Product and Brand Management Professor Vinay Sharma Department of Management Studies Indian Institute of Technology, Roorkee Lecture: 38

Strategic Brand Management Process

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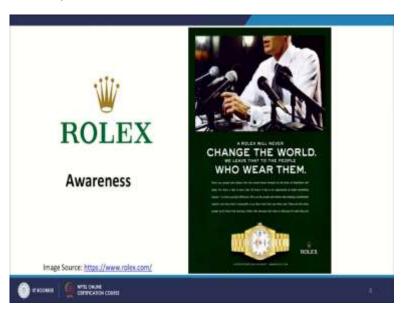
Welcome back, friends. Welcome to another session on brand management. We were talking about a cohesive relationship between awareness, reputation and prominence wherein we mentioned and we talked about some aspects related to the definitional perspective of brand management as well. Let us look at this brand.

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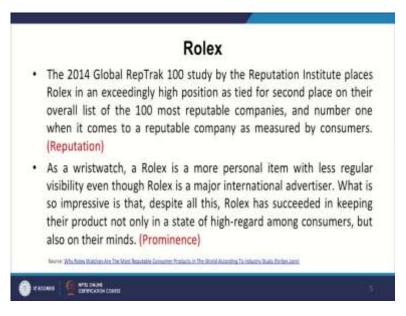
An aspirational brand, a beautiful watch. In this era of digital world, wherein most of us look at our mobile phones to see the time, still, if someone is wearing a Rolex on her wrist, then definitely it matters and that is where brand perspective, brand persona, brand value, brand equity, all those things come to fore.

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And you see, when we talk of awareness, if you will look at this beautiful advertisement, which is available on the web as well and the source is mentioned here. Rolex tried to project or in this advertisement, at least, they tried to project themselves while saying, change the world, we leave it to the people who wear them. You see the first line says a Rolex will never change the world, we leave that to the people who wear them. Now, they have built a perspective around Rolex watches, that you see they are associated with the change makers. That is the perspective that a brand may carry or the brand may emanate or the brand may justify or brand may build up. Let us see how it goes.

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Now see the 2014 Global RepTrak 100 study by Reputation Institute, places Rolex in an exceedingly high position as tied for second place on their overall list of 100 most reputable companies and number one when it comes to a reputable company as measured by consumers. So that is where the reputation perspective comes in. And we talked about awareness, reputation and prominence.

As a wristwatch, a Rolex is a more personal item, with less regular visibility, even though Rolex is a major international advertiser. Although my personal belief is that it has lots of visibility, you just cannot overlook that. The brand when it comes in front of you or wherever, you are walking on a street somewhere and you hear that there is a shop which has Rolex, definitely, you would never overlook that.

Now, the perspective is that what is so impressive is that despite all this Rolex has succeeded in keeping their product not only in the state of high regard among consumers but also in their minds. That is where prominence comes in. It remains at the top of your thoughts. Now, I want to give you a broader perspective of the brand management process with a strategic aspect. That is the strategic brand management process because this is what we are going to look at in due course of time. So, just keep this sequence in mind.

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Strategic brand management involves the design and implementation of marketing programs and activities to build, measure and manage brand equity. Mark these words, these are the aspects which we are going to develop in terms of our understanding. That is designing and implementing marketing programs, probably advertising, probably other elements in terms of distribution reaching to the customers, and even pricing. We have talked about those things with respect to product management.

Here, I would not be again, elaborating on those, but these elements of the marketing programs have a direct relationship with brand management, strategic brand management and then activities which are closely related to building measures and managing brand equity.

Until, I detail upon what exactly equity is in the definitional frame, just keep this word in mind as an objective for our understanding in due course of time.

The strategic brand management process has four main steps which are identifying and developing brand plans. I will be elaborating upon this very briefly, wherein brand plans are related to the brand positioning model, brand resonance model, and brand value chain. We will be going through these in detail.

Designing and implementing brand marketing programs, measuring and interpreting brand performance, and growing and sustaining brand equity that is developing a brand's architecture are very interesting parts. Now, again, let us look at this process with some more elaboration and this will actually expand in due course of time.

Now, when we say identifying and establishing brand positioning and values, it may expand into let us say 4 or 5 elements, mental maps, competitive frame of reference, points of parity and points of difference and differentiation. It has been a keyword in our discussions up till now, core brand associations, brand mantras or a tagline which demonstrates what a brand is.

Planning and implementing brand marketing programs can be elaborated into mixing and matching brand elements, integrating brand marketing activities, and leveraging of secondary associations. Just remember these, this will be elaborated in due course of time.

Measure and interpret brand performance. Now, that is related to the brand value chain, which is again a very engrossing kind of a description given by the authors. And you would enjoy, learning about this. Then comes brand audits, again, a very interesting concept. Brand tracking and brand equity management systems evolve by themselves in due course of time anyways, but it is systematic learning. Then comes growing and sustaining brand equity, which is related to brand product metrics, brand portfolios and hierarchies, brand expansion strategies, brand reinforcement and revitalization.

Now, this would be giving you a brief sense of or a little kind of touch of a lifecycle perspective and that is what we will talk about when we will be focusing on expansion, reinforcement, revitalization and so on. And that is the time when you would realize that practically, why Dalda is still living with us in our memories. Why Cibaca still lives with us in our memories, Binaca still lives with us, Tullu and several other words are with us till now or many of us, I should not say all. So, then there are some challenges and opportunities.

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Now, you see unparalleled access to information and new technologies. This is a challenge and an opportunity in itself. It is an opportunity, which actually is a big enabler. Google is an example. Google itself an information technology company has branded itself very well. And it has created a huge prominence around its products and especially, its search engine and then Google Maps and Gmail and several other products. And it is a challenge also because you have so much in front of you.

Then IMC would tell you how basically to break the clutter or to use the opportunities and so on. Then there is downward pressure on prices. Definitely when demand and a kind of mass-market approach comes in. So, definitely, there is a price element. We have talked about pricing and methods of prices in our product section, just visit that and there you will realize that I have specifically mentioned different types of prices as strategies by themselves.

Then ubiquitous connectivity and consumer backlash, sharing information of goods, unexpected sources of competition, disintermediation and reintermediation also, alternative sources of information about product quality, winner-takes-all markets, that is a wonderful thing, which you should remember, media transformation and customer-centricity.

This is one of the constants of customer centricity because if a brand is not customer-centric, might not have that kind of equity though, might have that kind of strength or power and we will look at it, you might remember, but you might not go to buy it, and you might feel happy about something, but you might not aspire. For example, a film actor, whom you like, but you do not look forward to his or her movies.

So, that is how things are when we talk of emphasizing customer centricity and ultimately when you say winner takes all markets, the equity becomes established. Equity becomes a major reason or a carrier for developing customer loyalty as well. Now, let us look at different outlooks of brands. Now, it is very interesting.

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This is a paper by Hankinson, G and Cowking, P published in 1995, in the Journal of brand management. It is a very interesting paper, which we have referred to here and you may read it from the source. Now, the point is, that this paper has looked at it with a similar connotation which other authors have buildup, but in a very interesting format and that is why I intended to use or refer to this paper for our discussion. Wherein you see, outlooks can be divided into visual, perceptual, positioning, added value, and even in personality parts.

So, let us look at them one by one. If you look at an outlook related to a brand in terms of its visual definition, so, name and visual aspects come to the fore as authors say and then they project definitions given by very prominent authors who have contributed a lot to the literature.

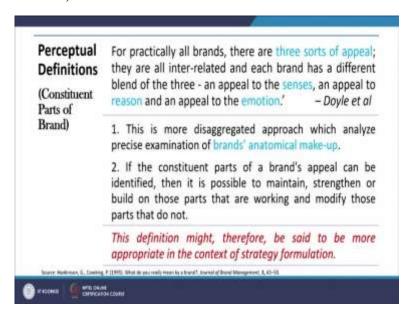
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For example, there is an Aaker's definition there, that brand is a distinguishing name and or symbol such as a logo, trademark or package design, intended to identify the goods or services of either one seller or a group of sellers and to differentiate those goods or services from those of competitors and still to differentiate if there is not much of a competition. So, you see, differentiation again comes in this definitional frame when we are talking of visual perspective here.

Another very interesting definition, a brand is the product or service of a particular supplier, which is differentiated by its name and presentation. I was referring to several products and if you just have some Apple products around you just look at them and you will realize what this definition is trying to mention here. You see definitions focusing on the visual identity of the brand lend themselves to legal applications also as the paper mentions, but up till this stage just you may choose or prefer to focus upon the visual aspects associated with the brand.

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Then comes perceptual definitions, constituent parts of a brand. Now, again, there are authors who have given definitional perspectives. The paper refers to those authors, one definition says for practically all brands and we are talking of perceptual perspective here that, there are three sorts of appeal, they are all interrelated and each brand has a different blend of three, an appeal to the senses, an appeal to reason and an appeal to emotion. You talk to a child looking for chocolate and you talk to someone who wants to gift chocolate to someone.

I was standing in a queue in a city, wherein several boarding schools are there and that was a Sunday. And, these young kids were brought out for an outing basically and these young kids, they were standing in queue to purchase their favourite burgers at a McDonald's outlet.

The charm which I could see in their eyes, they had definitely limited money to purchase that because everyone has specific pocket money given to them to spend on their favourite food, but there is a lot of discipline and school regulations involved there. But what I was watching at that particular moment was that all these three things, reason, emotion, and senses were coming to the fore.

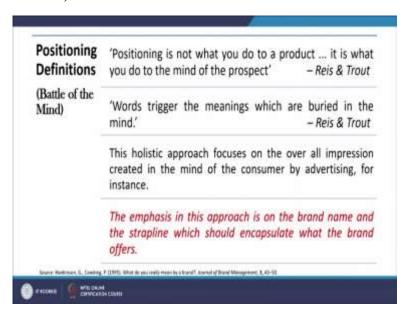
When these kids were talking to each other, I will take this and you take this so that we can share both the things and we can taste both the things, you see that is what the perspective is and they were overjoyed when they were standing at a McDonald's outlet. So, that is how we can explain this aspect.

Now, again, you see this is a more disaggregated approach, which analyzes precise examination of a brand's anatomical makeup. Anatomy and brand, are a very interesting kind

of relationship. So, anatomy gives us a different kind of connotation but the authors want to express that it can be looked at with that kind of perspective as well. Now, if the constituent parts of a brand's appeal can be identified, then it is possible to maintain strengthen or build on those parts that are working and modify those parts that do not, now that is where anatomical perspective comes in.

We have to focus on which element has to be brought to the fore relative to senses, reason or emotion. Now, this definition might therefore be said to be more appropriate in the context of strategy formulation and especially when you want to project the product, when you want to actually put up a tagline, when you want to build up a storyboard and when you want to give a specific name to let us say, a combo meal let us say you have named it a happy meal and then you have named an hour as happy meal hour or happy hour for that matter. And that is what we are talking of as far as these things go.

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Then comes positioning definitions. Now, for positioning my favourite is Reis & Trout and I have talked about it in product management as well. But just to reiterate and then just to elaborate that from the perspective of brand management, positioning is not what you do to a product, It is what you do to the mind of the prospect. You build up a particular kind of image that is where comes in, Dunkin Donuts on one side, IIT on the other side and Bond movie on the other side or let us say Batman or Spiderman or let us say then one of your favourite bikes for example or an aspirational car. The defender is one of my favourites.

So, now words trigger the meanings which are buried in the mind. See words trigger the meaning which is buried in the mind basically. So, again, Reis & Trout have explained it very nicely.

And this holistic approach focuses on the overall impression created in the minds of consumers by advertising for instance. The emphasis in this approach is on the brand name and the tagline which should encapsulate what the brand offers, "Dar Ke Aagey Jeet Hai". That actually connotes the way Mountain Dew projects itself and they have positioned it very well.

So, they have done a very successful campaign, so, that is where "Dar Ke Aagey Jeet Hai" has worked and then there are several other kinds of products which have projected themselves with a different kind of a connotation. Remember that soft drinks and soft beverages are a very competitive world, wherein taking up market share is not so easy.

Added value definitions are a very interesting thing basically. You see this definitional perspective talks about a brand as an identifiable product or service and when I say an identifiable product or the definition says the identifiable product, so, again differentiation perspective comes in. Why do we want to differentiate so much, because that is the only way through which we can retain customers and that is the biggest effort that one has to make, otherwise, there are several kinds of search engines and effectively doing well, if you will look at them, but why Google is very prominent and I am not saying others are not prominent? But why Google is prominent and why has a noun become a verb "Googling"? I have mentioned that in one of my subjects, Integrated Marketing Communication, I remember that nouns becoming verbs is a very interesting thing actually.

And that is where branding comes in and I want you to realize this basically. If you want to read papers on that, one of my favourite authors is Professor Herbert Clark. Herbert Clark's papers have been immensely contributive in these kinds of things basically and that will elaborate a lot about, what I intend to say. So, I have been referring to his papers on this.

So, a brand is an identifiable product, service, person or place augmented in such a way that the buyer or user perceives relevant unique added values which match their needs most closely. Google, Nescafe, Tata Tea, Broke Bond, and Nike, keep naming such things.

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A brand is a combination of an effective product P, distinct identity D and added values AV, as Doyle says. Thus, S is equal to P * D * AV, a very interesting kind of a thing basically and it is a lovely way to expand the perspective around the brand which we have been talking about. Added values, and distinctiveness in terms of identity and effectiveness of the product. Although a very important thing which we should realize here is that the authors, are taking us towards almost a similar direction with a very unique kind of connotation and experiences they would have had and the research they would have done.

The most important thing we should learn by talking about such definitions is that, that they have gone for a very varied kind of research and a very in-depth understanding before giving us a crux on these kinds of things. You see, that is where the beauty of learning is that so many authors are teaching us and taking us towards an understanding which would be very relevant for us as brand practitioners or brand managers in due course of time.

Now, both definitions are set in the context of successful brands, and both focus on the brand's added values as the distinguishing feature of one brand, as opposed to another. Such definitions also highlight the unique nature of brand uniqueness. So, distinctiveness is going towards uniqueness. Now comes in image aspect, there were six, and we are reaching the fifth image definition.

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The concept of brand image is not a uniform one, as the author says. Consumers have feelings, ideas and attitudes. I have talked about these elements in previous discussions also. So, I will not be referring to detailed definitions of how feelings, ideas and attitudes are defined. If you want to go for further deliberations on these words you may choose to refer to the American Marketing Association website and standard text on this. You will find that the marketing management book by Philip Kotler also talks about it, then Keller's book also talks about it and then there are several other standard texts available where these definitions are there.

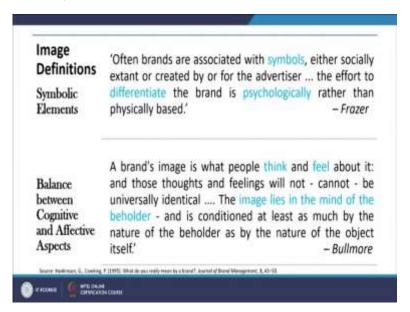
Consumers have feelings, ideas and attitudes about brands that constitute an image and that this image is crucial to their purchase choice. Carrying an image in their minds and having feelings, ideas and attitudes as the main constituents of that image and then, they want to realize that image actually.

So, for example, a dream location, then there is congruity between a brand's image and the actual or ideal self-image of the user. Mark these words' actual or ideal self-image of the user. Then the brand is more likely to be used and enjoyed, so, again a very interesting definition.

And you see, this is associated with a symbiotic approach, wherein the brand can be seen in terms of signs, whose meaning forms the consumers' brand image. Famous examples are Apple, Nike and several others. So, that is again a very relevant perspective and remember, I talked about brand elements and mentioned symbols and signs as the elements of a brand.

Now, again, going for symbolic elements in image definitions, often brands are associated with symbols either socially extended or created by the advertiser or for the advertiser.

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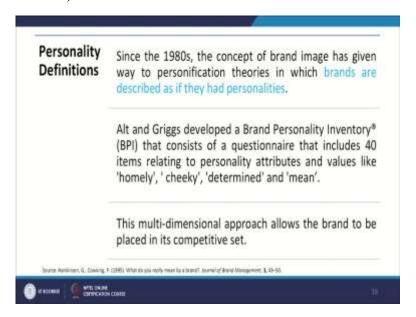


The effort to differentiate the brand is psychologically rather than physically based as Frazer says. Then there is an element in terms of image definitions, which talks about a balance between cognitive and affective aspects. A brand's image is what people think and feel about it and those thoughts and feelings will not be universally identical.

Now, we are going towards how an individual will decipher the brand. So, that is the perspective which comes to the fore. Now, the image lies in the mind of the beholder basically. The famous quote is that beauty lies in the eyes of the beholder. How relevant it is, I am not sure, but the definitional frame talks about that image lie in the mind of the beholder and is conditioned at least as much by the nature of the beholder as by the nature of the object itself.

So, the persona which you want to carry in your mind in terms of a particular brand must be realized by you. There should be resonance as far as the cognitive and affective aspects go. It should match and there can be a difference between the thought process of individuals in terms of one particular brand, and remember this.

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Then, there are personality definitions. Since the 1980s, the concept of brand image has given way to personification theories, in which brands are described as if they had personalities. A very interesting and very important thing we have talked about product carrying personalities and I have mentioned Barbie as one of the most prominent examples and then there are several. You see, there are apparels which can be looked upon with the perspective of personality.

So, for example, Levi Strauss and then Levi's jeans and then six-pocket jeans and several other kinds of and then that particular product actually has a personality perspective and when we are talking of that product in terms of brand definitely personality is a prominent element.

Alt and Griggs developed a brand personality inventory, BPI, that consists of a questionnaire that includes 40 items relating to personality attributes and values like homely, cheeky, determined and means of how a customer defines or describes. For example, someone says this ice cream is wonderful, someone says it is lovely, someone says it is tasty, whichever way and this multi-dimensional approach allows the brand to be placed in its competitive set. So, that is where personality definitions come to the fore.

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Where to from here? Each of the six categories of brand definitions add something to the understanding of the concept. Each in some way lends itself to at least one aspect of brand management such as strategy formulation, creative execution, market research or targeting. Remember, these three elements we will be having a deeper look into these when we talk about other concepts, especially brand value chain.

To bring these strands together, a brand management checklist system has been put together based on what the authors regard as a more all-embracing definition of a brand. And I will just pause here as far as our discussion on brand and brand management goes. I will be coming back to you with lots of insights on the brand proposition in my next session. Just keep watching brands and the magic of branding all around you. I will be joining back. Till then, goodbye.