*

Lifebuoy occupies the hygiene slot

Mysore Sandal the pure and natural fragrance slot.

Dettol the antiseptic slot.

Key Themes

- Fundamental law – say one thing, and say it clearly
- Basic themes
 - Benefit positioning
 - User positioning
 - Competitive positioning

User positioning

- Take a profile of the target user as the focal point
 - Bata naughty boy shoes
 - Allen Solly Friday dressing





LET'S NOT TALK HISTORY YET.
HE'S STILL MAKING IT.

How complete is Roger Federer's game? His forehand unleashes the ball at speeds nearing 100 mph. His backhand finds angles that nobody can return. His volley: graceful, efficient, precise. His mental game can be described as tough, brilliant and daunting. Whether you're sitting in the stands or facing him across the net, to watch Roger Federer play is to witness something that comes along very seldom. Greatness.



ROLEX.COM

© Jayanta Sengupta


ROLEX

FOR AN OFFICIAL ROLEX JEWELLER CALL 1-800-453-6636. ROLEX, THE ROLEX LOGO, ROYAL OYSTER PERPETUAL AND GMT-MASTER II ARE TRADEMARKS.

jayanta.sengupta@gmail.com

Competitive positioning

- Take a competitor head-on, sometimes even explicitly, and harp on how you are different (“better”)
 - Rin vs Tide

What's the
position?







**“Gee, Dave, are you sure that’s
the best way to sell software?”**

BRAND EXTENSIONS

Definitions

- Brand extension
 - brand names that are extended to new product categories
- Line extension
 - existing brand names that are extended to new SKU's in existing product categories

Line extensions

- Typically new sizes, flavours, forms, colours, packs, added ingredients, etc
- Can devalue brand if it cannibalises in its portfolio
- Higher chance of success than new brand introductions
- Criteria for success
 - strong brands, with strong budgets
 - early entrants into product sub-categories

Brand extensions

- Gillette for women
- IBM to IBM Consulting
- Taj, SeleQtions & Vivanta
- Dove



Roles of brand extensions

- Retention of current customers (requisite to retain strength in current businesses)
 - Lego – complex specialty kits like spacecraft, etc.
- Expansion
 - Lego plastic blocks – extensions to “Mindstorms” blocks
 - Lego – theme parks







19-04-2022

© Jayanta Sengupta:
jayanta.sengupta@gmail.com

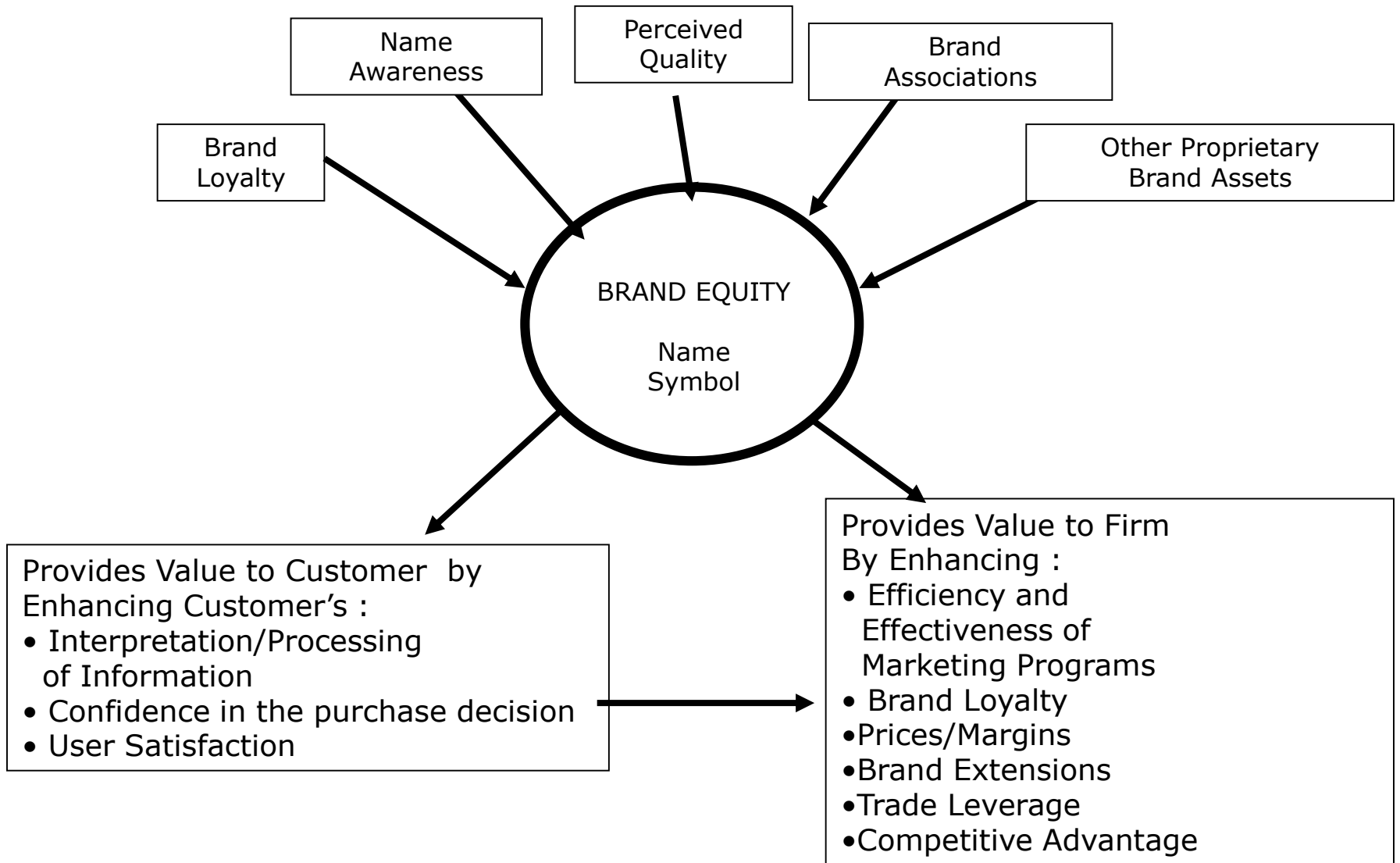
55

Brand equity & image

What is brand equity?

- Brand equity is a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value of the product or service provided to a firm and/or to that firm's customers.

David Aaker, Managing Brand Equity



Brand image

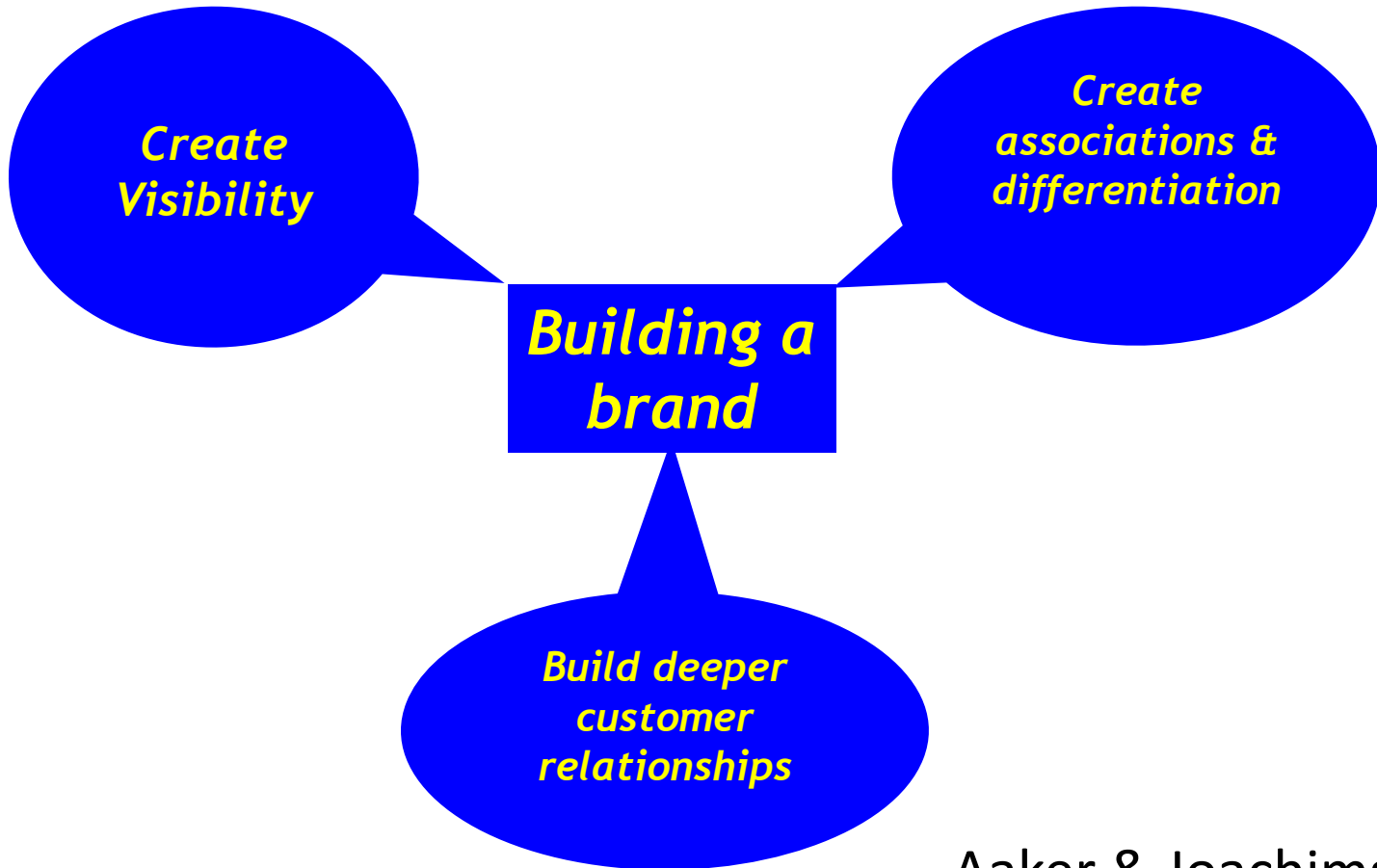
- The sum total of all impressions about the brand



What describes a Bengali?



The brand building model



Aaker & Joachimsthaler

Questions