BRAND BUILDING

(As per the Revised Syllabus of T.Y. BMM w.e.f. 2016, Semester V, University of Mumbai)

Bulbul Bhattacharjee
PREFACE

Everyday, across the world, brands are being built, reinvented, refreshed or retired.

Brand building is an exhaustive subject, which entails continuous study and updates. This handbook has been refreshed as per the new syllabus, as revised by the Mumbai University in 2016.

I wish to thank every T.Y. BMM student who uses the book, and every faculty who recommends it. However, I do suggest, that they regularly look up for new brand stories based on their understanding of the concepts, detailed in the book.

I again wish to thank Mr. K.N. Pandey of Himalaya Publishing House Pvt. Ltd. for being such an inspiration to me.

All concepts, examples and case studies are explained with clarity and do not reflect the personal choices or prejudices of the author for any brand or service mentioned.

Feedback is always welcome.

Author
ACKNOWLEDGEMENT

- *Building Strong Brands*: David A. Aaker
- Aaker on Brands
- *The Essential Brand Book* by Iain Ellwood
- *The Brand Management Checklist* – Brad Van Auken
- *Designing and Implementing Brand Strategies*: Kevin Lane Keller, Tuck School of Business, Dartmouth College.
- Wikipedia.org
- Excerpts from various Internet sites showing matter/articles relating to the title of the book.
SYLLABUS
Brand Building
Semester - V
Max. Marks: 100 (Theory: 75, Internals: 25)

Objectives:
● To study the concept of Brands
● To study the process of building brands
● To study its importance to the consumer and advertisers

<table>
<thead>
<tr>
<th>Module</th>
<th>Topic</th>
<th>Details</th>
<th>Number of Lectures</th>
</tr>
</thead>
</table>
| I      | Brand         | ● Definition  
          ● Importance of Branding  
          ● Difference between Brand and Product  
          ● Process of Branding | 04 |
| II     | Brand Identity| ● Core Identity  
          ● Extended Identity  
          ● Brand Identity Traps | 04 |
| III    | Brand Positioning | ● Definition  
          ● Importance of Brand Positioning  
          ● Perceptual Mapping | 08 |
| IV     | Brand Personality | ● Definition  
          ● The Importance of Creating Brand Personality  
          ● Attributes that Affect Brand Personality  
          ● Factors that affect Brand Personality  
          ● Brand Personality Models:  
            – Relationship Model  
            – Self Expressive Model  
            – Functional Benefit Model  
          ● The Big Five  
          ● User Imagery | 04 |
| V      | Brand Leverage | ● Line Extension  
          ● Brand Extension  
          ● Moving Brand up/down  
          ● Co-branding | 04 |
<table>
<thead>
<tr>
<th>VI</th>
<th>Branding Strategies</th>
<th>08</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>● The three Perspective of Brand Strategic Customer Analysis</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Completion Self-analysis</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Multi-Product Branding</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Multi-Branding</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Mix Branding</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Brand Licensing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Brand Product Matrix</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Brand Hierarchy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Brand Building Blocks</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>VII</th>
<th>Brand Re-positioning</th>
<th>06</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>● Meaning</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Occasion of Use</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Falling Sales</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Making the Brand Contemporary</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● New Customers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Changed Market Conditioning</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Differentiating Brands from Competitors</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>VIII</th>
<th>Brand Equity</th>
<th>06</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>● Case Studies such as Vicks Vapour, Milkmaid etc.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Definition</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Step in Creating Brand Equity</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Awareness</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Perceived Quality</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Brand Association</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Brand Loyalty</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Other Brand Asset</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IX</th>
<th>Brand Equity Management Models</th>
<th>02</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>● Brand Equity Ten</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Y &amp; R (BAV)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Equi-Trend</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Inter-brand</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>X</th>
<th>Brand Building Imperative</th>
<th>02</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>● Co-ordination Across Organization</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Co-ordination Across Media</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● Co-ordinating Strategy &amp; Tactics Across Markets</td>
<td></td>
</tr>
</tbody>
</table>
## CONTENTS

1. Brand Building 1 – 9  
2. Brand Identity 10 – 20  
3. Brand Positioning 21 – 26  
4. Brand Personality 27 – 36  
5. Brand Leverage 37 – 46  
7. Re-positioning of Brands 59 – 64  
8. Brand Equity 65 – 77  
9. Brand Equity Measures 78 – 89  
10. Brand Building Imperatives 90 – 96
Chapter: 1

Brand

The Importance of Branding

For many, branding seems synonymous with marketing. Nothing could be farther from the truth. If that was so, then every competitor’s products would be as much in demand as yours. But we know that does not happen.

A brand is the sum total of everything which a company does and that signifies the good and the bad to create a distinct presence in the mind of a consumer.

An American academician said, that brands are not ends in themselves, in fact, they area a solution. He has also implied that brands are only a way to achieve other things, expressions of deep seated desires, manifestations of innermost feelings.

To build a brand requires a strategic vision, a clear focus on how you would want your brand to be perceived and its strong value propositions. Brand Building is not an overnight job. It has to maintain its relevancy over time. Only then can it sustain its existence.

In competitive times when every product manufactured is good in quality, only a distinct identity created for a brand can make it a consumer’s first choice.
What is a Brand

A brand essentially conveys a promise to the consumer that it will deliver value to the customer through its promise of relevant differentiated benefits.

The brand usually establishes this in its own unique way.

Example:

- FedEx – Overnight delivery
- Volvo – Safety
- Disney – Fun, family, entertainment
- McDonalds – Fast food
- Wall Mart – low prices
- Apple – Innovative
- Bisleri – bottled water

Over a period of time, the product gets identified with certain qualities and this creates a distinct brand identity for the product and/or company.

The American Marketing Association describes the brand as 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 other sellers”.

Example:

- The Nike swoosh
- The McDonalds “M”
- The Mercedes emblem
- The Titan signature tune

A brand mainly has two functions:

(a) To distinguish different products from each other

Example: Shoes by BATA
        Shoes by Woodland
(b) To indicate a product’s origin. It is an identifier of the seller. Brands represent a level of quality.

**Example:** Colgate toothpaste from Colgate Palmolive
Samsung mobile handsets by Samsung
Lux beauty soap by HUL

A brand represents value, culture, personality. Brands make it easier for consumers to identify products and services. Brands ensure a comparable quality.

**Example:** Dabur has established over the years, that it is a company dedicated to Ayurvedic solutions for various consumer needs.

**Example:** Dabur Hajmola – for digestion
Dabur Amla hair oil – for strong hair
Dabur Honey – for good health

So over the years they have created an image among the consumers about the base of all their products. This, they have done, by living up to their promises about their products. Hence if a person were to want a good Ayurvedic product, he would immediately think of buying it from the “Dabur” stable of products.

**Brand Essentials**

- Brands are powerful entities that combine the functional performance-based values which are rationally-evaluated and have emotional values which are effectively evaluated.

- Building a brand is a creative process which results in a new branded product. This process gives the brand a meaning and purpose, its contents and its attributes. A brand requires time for its growth and presence. The brand grows out of a continuous cumulative memory, through the brand itself and its promotions.

- Brands provide products with a meaning. Products by themselves are silent. They reveal what and how much to expect from the products bearing their name.
A brand provides not only a source of information but performs other functions, when it is valued by buyers. The eight functions of the brand are:

<table>
<thead>
<tr>
<th>Function</th>
<th>Consumer benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Identification</td>
<td>With the company manufacturing it</td>
</tr>
<tr>
<td>2 Practicality</td>
<td>The use of the brand</td>
</tr>
<tr>
<td>3 Guarantee</td>
<td>The company stands by to guarantee the product</td>
</tr>
<tr>
<td>4 Optimization</td>
<td>It reduces the perceived risk</td>
</tr>
<tr>
<td>5 Characterization</td>
<td>Typicality of the product</td>
</tr>
<tr>
<td>6 Continuity</td>
<td>Satisfaction through familiarity</td>
</tr>
<tr>
<td>7 Hedonistic</td>
<td>Satisfaction linked with the attractiveness of the brand</td>
</tr>
<tr>
<td>8 Ethical</td>
<td>Satisfaction related to the responsible behaviour of the brand</td>
</tr>
</tbody>
</table>

**Brand Vs. Product**

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>BRAND</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 A product is something manufactured in a factory</td>
<td>A brand is something bought by consumers</td>
</tr>
<tr>
<td>2 A product can be copied by a competitor</td>
<td>A brand is unique</td>
</tr>
<tr>
<td>3 A product can get outdated</td>
<td>A successful brand properly managed can be timeless</td>
</tr>
<tr>
<td>4 A product includes attributes and uses</td>
<td>A brand includes product characteristics and much more</td>
</tr>
</tbody>
</table>

**A Brand Includes**

- Users
- Country of origin
- Company associations
- Brand personality
- Symbols
- Emotional benefits (pride status)

A Brand is more than a Product:
Why Brands matter

What determines the success of a brand? Is it merely the attractive logo or the feel of it? No, it goes much beyond it. It embraces the entire product including the quality of service rendered by the company.

It creates a differentiation in the minds of customers and makes it a choice above the others in the same product class.

Also Brands offer “value proposition”. We buy for emotional reasons, self expressive reasons and factual reasons. **Example:** For Volvo buyers, it is safety. For Big Bazaar Loyalists, it is value for money. For AXE users, it defines them.

Value proposition entails:

- How a product solves customer’s problems or improves their situation (relevancy) (**Example:** Good Knight)
- Delivers specific benefits (quantified value) (**Example:** Mutual funds)
- Tells the customer why they should buy your product and not that of your competitors (differentiation) (Sensodyne toothpaste)
Process of Branding

Advantages of Branding

1. **Brands Provide Choice**: Brands allow consumers to distinguish between various Company Offerings. (Sunsilk, L’oreal shampoo)

2. **Brands Simplify Decisions**: It helps consumers make a quick choice if they recognize the brands. (Ola cabs, Uber cabs)

3. **Brands Give Quality Assurance**: Once a brand is used, consumers automatically equate this experience with quality. A good experience makes for good brand recall. Experiencing various brands help consumers to compare its quality standards. (Colgate toothpaste)

4. **Brands help Consumers Avoid Risks**: If they have the slightest doubt about the performance of the product they decide not to buy it and the reverse is also true. (2015 Maggi noodles controversy)
5. **Brands Provide a means of Self Expression:** Consumers use brands to express themselves in different ways. It helps consumers to express their socio-psychological needs like:

(a) Social status (Honda car)
(b) Success (Rao’s Academy)
(c) Love and Friendship (Hallmark)
(d) Young (Pepsi)

6. **Brands help in increasing revenues and market shares for the organization:** Once the brand creates credibility for itself in the mind of its consumers, automatically it will create loyalty among consumers, which in turn, will always support the increase in the revenue generating capacity of the brand as also subsequently improve on its market share. (Tata, HUL, ITC)

**LIMITATIONS OF BRANDING**

1. When a brand is known for something and then it branches out into something else, the new brand may get ignored totally. **Example:** The WWE is a pro wrestling organization. When they bought a football league. The media, sports fans and general public, did not allow it to take off, because the WWE brand is known for its staged violence, not competitive sports.

   Also when Ponds entered the toothpaste category. It was almost immediately rejected because the consumers identified Ponds for face and body products and not dental products.

2. Like human beings, every brand has to have a personality. But also like human beings, every brand cannot have all the qualities. Hence however much, you build a brand through positioning, there will be areas either which you cannot cover or which will get rejected by a segment of the consumers. **Example:** You may have one of the best brands in chocolates with the most exciting variants, but if it contains eggs, vegetarian consumers will not get attracted to it.
3. A Brand is a promise to customers to fulfill the “value proposition” the brand offers. If the brand fails even once, the brand building process has to begin all over again. If an expensive ice cream brand does not deliver the kind of taste experience it promises, it will fail after a specific point.

4. For a brand to succeed, consistency in its communication through its various channels is very important. This requires a lot of time, money and effort. Any inconsistency will result in the brand losing its place in the market. If Central is about affordable shopping and regular bargains, it cannot suddenly turn niche.

5. Once your brand identity is established you cannot keep changing it very often. Changes in name, logo, symbol can lead to confusion among customers.

6. In areas where generic brands are predominantly sold, brand building efforts on a particular brand may not matter to the customers who are fully satisfied from buying generic brands. Example. Haldi Powder or Chilli Powder. People often purchase these items, simply by using their generic names at their grocery store.

7. For products where brand loyalty does not matter for example shaving blades, socks, pens etc, branding does not really matter.

**Brand Vision with Respect to Generic Brand Status**

Generic brands of consumer products (often Super market goods) are distinguished by the absence of a brand name. They are usually identified by product characteristics.

Generic brands are often manufactured by less known companies or manufactured on the same production line as a “named” brand.

Generic brands are usually priced below those products sold in super markets under their own brand name, (frequently referred to as, “store brand”).
Generic brands are known to imitate their more expensive branded counterparts, usually competing on price. Generic brands are sometimes of equal quality as branded products. However, their quality may suddenly change without change in their brand name or packaging, if the supplier for the product changes.

When faced with a roadside stall selling, “vada pav” and a “Jumbo vada pav” stall, one tends to deviate towards the branded, “vada pav”. A “known” commodity always rides over the, “unknown”.

Brands make a difference in consumer behaviour. We prefer and even pay more for a, “branded” product. That is why organizations spend heavily in creating their brand.

Generic brands have to always compete with, “branded” products and they will always be at a disadvantage over, “branded” products. Hence, attributes + results should be the key drivers for a generic brand to stay afloat. **Example:** Generic drugs marketed without brand names are generally less expensive than branded drugs, even though they chemically identical to branded drugs and meet the same standards of the FDA.

**Example:**

<table>
<thead>
<tr>
<th>Generic Brand</th>
<th>Branded Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phenyl, acid, bleaching agent</td>
<td>Lizol, Domex, Sanifresh</td>
</tr>
<tr>
<td>Paracetomol</td>
<td>Crocin, Combflam</td>
</tr>
</tbody>
</table>

★★★