

Brand Management
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We are now going to take up a new topic of discussion today and that is evolution of brand manager system. Now, we must recall that this series of lectures that we are doing on brand management is for students and professionals of marketing and those who perhaps are already working in this field or they aspire to become a manager, a marketing manager or a brand manager. This very idea of being a brand manager is quite an exciting idea because we think that as a brand manager, I will have full control of my brand. I will be a CEO of my brand. I will decide what kind of communication I will send to the intended target group related to my brand. I would design campaigns.

I will decide upon the pricing. I will decide the packaging and I will also decide various promotions that needs to be done for my brand. So these are very exciting activities in any corporation especially when you are trying to create a product, a brand that is going to sell repeatedly in the marketplace and bring revenues to the company. So while this idea of being a brand manager is quite exciting today, but we must not forget that this idea of brand manager is a comparatively recent phenomena.

We did not begin with an idea of brand manager. Earlier it was being done by different kind of people and only later on this idea of brand manager and this system of brand manager developed. In this lecture, we will try and understand how this system developed. Let us move forward. Now if you look at any organization today which manages brands and most organizations today either have brands or if they do not have, they are trying to create brands.

Now if you do a very basic research on the profile of brand managers in various organizations today you will see and it is not applicable only to Indian companies, it is applicable to all the companies across the world. You will see that the brand managers are generally young, they are often inexperienced. You will be surprised to know that they are relatively inexperienced professionals and they are all overloaded with quantitative skills. So you will see that all of them will keep their excel sheet open on their laptop and they will always be working with numbers which seem to be very large and often overwhelming. And then if you interact with them you will see that most of them are very short term focused.

They will talk about quarterly results, they will sometimes talk about daily results also

because they are launching campaigns and now because of digital marketing it is possible to see the numbers moving every minute. You can see that you have launched a campaign on YouTube and how the number of views on YouTube is going up. You can also see how that is contributing to the traffic to your website and then you can also relate it to the traffic to your page on Amazon or Flipkart or other online portals where your products are purchased. And then you can do correlation between all these activity and see whether the campaign that you have launched is actually making some inroads into the consumers mind which is prompting them to make a purchase. So what I am trying to say is the profile of the brand managers today are young, inexperienced because most of them are recruited from top business schools and they are recruited at fancy salaries and therefore they are straight away put into responsible roles like brand management and they apply these because our business management education or marketing education today is highly analytical in nature and for being analytical in nature you need to generate lot of data and today the technology enables us to generate a huge amount of data.

So these brand managers who are managing brands today in various organizations they are very good at these quantitative skills with the help of which they analyze data and then they keep launching new product and therefore because data is getting generated every minute they find that very engrossing and therefore they are extremely short term focused. They move from day to day to week to week to month to month and one quarter itself is a very long period because one quarter is as you know three months and one financial year is four quarters. So that is one of the insights that all of us must have before we do a rigorous and a critical analysis of this brand manager system. The second point which states view of Kotler about the brand manager system and this he said in 1988 remember as far back as 1988 when internet was also not around and he says that brand managers are production oriented and not customer oriented and this is because they dedicate their attention to one brand. Now what does it mean that brand managers are production oriented and not customer oriented? It means that you are all the time living with your brand and because you are living with your brand you are thinking about it, you are thinking of possibilities, you are thinking of extensions, you are thinking of various ways in which your brand can reach out to the target customer, you are not thinking about the customer and his needs and his desires, you are thinking about your brand itself all the time how brand.

So your approach is inside out rather than outside in and because it is inside out you are always thinking of new campaigns, new product variations, new pricing, new promotion and so on. So you are always producing something rather than without thinking whether customer actually wants it. So this is one area that Kotler, Philip Kotler himself highlighted about brand managers disposition towards his work. There are other

criticisms of the system and they are persistent criticism. It is not that these are new criticisms, they have been there over a long period and these criticisms are one short term focus which we have already spoken that they have very short term focus.

They think of week by week, weekly results, monthly results, quarterly results and they do not think of say 5 year term or a 2 year, 3 year term because brands are not built in one year or in one quarter. Brands are built over a long period. In many examples during this lecture series you would remember that many brands we have spoken about have almost 100 year old history. So of course because of technology now it has become easier to accelerate this process and create a brand faster but despite all that even Facebook today is more than a 15 year old brand. So what I am trying to say is that today's brand managers have short term focus and that is why it is becoming more and more difficult to create strong brands that will last for a long time.

Second thing I mean one easy example to give is Orkut or many of us may not even be aware that there was a brand called Orkut from Google and it just disappeared in about 4 or 5 years time. So even though it was very powerful it could not sustain itself. Similar examples all of you will find around you. Another criticism on the system of brand manager system is short tenures in the job. So when a brand manager joins a company how long does he stay in one role? He may stay in that role for one year, two years or at the most three years.

He may leave the company or within the company he may move to either other brand, other department, other role and so on so forth. So what the criticism of the system says that if you do not remain with your brand for a reasonably long period how will you understand and how will you understand the continuity of the experiences that consumer is having, how will you understand the philosophy of the brand, how that philosophy is getting unfolded within the marketing team and inside the and in the marketplace among the consumers. These things cannot happen in one, two or three years. You need to have a longer tenure, you need to see it unfold over a longer period like of 3 years or 5 years or even longer and because you are not doing it so the brand managers the kind of results they are able to deliver is moving in fits and starts. So sometimes it will move fast and then it will come back then again it will move.

So that is what is happening in the brand manager system and this is one of the criticism that brand manager is a skill, brand management is a skill that people learn over a long period of time and it is a skill that is high in demand in the marketplace because it deals with it requires creativity and it requires conceptual thinking and it also requires marriage of quantitative and qualitative skills. It requires an understanding of both cognitive and affective orientation of consumers. Now this is something that brand managers develop

over a period of time and it is something that is not easy to develop. So once a brand manager is able to perform, is able to develop these skills in his portfolio he becomes a hot property in the war for talent and suddenly he you see that a brand manager will start getting many opportunities in the market and therefore it becomes lucrative for him to move from one company to another company and in the process the brand which he was handling so far gets compromised. So this is another aspect which is criticized by various people who look at this brand manager system little more critically.

Another criticism of this brand manager system is too little external focus which means what? External focus for a brand means focus in the marketplace, focus on the consumer, focus on understanding what are the dynamics in that product category in that brand space and what consumers actually want. What these brand managers do is they focus on their own deliverables, they focus on what can I do rather than what should be done what consumers want. So because of this low external focus there is a gap in what customers want and what brand is providing and because of this gap and if this gap persists for a long time gap becomes wider and wider and then there is a dissonance between the brand promise and brand fulfillment and because of that consumers stop buying the brands or stop showing brand loyalty and brand starts going down. So this is another criticism of brand manager system and finally another criticism of brand manager system is ignorance of key matters. Now brand managers as you can see we have said earlier that they are generally young and inexperienced and they are too little externally focused so they are focused largely on themselves, on their own brand, on their own team and on the capability of the organization rather than what is actually required in the marketplace.

So they are ignorant of key matters. What really matters to a brand they are often not aware they are ignorant of and therefore they continue working the way they find it comfortable and in the end the interest of the brand gets compromised and consumers needs are not fulfilled. So these are the challenges and the criticism of brand manager system. The picture that you see is also very evocative. This picture is there is a long term focus and for that you have to make an effort, you have to climb a ladder and actually create a target for yourself which is painful, which requires effort whereas another person is taking it easy.

He is creating a target for himself wherever he is and perhaps this will be easier for him to meet. So it is the same thing this picture is trying to tell us evocatively what is perhaps wrong with the brand manager system. Let us move forward. Now it must be noticed that this brand manager system raises questions about continued viability in the leaner faster moving and entrepreneurial enterprises that are the ideal today. Now in today's organizations you will see especially after technology has started playing a big role what

is happening is organizations are moving very fast.

They are very quickly launching large number of products and brands and they are doing it with less resources, less number of people, less number of say infrastructure and so on so forth. What they are also doing is that enterprises are large organizations are becoming entrepreneurial in nature which means that entrepreneur they try to see the opportunity and immediately try and go there and fill that opportunity with a new product or a service. Now when this kind of scenario is existing in the marketplace where companies are becoming smaller, companies are becoming faster and they are trying to move in very swiftly wherever they see an opportunity the rigidity of the brand manager system prevents them from moving forward. So in this context also we must think that is the brand manager system is it viable enough should we continue with this system or should we stop and take a look take a critical look and decide maybe in some other form we need to continue or we need to adapt this brand manager system so that it serves the purpose of a swifter faster moving leaner entrepreneurial organizations. Another aspect that we must keep in mind is that the marketing itself is changing while we may talk about brand management and the way brand positioning, brand identity, brand personality, brand associations are getting created we may say all that but we must also keep in mind that the marketing function which contains brand management that whole marketing itself is changing now and it is changing one reason is because of the changes available in technology.

Because of technology many things that was done physically earlier are now being done digitally. Similarly the way customers are reached out to the kind of engagement that we used to have with customers in a physical space now that is not happening in the physical space it is happening in a virtual space. Also the insistence on brand is also becoming slightly loose because of the social changes that are happening in society. For example, today organic products which are not really branded products are becoming very popular. So how does marketing deal with organic products which are competitor to FMCG brands.

So this requires a completely new way of approaching the whole marketing function and if marketing function changes obviously the brand management function will also have to change because in this context the importance of brand is becoming less. This brings us to this question is brand manager system the best organizational structure for managing brands. So this is a question that we must ask ourselves that to manage the brands that an organization has should we have a brand manager system or is an alternative possible. Can brands be managed little differently do we really need a brand manager can a marketing manager not do the same work is it not possible that the CEO of the company he also looks at the marketing department he also becomes the custodian

of the brand is it not possible that a person who is doing sales because ultimately the objective of brand management is to increase sales. So is it not possible that the person who is heading sales function also looks at the brand management function and because he is also doing sales so he will be able to connect the interventions the initiatives taken by the brand department to the actual sales performance in the marketplace.

So is it not possible that the brand management responsibilities are given to the sales management professionals or distribution professionals. So these are the questions that we must raise about this brand manager system. Another aspect that we must question is this glamour around the idea of brand manager. In one of the lectures I was mentioning that if you enter an organization and if you see a corner which is the most creative part of the organization you see people who are little disheveled or who have a genius like appearance they have long hair or they are perhaps wearing very colorful clothes or they are turned out in a very fashionable way they talk in a way which is very abstract and conceptual and creative and people around them think that probably they are speaking in Greek. So these are the stereotypes that we have about brand managers and these stereotypes are very exciting stereotypes because they create a kind of a pocket within an organization which is considered to be creative which is considered to be abstract and conceptual and which is considered to be forward looking which is setting the strategic direction for the brand and for the organization.

Now this might be a stereotype it might be a reality it might be a point to criticize or it might also be a strength of an organization but this is something that exists in all organization and when we are studying evolution of brand manager system when we are trying to look at it critically we must look at this aspect also before we move forward and try and understand what is an ideal structure organizational structure or managerial structure that will help us manage brands that an organization owns. So today what we have seen is how the brand manager system has how what are the criticisms of brand manager system and in the next lecture we will see the various stages in history how this system has evolved how companies have put in place managerial structure that governs that manages brands and ensures that the brand grows and grows so much that organizing becomes larger and larger and larger. Thank you very much. .