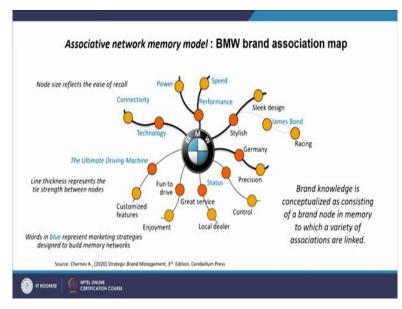
Product and Brand Management Professor Vinay Sharma Department of Management Studies India n Institute of Technology, Roorkee Lecture 42 Brand Positioning

Welcome back friends, I was talking about the associative network memory model as I introduced that to you.

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Now, let us look at a figure which talks about the nodes as well as the connectivity and the other elements, which we discussed. Look at this logo of BMW in between and look at the elements all around it, and I will just reiterate the elements briefly - connectivity, power, speed, performance and remember we talked about what comes to your mind in terms of image, recall, and those aspects. So, when we talk of BMW, what comes to you is let us say engine with excellence, power, speed, strength, and a context of a dream machine and so on. So, let us look at this a little bit more systematically.

Node size reflects the ease of recall, so there are nodes around it, and you see the model developers talk about size regarding the ease of recall and the elements of connectivity, power, speed, performance, technology, and the stylish product with a sleek design. It has come up in Bond movies a lot. Bond movies themselves are brand, as far as their viewers go. Recently defender came up in the Bond movie, one of my favourite vehicles I have talked about it earlier as well, but BMW has been one of the favourites of James Bond that generates further recall.

So, then the racing element. Germany also is associated with the perspective of technological strength, they have always been saying German technology and then that reassures us. Then precision, status, control, then enjoyment, fun to drive, customized features, and an aspect of the ultimate driving machine. So, node size reflects the ease of recall.

And you would realize that in this figure some lines are thicker as compared to few. Line thickness represents the strength between the nodes, and the words in blue represent marketing strategies designed to build memory networks. For example, connectivity, technology, power, speed, performance, and James Bond are also marketing elements.

That is how the associative network memory model works, or that is how it is expressed. These are the aspects that are connected within our memory system. People have tried to study our memory and associations, within the memory with different kinds of methodologies. In consumer or brand studies it has been extensively utilized in due course of time. There are very interesting research papers you would find on these aspects, and as I said last time also science has supported marketing a lot.

Just read this specific chapter and understand this figure, or understand this perspective, and try to associate this with the preceding discussion on brand image and brand awareness, and the complete figure from where our journey started.

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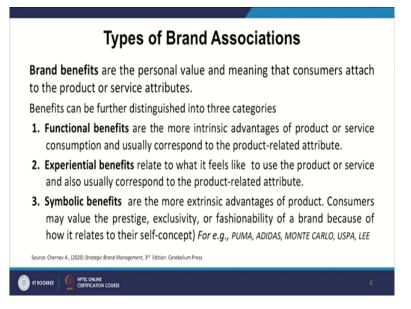
	Types of Brand Associations
Br	and associations may be either brand attributes or benefits.
pr	and attributes are those descriptive features that characterize a oduct or service. (What a consumer thinks the product or service is or is and what is involved with its purchase or consumption)
1.	Product-related attributes : (Ingredients necessary or preforming the product)
2.	Non-product-related attributes : (price information, packaging or product appearance information, user imagery)

Then there are types of brand associations, and I mentioned these when I was describing that figure. Brand associations may be either brand attributes or benefits. Brand attributes are

those descriptive features that characterize a product or service, what a consumer thinks about the product or service is or has and what is involved with its purchase or consumption.

Now, it is very interesting just briefly let me reiterate. This is what a consumer thinks that the product or service is all about. How the consumer picturises the product or service or what the product or service is offering. One of my favourites is Dunkin Donuts, for example. How do you picture Dunkin Donuts? Dunkin Donuts means the kind of taste, pleasure, and satisfaction that it gives you when you eat, and probably if you will think in terms of non-product related attributes (I will be coming back to that) but for example, you have consumed that donut with your young kid on her request, she said, that, we have to go to the Dunkin Donut shop and eat there, and that moment, that particular taste, the happiness in her eyes all those things cumulatively would be taking you towards a different kind of imagery, and I will be coming to this. So, there are product-related attributes that are necessary ingredients and then there are non-product-related attributes, which are price, information, packaging or product appearance, information, or user imagery, and I have described that just now.

(Refer Slide Time: 7:15)



Then comes brand benefits; now these are the personal value and meaning that consumers attach to the product or service attributes. The story goes further, and you may take the same example in terms of Dunkin Donuts. You may take the example of an insurance policy, which also has a very important aspect as far as brand benefits go.

Benefits can further be distinguished into three categories. One, functional benefits, an insurance policy, for example. These functional benefits are the intrinsic advantage of the product or service consumption and usually correspond to the product-related attribute. For

example a money-back policy or child's education policy, or again one of my favourites "Zindagi ke sath bhi, Zindagi ke baad bhi" that is Jeevan Anand. So, you see these are functional benefits.

Experiential benefits relate to what it feels like to use the product or service, and also usually correspond to the product-related attributes. For example, it was useful when the child got its benefit in terms of her education.

Then comes symbolic benefits. Symbolic benefits are more extrinsic advantages of products. Consumers may value the prestige, exclusivity, and fashionability of a product because of how it relates to their self-concept. Footwear is one of the very common examples.

Tourism destinations, Malaysia-Truly Asia, Kerala-God's own country, and several other kinds of campaigns, and tourist destinations have come up very nicely as far as several elements which we have discussed up till now. You may choose several other examples.

You may choose examples of a sugar brand also, 'Trust' for example, 'Dhampure' as well. You may talk about a rice brand also, 'IndiaGate' basmati rice. Can we think of 'IndiaGate' basmati rice with this kind of perspective or the benefits which, I have just coined or elaborated in front of you? Can we think of salt for example, Yes, we can. We can put up any product, any service here as far as this situation goes.



To make a brand strong, the Nike way is "Just Do It". There are famous examples you can use, as I said you can talk about a rice brand, sugar, salt, or Degi Mirch also, or you can talk about MDH masala or Everest masala with the same kind of perspective that we are using here, and you would realize that they have also become stronger in due course of time.

Nike products are made with cutting-edge innovation and technology. Nike swoosh logo is one of the most identified logos across the world, giving them points high on brand image. The slogan "Just Do It" is one of the most well-associated slogans across brands giving them an edge over others. The moment customers start remembering these minute details about your brand is when the realization happens that they have started associating themselves with the brand at a personal level.

Coming back to MDH masala, I really admire this example because you see here we learn that how to differentiate a masala. At least I would not be able to do it, when I am eating something, because I do not know how one can distinguish a flavour from the flavour of the aroma of one kind of masala from the other kind of a masala. I just would not be able to do it, because probably I do not know how to cook well.

But, many know how to cook well. I am not sure if they will be able to do that, but that is what these organizations have done, and that is precisely what we are talking about. customers start remembering these minute details.

Nike association with Michael Jordan, the basketball legend led to its positive branding and hence greater brand knowledge, and the same happened with MDH masala as well. They had

a very strong brand icon. Nike's innovative way of collaborations with celebrities led to greater brand identity and hence a better hold on brand knowledge by its customers, and several other products you may remember at this particular moment.

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I will be taking you towards brand positioning. Brand positioning is the act of designing the company's offer and image so that it occupies a distinct and valued place in the target customer's mind. You see, the image, we have talked about with reference to how a customer thinks of a particular kind of a brand.

Here, we are taking things from the side of a marketer. How a marketer understands the process of an image being created? How he creates the positioning of the brand? MDH masala, Everest chana masala, Degi mirch, Trust sugar, Nike shoes, BMW or Maruti Suzuki. This allows consumers to think about a product or service from the right perspective, and you may take several other names.

Then you might think in terms of cricketers, actors, places, apparel, and so on. Lifebuoy occupies the hygiene slot other than several other things and we talked about Lux earlier. We talked about several detergents as well RIN, Surf, Tide, "Tide hai toh white hai", Gillette and so on. Mysore Sandal occupies the pure and natural fragrance slot, Medimix occupies the herbal slot, and they have done a good job as far as positioning themselves with a particular kind of an orientation goes.

Then, I remember, Sensodyne, they have also very specifically positioned themselves and that is what precisely we are talking about. How have they reached there? That is what we

have to understand. For example, IKEA Furniture, Godrej, Whirlpool, you take several names and you keep on elaborating that concept of how they have positioned themselves, and while doing that recall the image which you carry about them. Recall the awareness campaigns which they have done, recall the product which they have given to you.

Why not news services for example? NDTV India or Aaj Tak or India Today and even our National News, Doordarshan News. So, you can think in terms of these services as well, and you have a particular kind of a positioning about them. I have realized that for example, my father loves to watch Doordarshan, he has a very specific positioning about the authenticity, credibility, source and the elaborate kind of news they present. So, that is how things are.

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The concept of brand positioning is also related to that of the brand value proposition. Again, we are reaching back to value, but here we are talking of brand value proposition. Remember when we were talking about value, we were referring to equity and power and here we are referring to value with a proposition perspective. So, even though both terms refer to the market value created by the brand, they vary in scope.

A brand's value proposition defines all benefits associated with a given brand including the less important benefits as well. In contrast, a brand's positioning focuses largely on those brand benefits that define the most relevant and distinct aspect of the brand. Image has a context whereas proposition has everything, as simple as that. If I say, chocolate milk, let us say Bournvita, so it may have a particular image in the mind of a girl, but then the value proposition of Bournvita may have several elements which might not be even known to the girl who is fond of Bournvita.

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Brand's positioning is identifying the reference point against which target customers will evaluate the benefits of the brand, and again we are coming up with the target customer perspective. Ultimately the power comes from the target customers, people who are related to our product, or people whom we are targeting. For example, Camlin is a known brand, but target customers' specific Camlin colours are known that is Brands' target customers are specific. Fabercastle for example or Lego toys, all of us know Lego toys, but the point is the major age group which they are targeting is actually the point of concern.

I would be talking about points of parity and points of differences and this would be a very important element, and I think you should remember this. Based on the choice of a reference point, a brand can be positioned using four different frames of references. The first one which is interesting is need-based framing. Again, we are going towards some understanding which we developed during our product discussion.

So, is it need-based framing associated with brand positioning which directly links the brand to a particular customer need? Probably, Walmart can be an example that positions its brand on savings to appeal to everyday low prices that is save money, live better and so on, which is a pricing element. Then category-based framing defines the offering by relating it to an already established product category. For example, BMW's positioning as the ultimate driving machine, defines its offerings relative to automobile category.

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Competitive framing and differential effect differentiation have been the mainstay of our discussion all through. Competitive framing defines the offering by explicitly contrasting it to competitors' brands and highlighting those aspects of the offering that differentiate it from the competition.

Apple defined the value proposition of its Mac computers relative to their competitors, and Samsung mobile phones try to differentiate, Vivo differentiates its mobile phones from the competitors in their competition and so on. People, organizations, or our products which might not have done this, might not be available in the market now. I would refrain from using the word failure but they were not so much acceptable.

Product line framing defines a brand by comparing it to other brands in the company's product line, rather than comparing its brand to the competition, a company pitches its own brands against one another. A brand positioning strategy is often used by market leaders seeking to nudge their customers to upgrade.

Procter & Gamble positioned the Gillette fusion brand as a superior option to its predecessor. Gillette Mach 3 in order to highlight the differences between the two offerings. For example, Surf Excel. There are several other examples and there are several detergents for frontloading machines and top-loading machines. They have gone into deeper research not only on consumer behaviour associated with this kind of a positioning, but they have gone into scientific research associated with that as well. That is why they are trying to do that and we can dwell further into the reasons by looking into their websites. (Refer Slide Time: 22:12)



Identifying and establishing the brand positioning with the perspective of the target market, nature of competition, points of parity, and points of difference. The first is who am I, the origin of the brand its parentage, corporate identity, etc. Then the other is, with points of parity perspective. You see, what am I? Shared associations with other brands. First, these are fundamental questions, you would have asked these questions about yourself also, sometimes on the lighter side. But I have done that many times and then I have asked myself who am I, and what am I doing here not at this moment, but what am I doing for whom?

Target market, demographic perspective, behavioural aspect, psychographic aspects, and so on. Why me, that is a unique attribute of a brand. So, this is a genuine kind of a thing and remembering these questions would take you to a fundamental thought, that brands can be represented as names, symbols, signs, logos, and so on.

Brands have a personality of their own and that is why these questions which are very close to a human being are relevant for a brand as well. That is where our first discussion in this series comes in, when I talked about Barbie as a personality as a product. We are connecting to that at this moment when we are thinking in terms of brands as personas and personalities or with reference to personas and personalities. (Refer Slide Time: 26:05)



Segmentation we all know, but here I would remind you one thing. Segmentation is getting thinner day by day. There was a time, a decade back or so, wherein we had a very specific perspective about segmentation, wherein market segmentation says that it divides the market in two or it is about dividing the market into distinct groups of homogeneous consumers who have similar needs and consumer behaviour.

But is it so simple now, when we are thinking in terms of the global landscape. I mentioned about N is equal to 1 and R is equal to G, the perspective of Prof C K Pralahad as well. There we talked about how to fulfill an individual's needs with larger resources to be sourced from all sides, and how several customers from all over come together in terms of being the targets of the same kinds of customers, same kinds of products. Although those customers might not be so homogeneous as a group.

We can think of mobile phones also. Mobile phones although in the high-price segment, might be purchased by people who perceivably might not have that kind of a purchasing capacity. But, still, they are willing to purchase those products and they are buying those products. So, that is where segmentation is getting thinner.

Now, it involves identifying segmentation basis and criteria. Consumer segmentation basis is related to being behavioural, demographic, psychographic, geographic, etc. and then in business-to-business segmentation, the wider outlook is associated with the nature of goods and buying conditions and then being demographic also.

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Here, I want you to be reminded of what a target market is? It is a particular portion of the total population which is identified and targeted by the marketer or retailer to be the most likely to purchase its products or services. Now, just to remind you a few seconds ago I told you that you might not find so much of homogeneity as far as targets of several products in today's era goes. I am not saying that they cannot be put into one larger segment, they can be but, then it is the segmentation perspective and it is getting thinner.

So, let us focus our thought process more on the target market as compared to segmentation. I am not saying that you delete it from your memory but just focus largely on the target market when you think in terms of brand positioning, and brand perspective, because for many people brand might not be accessible in terms of their ability to purchase, but that definitely would be a part of their aspiration.

If it is part of their aspiration and as soon as they come to a range wherein they can spare their resources for that particular brand, they would definitely be the target of that brand, and this precisely happens in cases of mobile phones, automotive, computers, eyeglasses, goggles, gold jewellery, diamond jewellery and so on.

For example, a person who does not have that kind of a buying capacity and is marrying off his daughter and wants to gift her the best of things would go beyond that, so that is what I am referring to here as far as the whole scenario of segmentation and target market goes. (Refer Slide Time: 28:26)



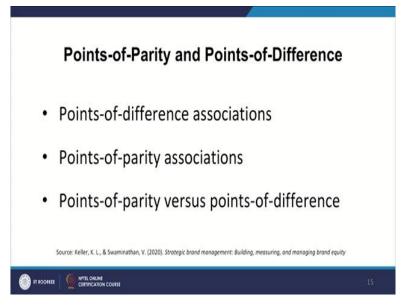
Then let us talk about the nature of competition. The choice of target customers also defines a company's competitors whose brands aim to fulfill the same need of the same target customers and here we are. Now we are moving towards more targets.

Brand competition is defined based on the needs a brand aims to fulfill not merely based on the fact that the competitive brands share the same customers. For example, Tide and Samsung do not compete with one another even though they might target the same customers.

Brand competition is not limited to the brands in the same product category. Brands can compete across product categories as long as they aim to fulfill the same need of the same target customers, and not reiterate these. We have talked about categories and families and classes at length in our preceding discussions.

Brand competition can be explicit and involve direct cross-brand comparisons as in the case of McDonald's and Burger King, Coca-Cola and Pepsi or it can be implicit without involving direct comparisons as in the case of Domino's Pizza and Burger King, Coca-Cola and Frooti as well. And then there can be a distant kind of comparison also, which is not relevant at this moment to be discussed.

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Last point in this session, from where I would pick up my discussion in the next session and will be taking you towards a pyramidical structure for developing our brand understanding further. So, before that let's focus on these two elements of points of parity and points of difference.

Points of parity and points of difference are the aspects in terms of associations because when we talk of competition it is not only for the organization to look at the customer from the perspective of their competitors. It is from the side of the customer to look at a product with comparison in terms of parity and differences with regards to the options the customers might be having.

(Refer Slide Time: 31:07)



Point of parity associations can be category-related or benefit-related. For example, Tanishq watches are sold as jewellery, and Vaseline petroleum jelly is sold as a moisturizer. Sugar-free products to be sold for diabetes earlier, are now also sold for weight control, health consciousness etc. So, these are category-related points of parity associations.

Then benefit-related can be functional and emotional. We have talked about these elements at length, examples can be in terms of functional Dettol, Pepsodent, M-Seal, and emotional can be in terms of Cinthol with reference to freshness and especially Johnson & Johnson in terms of caring.

(Refer Slide Time: 32:09)



Then usage occasion and time of use also are elements, and on the other side price quality by usage, occasion and time of use can also be an element of the discussion. Where Listerine, Nescafe, Britannia, and on the other side Peter England, Big Bazaar, and Nirma, where price quality by usage occasion and time of use can be the context of the discussion.

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A brand can break even in those areas where its competitors are trying to find an advantage and can achieve advantages in some other areas, the brand should be strong and perhaps unbeatable by the competition.

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Then comes points of difference associations, and I will stop my discussion here by giving you some examples. Saffola and 98 % fat-free, so that is where points of difference

association come in. Asian paints, computerized shade cards. Today they have kiosks where you can go and you can customize the paint you would get or you want for yourself.

Scotch Brite and this I have talked about at length, CEAT Tyres, Maruti service. Remember that campaign two guys are wandering around in some Himalayan terrain, and they say can I get tea here? No. Can I get food here? No. Can I get a place to stay here? No. Can we have a Maruti service station here? Yes.

Gillette's double-edged blade. Now, all these are points of difference associations. I will leave you with these thoughts on the aspects, which, I have just discussed with you, and with the perspective of how the customer thinks about brands and how brands should be thinking in terms of how customers think about them. Remember these last few words and then I will take you towards a pyramidical structure of understanding brands from salience to resonance. I will be coming back to you. Till then, goodbye.