



BRAND MANAGEMENT

tutorialspoint

SIMPLY EASY LEARNING

www.tutorialspoint.com

 <https://www.facebook.com/tutorialspointindia>

 <https://twitter.com/tutorialspoint>

About the Tutorial

Brand Management is the process of creating, developing, and supervising the progress of a brand. This tutorial introduces you to various categories of brands, their architectures, extensions, and promotions. It also introduces brand equity, co-branding, brand performance, and valuation.

This tutorial will teach you the basic terms in branding and provide ideas on how to manage a brand right from creation to its valuation.

Audience

This tutorial is meant for all those readers who would like to understand the basics of Brand Management. It will be immensely useful for management students who are keen to make a career in Marketing.

Prerequisites

We assume the reader has a basic knowledge of business administration and marketing concepts. Creativity, analytical thinking, strategic thinking, and good communication skills are a plus.

Disclaimer & Copyright

© Copyright 2015 by Tutorials Point (I) Pvt. Ltd.

All the content and graphics published in this e-book are the property of Tutorials Point (I) Pvt. Ltd. The user of this e-book is prohibited to reuse, retain, copy, distribute or republish any contents or a part of contents of this e-book in any manner without written consent of the publisher.

We strive to update the contents of our website and tutorials as timely and as precisely as possible, however, the contents may contain inaccuracies or errors. Tutorials Point (I) Pvt. Ltd. provides no guarantee regarding the accuracy, timeliness or completeness of our website or its contents including this tutorial. If you discover any errors on our website or in this tutorial, please notify us at contact@tutorialspoint.com.

Table of Contents

About the Tutorial i
 Audience..... i
 Prerequisites..... i
 Table of Contents ii

PART 1 – BASICS OF BRANDING 1

1. Overview of Branding 2
 What is a Brand? 2
 Objectives of a Brand 3
 What is Brand Management?..... 3
 History of Branding..... 4
 Brand Essence..... 4
 Elements of a Brand 5
 Brand Management versus Product Management 7
 Brand Terminology 7

2. Brand Diversity 10
 Basic Approaches of Branding 10
 Fast Moving Consumer Goods (FMCG) Brands 10
 Commodities 11
 Luxury Brands 11
 Business to Business (B2B) Brands 12
 Pharmaceutical Brands 13
 Service Brands 13
 E-Brands 14
 Country Brands 15

PART 2 – INSIDE BRAND MANAGEMENT 16

3. Brand Equity 17
 What is Brand Equity? 17
 Why does Brand Equity Matter? 17
 Brand Decay..... 17

4. Brand Equity Models..... 19
 Aaker’s Brand Equity Model 19
 Keller’s Brand Equity Model 21
 What is BrandZ? 23
 Brand Asset Valuation 24
 Building a Strong Brand Equity 24
 Building Brand Identity and Image 25

5. Brand Architecture..... 26
 What is Brand Architecture? 26
 Types of Brand Architectures 26
 Product Brand Architecture..... 27
 Source Brand Architecture 27
 Line Brand Architecture..... 28

ii

Masterbrand or Monolithic or Umbrella Architecture	28
Choosing Appropriate Branding Strategy	31
Internationalizing the Architecture of the Brand	31
Classic Branding Dysfunctions	31
How to Name a New Product?	32
Group and Corporate Brands	32
Corporate Brands over Product Brands.....	33
6. Brand Identity and Positioning.....	34
Six Faces of Brand Identity	35
Brand Knowledge	36
Brand Portfolios and Market Segmentation.....	37
General Steps of Brand Building	38
Identifying and Establishing Brand Positioning	38
Defining and Establishing Brand Values	40
Branding for Global Markets	41
7. Brand Promotion	43
Why is Brand Promotion Required?	43
Brand Promotion Methods.....	43
Role of Brand Ambassadors and Celebrities.....	44
Online Brand Promotions	46
8. Brand Extension.....	47
What is Brand Extension?.....	47
Line Extension.....	48
Brand Extension.....	48
Brand Adaption Process	49
Brand Adaption Practices	49
Factors that Influence Brand Extension	49
Rebranding	50
Relaunching	52
9. Co-branding	54
What is Co-branding?	54
Types of Co-branding.....	55
Situations for Co-branding	55
Points to Note before Co-branding	55
Co-branding for Business Growth.....	56
Celebrity Endorsement.....	57
PART 3 – MAINTAINING THE BRAND.....	59
10. Brand Performance.....	60
Launching a Brand	60
Sustaining a Brand in the Long Run	61
Adapting the Brand to Suit Various Markets.....	62
Handling Brand Name Changes	62
Handling Brand Transfer.....	64

11. Brand Leveraging 66
 Importance of Brand Leveraging 66
 Role of Brand Managers in Brand Leveraging 67

12. Brand Valuation 68
 What is Brand Audit? 68
 Brand Equity Measurement 69
 Employer and Employee Branding 71
 CEO as a Brand Leader 72

Part 1 – Basics of Branding

1. OVERVIEW OF BRANDING

"A product is something made in the factory; a brand is something the customer buys. A product can be copied or imitated by a competitor; a brand is unique. A product can be outdated; a successful brand is timeless."

– Stephen King (WPP Group, London)

Today, the commodity marketplace is flooded with various brands. The requirement of the seller's brand to stand out among other parallel brands is crucial. Hence, there is a fierce competition among the sellers to make their products or services stand out in the market, thereby winning new consumers and retaining the existing ones. At times, it even leads to diverting the consumers following other brands to the seller's brand. To remain competitive in the marketplace, strong brand management is required.

Brand Management begins with understanding the term 'brand'.

What is a Brand?

Brand may be defined from the brand owner's perspective or the consumer's perspective. There are various popular definitions of a brand:

- "A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is trade name." - American Marketing Association
- "A type of product manufactured by a particular company under a particular name." - Oxford English dictionary
- "A name, term, sign, symbol, design, or a combination of these used to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors."- A product-oriented definition
- "The promise of the bundles of attributes that someone buys and provide satisfaction . . ." - A consumer-oriented definition

The fundamental purpose of branding is **differentiation**. A brand is a means of differentiating the seller's product from other competing products.



Brand has the following characteristics:

Tangible characteristics: Price, physical product, packaging, etc.

Intangible characteristics: Customer's experience with the brand, brand position, and brand image.

Objectives of a Brand

Here are some important objectives of a brand:

- To establish an identity for the product or a group of products.
- To protect the product or service legally for its unique features.
- To acquire place for the product in consumers' minds for high and consistent quality.
- To persuade the consumer to buy the product by promising to serve their needs in a unique way.
- To create and send the message of strong reliable business among consumers.

What is Brand Management?

Brand management is an art of creating a brand and maintaining it. It is nothing but developing a promise to the consumer, materializing that promise, and maintaining the same for a product, a group of products, or services.

Brand management helps to manage the tangible and intangible characteristics of a brand. A competent Brand Management includes building brand identity, launching the brand, and maintaining the brand position in the market. Brand management builds and maintains the corporate image of a business.

History of Branding

The concept of branding exists since approximately hundred years.

1300 – The word ‘Brand’ meant a torch or a burning piece of wood.



1500 – Brand Meaning = Marking the cattle by burnt wood to indicate their ownership to a particular ranch.



19th Century –

- * Railways emerged, possibility to travel and distribute products over long distance.
- Knowledge of products outside the local market. Brands only limited to logos associated with the products.
- 1890 – Coca Cola’s first Ad

Brand meaning = Mark of ownership + Mark of quality.



20th Century–

- * Industrial revolution, change in consumer life style.
- * Availability of automobiles, electronic appliances, communication devices.
- * Wide choice of products for consumers.
- * Sellers reach to wide audience, create demand, and focus their product’s reliability.

1960 - Sellers use mass media to change the consumer behavior, work on the emotional than functional benefits of products.

1984 - Apple Computers launched Macintosh.

Brand Essence

It is a single most compelling thing about a brand that differentiates it from the competing brands. The brand essence serves as a metric to evaluate the seller's marketing strategies. The most important brand essences arise from consumers' needs. Brand essence can be described in just a few words.

For example, Volvo: Safe travel. Disney: Fun family entertainment.

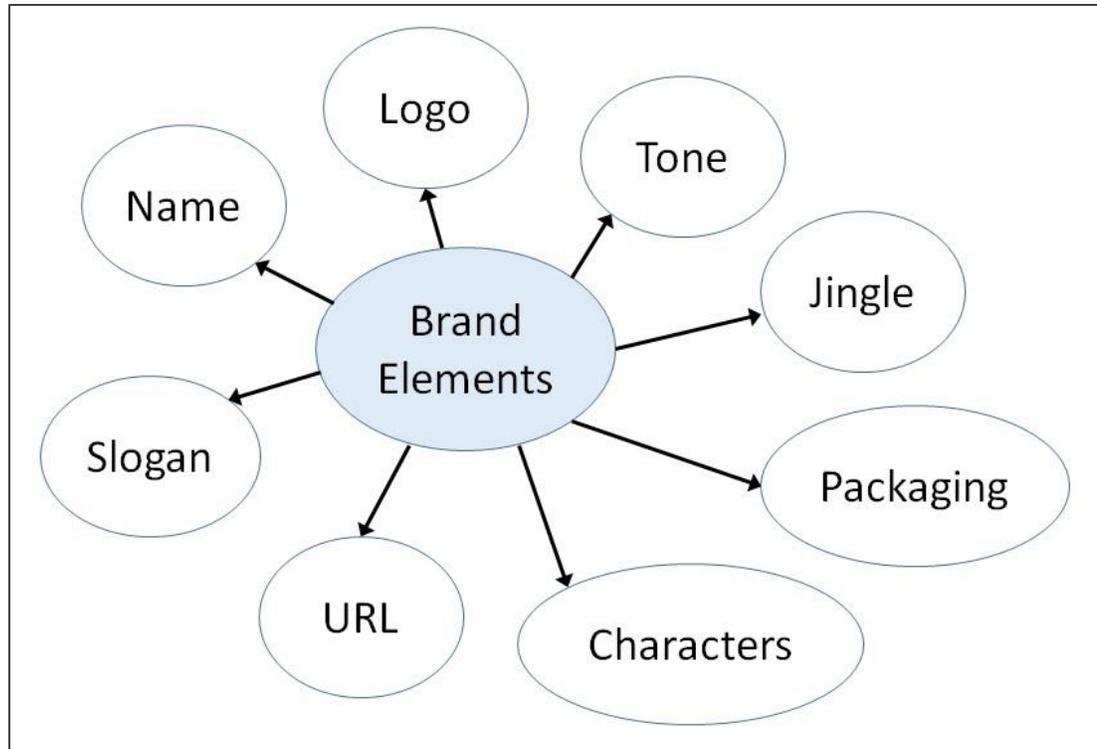
There are seven contributing elements of brand essence:

- **Authenticity:** If the brand makes a promise and fails to keep, then it is rejected. The consumers expect the sellers to be genuine and truthful.
- **Consistency:** The essence of a brand is lost if it is not consistent in providing what it promised to the consumer. Also, a brand should use its logo consistently over time.
- **Durability:** The brand essence remains same over time. Even if packaging and logos change, the essence does not change.
- **Experience:** It is the consumers experience with the brand.
- **Uniqueness:** It is how different a brand is from its competitors.
- **Relevance:** It is the relevance of a brand to the consumer.
- **Single mindedness:** It is sticking to only one thing about the brand which keeps the brand focused.

Elements of a Brand

There are eight essential elements of a brand as given below:

- **Brand Name:** This is what the people get to see everywhere. It must be as simple and memorable as possible, meaningful, easy to pronounce, and unique.
- **Logo:** This can be anything from a piece of text to the abstract designs. It may be entirely unrelated to the corporate activities. It must be relevant to the product or service, iconic, and attractive.
- **Tone:** This is how the seller communicates with the consumer. It can be professional, friendly, or formal. It builds consumer's perception about the brand.



- **Jingle:** It must be pleasant to hear and hum, relevant to the product, easy to remember, and easy to understand over a large age group to connect consumer with the brand.
- **Slogan:** It summarizes overall value proposition. It should be short, easy to remember, and catchy. For example, KFC's slogan is "Finger Lickin' Good" and Britannia's is "Eat Healthy, Think Better".



- **Packaging:** It needs to be catchy and advertising, drawing people to see the product inside. Also, it needs to be compact, yet attractive.
- **Universal Resource Locator (URL):** It forms the domain name on the internet. A seller can register all prospective variations of brand name URLs or can buy the existing URL of a business.

- **Characters/Mascots:** It is a special symbol, either still, animated, or real life entity such as an animal or a human character. For example, Vodafone's Zoozoo characters are played in its various advertisements by humans wearing special white body suits.

End of ebook preview

If you liked what you saw...

Buy it from our store @ <https://store.tutorialspoint.com>