GLOBAL JOURNAL OF COMMERCE & MANAGEMENT PERSPECTIVE
(Published By: Global Institute for Research & Education)
www.gifre.org

BRAND EQUITY FOR ORGANISATIONAL EXCELLENCE [A THEORETICAL EXPOSE']

[1]Sorab Sadri & [2]Maj General Balwinder Singh

[1]Professor of Political Economy and Management Sciences as well as Dean Faculty of Commerce and Management at JECRC University (JU), Jaipur, Rajasthan.
[2]Maj General Balwinder Singh,VSM(Retd) is a Research Scholar and President of Jindal Power Limited in New Delhi.

Abstract

The world in the first two decades of the 21st century is going though a corporate Olympiad where survival of the fittest is the norm. As the battle for competition intensifies, capital will be increasingly centralised and concentrated. The big fish will continue to eat the small fish and since the onus of decision making has moved over from the producer to the consumer, brand management has developed immense significance both for students of marketing as well as management strategists. The value of a brand plays a major role in how the product and the company that manufactures it, is perceived in the market. At that level perception transforms itself into reality at least at an ideational plane. A brand is a name, term, sign, symbol, or design, or a combination of them intended to identify the goods or services of one seller or group of sellers and to differentiate those from competitors. In essence, a brand identifies a seller or maker. Strategic interventions for promoting organisational excellence and business sustainability are indubitable in this highly charged and evolving atmosphere. These interventions require a theoretical platform so that strategists do not rush in where angels fear to tread. The purpose of this paper is to provide that platform and through a theoretical construct equip the strategist to face the constantly evolving market scenario.

> ***The law of nations is naturally founded on this principle, that different nations ought in time of peace to do another all the good they can, and in time of war as little injury as possible, without prejudicing their real interests.***
>
> **Baron de la Brede et de Montesquieu*: The Spirit of the Laws***

One wonders if those involved in the recent brand war between Coca Cola and Pepsi Cola heeded the advice of that brilliant statesman who goes by the name of Montesquieu. Mudslinging is the pastime of ill bred gentry as Robespiere once said. And yet in the name of brand domination this goes on unabated in what we call civilised civil society. Even on their own internal turfs it would be unimaginable for the House of Tata or the House of Godrej to take on their brand rivals by hitting below the belt. That inherent value system is what guides the *excellence of a brand*, in the end, and helps to *sustain* its market domination. Dominance requires organisational excellence for business sustainability and that is the logical platform on which this theoretical discourse is predicated.

The value of a brand plays a major role in how the product and the company that manufactures it is perceived in the market. At that level perception transforms itself into reality at least at an ideational plane. We have seen that any organization that needs to be effective in a competitive market must have its supply chain management in place. Essentially supply chain management is all about having the right products, at the right time, to the right customers at minimal cost. In order for an organization to reach the helm of industry leadership, the organization should start thinking radically and the leaders of the organization should be willing and determined to shift to the new paradigm. One sure fire way of achieving this is to make sure that the product or service provided is both desirable and sought after. In other words, the brand is created, nurtured and sustained for the quest for excellence to be realised. A true understanding of managerial and organisational excellence is complete only when the product or the service provided by the company becomes a brand that the market desires. Brand becomes important not so much in a controlled economy where choices are limited but in a free market economy where consumer choices are multiplied. The process of political-economic transformation from a semi-controlled economy to a semi-liberalized one began in 1992 and thirteen years later India is emerging as one of the largest markets for commodities and services. New players have entered the market and many of the older ones have had to make way for them. An era of mergers, acquisitions and de-acquisitions has followed. In 1990-94 the business houses, which were asking for a level playing field, are now, (in 2002-06), asking for some sort of protection against foreign competition. What caused the change in market preferences over the years? New barons are entering the foray for a larger slice of the proverbial cake. Brand loyalty, brand equity and brand image which were, until now, terms used in the postgraduate classroom and executive development seminars are now being heard in the corporate corridors. When the rules of the game have changed, when the raj of licenses and controls has started giving way to a freer market, what does Brand Equity mean in the Indian context? As we enter the dawn of the new century, the specialists in Marketing and an Economist jointly take up the issue of Brand Equity and this chapter looks at the phenomenon essentially from a management science viewpoint.

David Ogilvy went on record to say that *any damn fool can put on a deal, but it takes genius, faith, and perseverance to create a brand.* He argued that the brand is a cult object that it has charisma and brands are a part of the fabric of life. Stephen King explained that *a product is something that is made in a factory; a brand is something that is bought by a customer. A competitor can copy a product; a brand is unique. A product can be quickly outdated; a successful brand is timeless.* With these two strong views as guideposts, it is time we went to examine what a brand really is.

What Is A Brand?

A brand is a name, term, sign, symbol, or design, or a combination of them intended to identify the goods or services of one seller or group of sellers and to differentiate those from competitors. In essence, a brand identifies a seller or maker. It can be a name, trademark, logo, or other symbol. A brand is essentially a sellers promise to consistently deliver a specific set of features, benefits, and services to the buyer.

According to McKinsey consultants, companies must first win the right to brand. They say that a firm that wins the right to brand needs to meet the following criteria:

- It is part of a winning proposition
- It controls the core assets to deliver value.
- It owns the consumer relationship in the most efficient manner.

Dimension of Brands

There is a clear difference between brand image and brand identity although these terms are often misinterpreted. *Brand image* is what exists in the minds of the consumers. It is the total of all the information they have received from various sources, (experience, advertising, packaging, service etc.) *Brand identity* is what we transmit to the marketplace; it is what is under our control, provided we understand exactly the essence of our brand.

Functions **What does it do?** **What is it for?**	**Personality /image** **How do people feel about it?** **Do they like it / respect it?**
Differences **How is it better?** **How is it different?**	**Source** **What does the company stand for ?** **What are its aims?**

Essence

It is convenient to understand the concept of brand identity in terms of a prism that consists of certain features that combine to create the brand. Each such feature is unique, important and combines to create a composite whole.

PHYSIQUE: A combination of independent characteristics, which may be either, be prominent or dormant.

PERSONALITY: A brand has a personality and acquires a character. If we identify the brand with a person, we form a picture of that person by the way, in which he speaks of products or services.

CULTURE: Each brand has its own culture. The product is the embodiment of this culture. Culture implies a system of values, a source of inspiration and energy.

RELATIONSHIP: A brand is a relationship. It often provides the opportunity for an intangible exchange between persons. This is particularly true of brands in the service sector and retail brands.

REFLECTION: A brand reflects a customer's image. There is often confusion between this reflection and a brands target. The target describes the brands potential purchasers or users and is a type of identification.

SELF-IMAGE: The sixth facet of brand identity is the customer self image. True are attitude towards certain brands, develop a certain type of inner relationship with ourselves.

Value of a Brand

Valuing a brand is important for many reasons. First, as a practical matter, since brands are bought and sold, both buyers and sellers must assess a value. Second, investments in brands in order to enhance brand equity need to be justified, as there always are competing uses of funds. A bottom - line justification is that the investment will enhance the value of the brand. Thus, some feel as to how a brand is valued may help managers address such decisions. Third, the valuation question provides additional insight into the brand - equity concept.

What is the value of a brand name? Consider *IBM*, *TATA*, *Raymond's*, *Omega* etc. What would happen to those firms if they lost their brand names but retained the other assets associated with the business? At least five general approaches to assessing the value of brand equity have been proposed. One is based on the price premium that the name can support. The second is the impact of the name on customer preferences. The third looks at the replacement value of the brand. The fourth is based on the stock price. The fifth focuses on the earning power of a brand. We shall now consider these in the listed order.

1) PRICE PREMIUMS: Generated by the Brand name, Brand equity assets such as name awareness, perceived quality, associations, and loyalty all have the potential to provide a brand with a price premium. The resulting extra revenue can be used to enhance profits, or to reinvest in building more equity One approach to the measurement of the price premium attached to a brand is simply to observe the price levels in the market. Price premiums can also be measured through customer research. Customer can be asked what they would pay for various features and characteristics of a product (one characteristic would be the brand name). E.g.: American Motors tested a car (then called the Renault Premier) by showing an "untagged" (unnamed model of it to the customers and asking them what they would pay for it. The same question was then asked with the car identified by various names. The price was around $10,000 with no name, and about $3,000 more with the Renault Premier name on it.

Trade-off analysis is still another approach. Here, respondents are asked to make trade-off judgments about brand attributes. For example, suppose that the attributes of a computer included on-site service (supplied vs. Not supplied), price ($3,200 vs. $3,700) and name (Compaq vs. Zenith). A respondent would prefer on-site service, a low price, and an established brand name. To determine the relative value of each, the respondent would be asked to choose between: (a) Compaq at $3,700 vs. Zenith at $3,200, (b) Service at $ 3,700 vs. No service at $3,200 and (c) Compaq with no Service vs. Zenith with Service. The output of trade-off analysis would be a dollar value associated with each attribute alternative. The dollar value of the brand name would thus be created in the context of making judgments relative to other relevant attributes of the product class. Given that the price premium can be obtained, the value of the brand name in a given year would be that price differential multiplied by the unit sales volume.

2) BRAND NAME AND CUSTOMER PREFERENCES: Considering the price premium earned by a brand may not be the best way to quantify brand equity especially for a product class like cigarettes and air travel where prices are fairly similar. An alternative is to consider the impact of brand name upon the customer evaluation of the brand as measured by preference, attitude, or intent to purchase. When Armstrong tested a line of tiles, for instance, against comparable products, the Armstrong name resulted in the preference going from 50-50 to 90-10. The value of the brand is the marginal value of the extra sales (or market share) that the brand name supports. For example, it was believed that sales would be 30% less if the brand name was discarded, or sales would decline 30% over a five-year period if the advertising support for the name were eliminated. The profits on the lost marginal sales would represent the value of the brand. The size of any price premium and the preference rating of a brand can both be measured and tracked over time using survey research. However, this approach looks at the current power of the brand - a view that does not necessarily take into account the *future* impact of changes (such as improvements in quality).

3) REPLACEMENT COST: Another perspective is the cost of establishing a comparable name and business. For example, a company estimated, that it would cost from $ 80 million to $100 million to launch a new consumer product, and that the chances of success would be around 15%. If it was felt that it would cost $100 million to develop and introduce the product and that the chances of success was 25%, on average four products costing a total of $400 million would need to developed to ensure one success. A firm should thus be willing to pay $400 million for an established brand with prospects comparable to those being developed.

4) BRAND VALUE BASED UPON STOCK PRICE MOVEMENTS: Another approach is to use stock price as a basis to evaluate the value of the brand equities of a firm. The argument is that the stock market will adjust the price of a firm to reflect future prospects of its brands. The approach starts with the market value of the firm, which is the function of the stock price and the number of shares. The replacement cost of the tangible assets (such as plant and equipment, inventories and cash) is subtracted. The balance, intangible assets, is apportioned into tO Dee components: the value of brand equity, the value of non-brand factors (such as R&D and patents), and the value of industry factors (such as regulation and concentration). Brand equity is assumed to be a function of the age of a brand and its order of entry into the market (an older brand has more equity), the cumulative advertising (advertising creates equity), and the current share of industry advertising (current advertising share is related to positioning advantages). The introduction of Diet Coke in July of 1982, for instance, caused brand equity for Coke to increase by 65% while that of Pepsi was unchanged. In contrast, the introduction of the ill- fated New Coke in April of 1985 caused the Pepsi brand equity to increase by 45% while the brand equity of Coke declined by 10%.

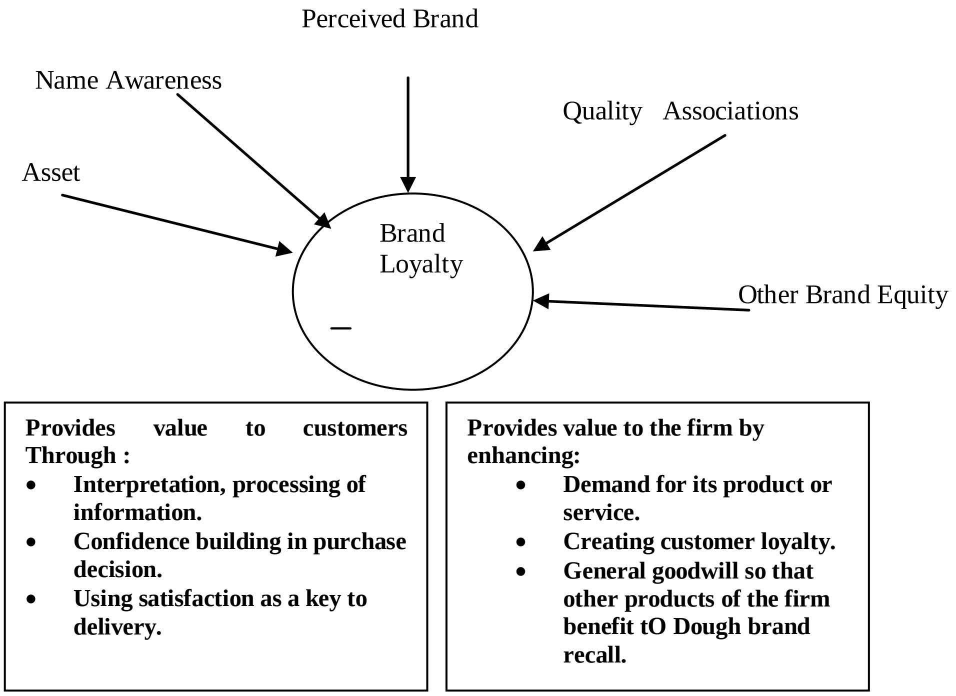
5) BRAND VALUE BASED UPON FUTURE EARNING: The best measure of brand equity would be the discounted present value of future earnings attributable to brand equity assets. The problem is how to provide such an estimate. One approach is to use the long-range plan of the brand and. simply discount the profit stream that is prepared. Another approach is to estimate current earnings and apply an earnings multiplier. The earning multiplier provides a way to estimate and place a value upon future earnings.

What is Brand Equity?

Brand Equity is a set of brand assets and liabilities linked to a brand, its name and symbol, which add or subtract from the value provided by a product or service to a firm and/or to that firm's customers. The assets and liabilities on which brand equity is based will differ from context to context. However, they can be grouped into five categories.

1. Brand Loyalty.
2. Name Awareness.
3. Perceived Quality.
4. Brand associations in addition to perceived quality.
5. Others like patents, trademarks, channel relationships, etc.

The concept of brand equity is summarized in the figure given below. The five categories of assets that underlie brand equity are shown as being the basis of brand equity. The figure also shows that brand equity creates value for both the customer and the firm.



Brand Loyalty

The brand loyalty of the customer base is often the core of the brand equity. If customers are indifferent to the brand and, in fact, buy with respect to features, price and convenience with little concern to brand name, there is likely little equity. If, on the other hand, they continue to purchase the brand even in the face of competitors with superior features, price, and convenience, substantial value exists in the brand and perhaps in its symbol and slogans.

Brand loyalty is a measure of the attachment that a customer will be to switch to another brand, especially with that brand makes a change, either in price or in product features. As brand loyalty increases, the vulnerability of the customer base to competitive action is reduced. It is one indicator of brand equity, which is demonstrably linked to future profits, since brand loyalty directly translates into future sales in a market driven economy.

Levels of Brand Loyalty

Switchers/ Price sensitive- Indifferent – No brand loyalty: The bottom loyalty level is the non-loyal buyer who is completely indifferent to the brand – each brand is perceived to be adequate and the brand name plays little role in the purchase decision. Whatever is on sale a convenient is preferred. This buyer might be termed as a switcher or a price buyer.

Satisfied / Habitual buyer- No reason to change: The second level includes buyers who are satisfied with the product or at least not dissatisfied. These buyers might be termed habitual buyers. Such segments can be vulnerable to competitors that can create a visible benefit to switching. However, they can be difficult to reach since there is no reason for them to be on the lookout for alternatives.

Satisfied brand with switching cost: The third level consists of those who are also satisfied and, in addition have switching costs- costs in time, money, or performance risk associated with switching. To attract these buyers, competitors need to overcome the switching costs by offering an inducement to switch or buy offering a benefit large enough to compensate. This group might be called switching cost loyal. In addition, as Frank Knight (1921) had famously declared in *Risk Uncertainty and Profit,* 'costs merely register competing attractions'.

Likes the brand and considers it as a Friend: on the fourth level, we find those that truly like the brand. Their preference may be based upon an association such as a symbol, a set of use experience, or a high-perceived quality. People are not always able to identify why they like something (or someone), especially if the relationship has been a long one. Sometimes just the fact that there has been a long-term relationship can create a powerful effect even in the absence of a friendly symbol or other identifiable contributor to liking. Segments at this fourth level might be termed friends of the brand because there is an emotional/ feeling attachment.

Committed buyers: The top level is committed customers. They have a pride of discovering/ or the brand. The brand is very important to them. Their confidence is such that they using will recommend the brand to the others.

These five levels are stylised; they do not always appear in the pure form and others can be conceptualised. Foe example, there will be customer who will appear to have some combination of these levels i.e., buyers who like the brand and have switching costs. These five levels do, however, provide a feeling for the variety of forms that loyalty can take and how it affect brand equity.

The Strategic Value of Brand Loyalty

The brand loyalty of existing customers represents a strategic asset that, if properly managed and exploit, has the potential to provide value in several ways.

Reduced Marketing Cost: A set of customers with brand loyalty reduces the marketing costs of doing business. It is simply much less costly to retain customers than to get new ones. Because potential new customers usually lack motivation to change from their current brand, they will be expensive to contact, in part because they are not making an effort to locate brand alternatives. Existing customers, by contrast, usually are relatively to hold if they are not dissatisfied. It is usually far less costly to keep existing customers happy, to reduce the reason to change, than to find new customers.

Trade Leverage: Brand loyalty provides trade advantage. Strong loyalty towards brands like Colgate, Lifebuoy etc will ensure preferred shelf space because stores know that customers will have such brands on their shopping list. At the extreme, brand loyalty may dominate store choice decision. Unless a shop, for example, carries Colgate, Maggi, Britannia biscuits, some customers will switch stores. Trade advantage is particularly important when introducing new sizes, new varieties, variations, or brand extensions.

Attracting New Customers: A customer base with segments that are satisfied can easily provide an implied assurance to prospective customers. The same is true of others who like the brand. This is especially so when the purchase is somewhat risky. The old phrase that "You won't get fired for buying IBM" is largely based upon this logic. Especially in product areas that are new or otherwise risky, the acceptance of the brand by the group of existing customers can be effective measures.

Brand awareness can also be generated from the customer base. Existing customers and dealers will enhance recognition merely by being there. Friends and colleagues of users will become aware of the product just by seeing it. Further, this type of exposure-actually seeing it `in action" or even on a retailer's shelf- will be much more vivid and have more impact than only seeing an ad several times (unless the ad is highly unusual and effective). Seeing a product used by a friend will generate the kind of memory links to the used context and the user that any advertisement would have great difficulty in doing. Brand recall would thus be stronger. Brand loyalty provides a firm with time to respond to competitive moves- some breathing room. If a competitor develops a superior product, a loyal following will allow the firm time needed for the product improvements to be matched or neutralized. It is also a bulwark against aggressive competition from larger companies with more financial might.

Maintaining and Enhancing Loyalty

In many situations, it is difficult to get rid of customers- to get them to move to a competitor. You literally have to work on it. For perhaps two decades, General Motors had, by many objective measures, inferior cars. Logically its share of the U.S market should have fallen nearly to zero- yet it remained in the 33% range. One of every car sold domestically still was a GM product. The fact is that the customers do not like to change; you almost have to beat some of them off with a baseball bat.

Treat the customer right: Tom Peter talks about the 'secret' to the success of Maytag- they deliver a washing machine that works- it washes clothes. It is hardly an unbelievable concept but the point is made. The point is that a product or service that works-that functions as expected-provides a basis for loyalty, a reason not to switch. To get rid of a customer, a business has often actually has to be rude, uncaring, unresponsive, and/ or disrespectful. It should not be difficult to avoid such behaviour. Among the keys to ensuring a positive customer experience are training and culture. In Japan, where a negative customer interaction is rare, the training is intense and detailed, and the customer culture is usually very strong.

Staying close to the customer: Research indicates that companies that have strong customer cultures always find ways to stay close to the customer. Even the top executives of IBM, for example, have account contact and responsibility. Disneyland executives work in the park in an "on stage" capacity for two weeks each year. Focus group can be used to see and hear real customer's voice concerns. Just the act of encouraging customer contact can help send signals to both the organisation and the customer that the customer is valued.

Measuring / managing customer satisfaction: Regular surveys of customer satisfaction and dissatisfaction are particularly useful in understanding how customers feel and in adjusting products and services. These surveys need to be timely, sensitive and comprehensive, so that the firm can learn why overall satisfaction is changing. One way to ensure that satisfaction surveys are used is to make them part of the compensation system. Domino's pizza, for example, conducts weekly phone surveys of customers measuring dimensions such as response time, lumpiness of dough, freshness of pepperoni, and attitude of delivery people.

Creating switching cost: One way to create switching cost is to create a solution for a customer problem that may involve redefining the business. A host of distributors, each with a sales force-negotiating price, characterized drug wholesaling once. Then McKesson installed computer terminals for their drug retailers, and provided them with inventory control and automated ordering service. By doing this, they created enormous switching cost for the retailer, and transformed the entire drug wholesaling business. Another approach is to reward loyalty directly. The airlines, frequent flyer clubs have become a way to reward and keep customers.

***Providing Extras*:** It is often relatively easy to change customer behaviour from tolerance to enthusiasm just by providing a few extra-unexpected services. A sample from a bakery can really make a good impression. A simple apology can have the potential to turn even a disastrous situation into a tolerable one.

Symbol Exposure*:* If a symbol is available or can be developed, such as *Maharaja* of Air India, *Amul Girl,* which can be closely linked to a brand, it can play a major role in creating and maintaining awareness. A symbol involves a visual image, which is much easier to learn and to recall than a word or pO Dase.

Publicity*:* Advertising is well suited to generating awareness because it allows the message and audience to be tailored to the job at hand and because it is generally an efficient way to gain exposures. However, publicity should usually play a role. It cannot only be much less expensive than media advertising but also effective. People are more often interested in learning about a news story than in reading advertising.

Event Sponsorship: The primary role of most event sponsorship is to create or maintain awareness. Thus the Wills cricket match, Femina Miss India contest's, Filmfare awards all generate exposure from spectators, who view them either live or on television, and from others who read about them either before or after their occurrence.

Brand Extension: One way to gain brand recall, to make the brand name more salient, is to put the name on the other products of the company. Many prominent Japanese firms such as SONY, Honda, Mitsubishi, and Yamaha use their name all their products.

Using Cues: An awareness campaign often can be aided by cues of the product class, the brand, or all three. One brand cue that is particularly useful is the package, since the package is the actual stimulus with which the shopper is confronted. A person like Andre Agassi or Leander Peas, e.g., can cue a product class such as tennis rackets. Some times cues can be used to remind people of the linked developed in the advertising.

Recall requires Repetition: Developing recall is more difficult than developing recognition. The brand name needs to be made more salient, and the link from the brand to the product class needs to be stronger. It is a bit like the fact that we recognize the face but cannot recall the name. Recall is difficult, requiring either an in - depth learning experience and many repetitions. Top-of-mind recall is, of course, even more demanding. For a brand like Bajaj or Colgate to maintain high levels of top-of-mind recall, relatively high levels of repetition may be needed indefinitely.

The Recall Bonus: Maintaining a strong top-of-mind awareness tO Dough constant exposure can create not only brand awareness, but also brand salience that can inhibit the recall of other brands.

Brand Awareness

Brand awareness is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category. A link between product class and brand is involved. Brand awareness involves a continuum ranging from an uncertain feeling that the brand is recognized, to a belief that is the only one in the product class. TO Dee very different levels of brand awareness can represent this continuum. The role of the brand awareness in brand equity will depend upon both the context and upon which level of awareness is achieve.

The lowest level, brand recognition, is based upon an aided recall test. Respondents, perhaps in a telephone survey, are given a set of brand names from a given product class and asked to identify those that they had heard of before. Thus, although there needs to be a link between the brand and the product class, it need not be strong. Brand recognition is a minimal level of brand awareness. It is particularly important when a buyer chooses a brand at the point of purchase.

The next level is brand recall. Brand recall is based upon asking a person to name the brand in a product class; it is termed “unaided recall” because, unlike as in the recognition task, the respondent is not aided by having the names provided. Unaided recall is a substantially more difficult task than recognition, and is associated with a stronger brand position. A person can recall many more items on an aided recall basis than when unaided.

The first-named brand in an unaided recall task has achieved top-of-mind awareness, a special position. Truly, it is ahead of the other brands in a person’s mind. Of course, there may be another brand close behind. A still stronger recall position, not represented in the figure above, would be that of a dominant brand, a brand that is the only brand recalled for a high percentage of the respondents. Having a dominant brand provides a strong competition advantage. In many purchase situations, it means that no other brand will even be considered.

How Awareness Works to Help the Brand

Research indicates that brand awareness creates value in at least four ways as suggested below:

Anchor to which other associations can be attached: Brand recognition is the basic first step in the communication task. It usually is wasteful to attempt to communicate brand attributes until a name is established with which to associate the attributes. A new product or service is, of course, particularly concerned with gaining recognition. Virtually all models attempting to forecast new product success have brand recognition as a key initial construct; only rarely can a purchase decision occur without recognition. Further, learning about features and benefits of the new product is difficult without achieving recognition. With recognition established, the task is simply to attach a new association, such as a product attribute.

***Familiarity / Liking*:** Recognition provides the brand with a sense of familiarity – and people like the familiar. Especially for low – involvement products like soap, chewing gum, paper towels, sugar, disposable pens, or facial tissues, familiarity can sometimes drive the buying decision. In the absence of motivation to engage in attribute evaluation, familiarity may be enough.

Substance / Commitment: Name awareness can be a signal of presence, commitment, and substance, attributes, which can be very important even to industrial buyers of big-ticket items, and consumer buyers of durables. The logic is that if a name is recognized, there must be a reason-such as:

- The firm has advertised extensively.
- The firm has been in the business for a long time.
- The firm is widely distributed.
- The brand is successful-others use it.

These suppositions are not necessarily based upon knowledge of facts about the brand. Even if a person has not been exposed to advertising and knows little about the firm, brand awareness could be still lead to the assumptions that the firm is substantial and backs the brand with advertising. If a brand is complete unknown before it was put forth as a choice alternative, there is a suspicion that it is not substantial with a committed firm behind it. The role of brand recall can also be crucial for frequently purchased products like coffee, detergent, and headache remedies, for which brand decisions usually are made prior to going to the store. Further, in some categories there are so many alternatives that the shopper is overwhelmed. Thus, even though *Erricson* (mobile phone) brand was displayed and advertised very well, it was not a “recall” brand, or even “top-of-mind recalled,” to get the purchase.

How to achieve Awareness: Achieving awareness, both recognition and recall, involve two tasks; gaining brand name identity and linking it to the product class. For a new brand, both tasks are required. For example, a brand name such as Pizzaplace implies the product class and the need is only to establish the brand name. How should awareness be achieved, maintained, or improved? There are several helpful guidelines that are based upon formal studies from both psychology and advertising and upon observing brands that have done well in creating and maintaining awareness levels.

***Be Different, Memorable*:** An awareness message should provide a reason to be noticed and it should be memorable. There are many tacks that work but one key is simply to be different, unusual. Too many product classes have brands with very similar communication approaches, making it difficult to break out of the clutter. For example, most ads for perfume, sports car, menthol cigarettes, and soft drinks have a similarity or identical messages. Recently the ad of Coca-Cola and Pepsi exhibited an element of similarity by casting hit actors for their product campaign.

Involve a slogan or Jingle*:* A slogan or jingle can make a big difference. The slogan "The gift for someone you love" or "The complete man" or "Only Vimal" can help recall the brand. On the other hand, a jingle can be a powerful awareness-creating device. For example, the jingles of "Cadbury's", "Apollo tyres", "Bajaj Auto", "Nirma" assist instant recall. The legendary Kooka of Air India used jingles and slogans combined to devastating effect for the competition in his advertisements of the Maharaja.

Perceived quality: Social scientists will tell you and management scientists will concur that there is no such thing as complete objectivity. To claim objectivity, is in itself, is a subjective statement. Quality similarly has to be built into the person, process and product no doubt, but how does the customer perceive it? How and why should this customer perception be enhanced?

Reason to buy: Perceived quality of a brand provides a pivotal reason to buy, influencing which brands are included and excluded from consideration, and the brand that are to be selected. A customer often lacks the motivation to obtain and sort out the information that might lead to an objective determination of quality in a given application. On the other hand, the information may simply be unavailable. Alternatively, the customer may not have the ability or resource to obtain or process it. In any case, perceived quality becomes central.

Differentiate/ Position: A principle-positioning characteristic of a brand- whether a car, a computer, or a cheese- is its position on the perceived quality dimension. Is it a super premium, premium, value, or economy entry?

A Price Premium*:* A perceived quality advantage provides the option of charging a premium price. The premium price can increase profits, and/or provide resources with which to reinvest in the brand. The resources can be used in such brand building activities as enhancing awareness or associations, or in R&D activities to improve the product.

Channel member interest*:* Perceived quality can also be meaningful to retailers, distributors, and other channel members, and thus aid in gaining distribution. They can offer a high-perceived quality product at an attractive price, to draw traffic.

Brand extension*:* In addition, the perceived quality can be exploited by introducing brand extension, using the brand name enter new product categories. A strong brand with respect to perceived quality will be able to extend further, and will find a higher success probability than a weaker brand.

Brand Association

A brand association is anything "linked" in memory to and thus, McDonald could be linked to a character such as Ronald McDonald. The association not only exists but also has a level of strength. A link to a brand will be stronger when it is based on many experiences or exposures to communication, Rather than a few. It will also be stronger when a network of other links supports it. Thus, if a link between kids and McDonald's were based only on some ads showing kids at McDonald, it would be much weaker than if the link involves a complex mental network involving birthday parties experiences at McDonald's Ronald McDonald, McDonald games etc. A brand image is a set of associations, usually organised in some meaningful way. An association and an image both represent perceptions, which may or may not reflect objective reality. Positioning is closely related to the association and image concepts except that it implies a frame of reference, the reference point mainly being competition. A "brand position" does reflect how people perceive a brand. However, "brand positioning" or a "positioning strategy" can also be used to reflect how a firm is trying to be perceived.

How Brand Associations Create Value

The underlying value of a brand name often is its set of associations- its meaning to people .Association represent bases for purchase decisions and for brand loyalty. There are a host of possible associations, and a variety of ways in which they can provide value.

Help /Retrieve Help Process Information*:* Association can serve to summarize a set of facts and specifications that otherwise would be difficult for the customer to process and access, and expensive for the firm to communicate. An association can create a compact information chunk for the customer, which provides a way to cope.

Differentiate An association can provide an important basis for differentiation. In some product classes such as wines, perfumes, and clothes the various brands are not distinguishable by most customers. Associations of the brand name can then play critical role in separating one brand from another. A differential association can be a key competitive advantage. If a brand is well positioned competitors will find it hard to attack.

Reason-To-Buy: Many brand associations involve product attributes or customs benefits that provide a specific reason to buy and use the brand. They represent a basis for purchase decisions and brand loyalty. Some associations influence purchase decisions by providing credibility and confidence in the brand .If a Wimbledon champion uses a certain tennis racket, or a professional hair stylist uses a particular hair colouring product, consumers will feel more comfortable with those brands.

Create Positive Attitudes/Feelings*:* Some association are liked and stimulate positive feelings that are transferred to the Brand. Advertising, for one thing, can make the experience of drinking Pepsi seem more fun.

Basis and Reasons for Brand Extension

An association can provide the basis for an extension by creating a sense of fit between the brand name and a new product, or by providing a reason to buy the extension. Thus, Honda's experience in small motors makes extensions from motorcycles to outboard motors and lawn mowers plausible. The necessity of brand extensions is essentially due to the following factors.

***Increased advertising costs**:* Companies can afford to maintain a large portfolio of brands in only a few markets where the costs are still low. In most markets, they cannot. Nor is it easy to justify incremental spending on advertising that benefits just one brand. To do this effectively, you need to extend not just the name, but also the brand values. Thus, this is the same reason that when Nestle extended the Milky Way bar into spreads, it is not merely extend the name, but also the ridged look of the bar.

***Dying Product Categories**:* Some brands are associated with declining product categories. These have to vault to another fast growing category. To do this, you must realize that a brand extension is not just an extension of your name but also an extension of your product expertise.

Incorporating New Brand Values: A company can incorporate and communicate new brand values merely by entering new categories. Brand extensions offer benefits in terms of brand image. For instance, Nestle decided to extend its presence tO Dough offerings in the yoghurt category. Its presence generated positive feedback that added to its brand image.

***Leveraging Concept Ownership**:* over a period, a brand establishes its ownership over a concept or a core property. This concept if relevant in another category can be extended to that category.

Product Attributes

Probably the most used positioning strategy is to associate an object with a product attributes or characteristic. Developing such association is effective because when the attribute is meaningful the association can directly translate into reasons to buy or not to buy a brand. For example, Volvo has stressed durability, showing "crash tests" and telling how their cars lost.

Intangibles

Companies love to make brand comparisons. Brands engage in shouting matches, attempting to convince others of the superiority of their brand along a key dimension or two.

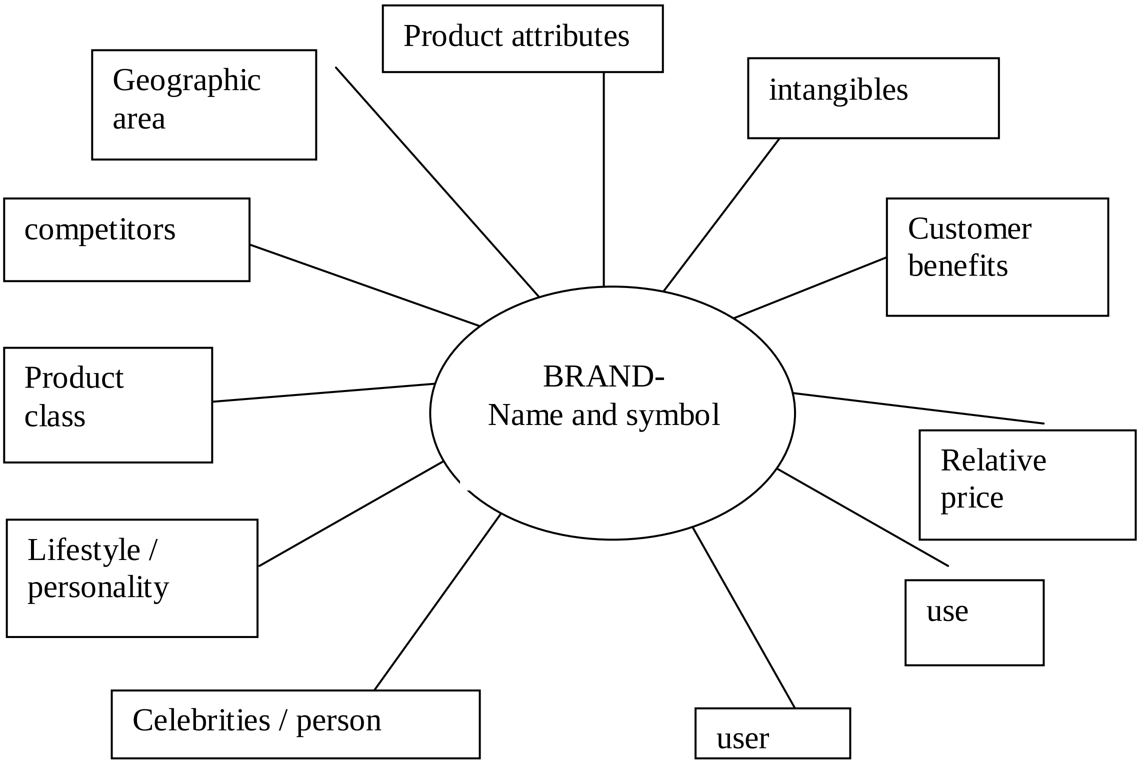
Customer Benefits

Because most product attributes provide customer benefits, there usually is a one to one correspondence between the two. The benefit can be divided into rational and psychological benefit. A rational benefit is closely linked to a product attribute and would be a part of rational decision process. A psychological benefit often extremely consequential in the attitude formation process relates to what feelings are engendered when buying or using the brand.

Relative Price

One product attribute, relative price is so useful and pervasive that it is appropriate to consider it separately. Positioning with respective to relative price can be complex. Positioning against brands with a higher relative price can be tricky.

TYPES OF ASSOCIATION



USE / APPLICATION: Another approach is to associate the brand with the use or application. Products can of course have multiple positioning strategies although increasing the number involves obvious difficulties and risk.

USER / CUSTOMER: A brand can be associated with the type of the product user or customer. When it works a user positioning strategy is effective because it can match with a segmentation strategy. Identifying a brand with its target segment often is a good way to appeal to that segment. A problem with strong association is that it limits the ability of a brand to expand its market.

CELEBRITY / PERSON: A celebrity often has a strong association. Linking a celebrity with a brand can transfer those associations to the brand. One characteristic important for a brand to develop is technological competence the ability to design and manufacture a product.

PRODUCT CLASS: Some brands need to make critical positioning decisions that involve product class. For example, the soft drink 7-Up was for a long time perceived as a mixer beverage despite efforts to emphasize its "fresh, clean taste" and "thirst quenching "properties. In addition, effort was made to reposition the brand as a soft drink, as a logical alternative to the "colas" but with a better taste. The successful Uncola campaign was the result.

COMPETITORS: In most positioning strategies the frame of reference is one or more competitors. In some case, the reference competitors can be a dominant part of the positioning strategy. One of the reasons is that at times it is not important how good customers think you are, it is just important that they believe you are better than others are.

GEOGRAPHIC AREA: A country can be a strong symbol, as it has close connections with products, materials and capabilities. Thus, Italy is associated with shoes and leather goods. These associations can be exploited by associating a brand with a country. The manager of a brand will not be equally interested in all associations. Rather he will be interested in those associations that directly or indirectly affect buying behaviour.

COMPETITIVE ADVANTAGES OF HIGH BRAND EQUITY: It is almost tautological that the company will enjoy reduced marketing costs because of high level of consumer brand awareness and loyalty. So doing, the company will have more trade advantage in bargaining with distributors and retailers since customer expect them to carry the brand. Moreover, the company can charge a higher price than its competitors can because the brand has higher perceived quality. In addition, the company can more easily launch brand extension since brand name carries high credibility. Finally, the brand offers the company some defence against fierce price competition.

The People Brand Interface

Many marketing managers forget that a brand is only as good as the people who created it and the people who accept it. The people-brand interface is often either forgotten or taken for granted. What distinguishes an excellent organisation from a non-excellent one is the emphasis it places on people within both the organisation and those outside it. Many a time people confuse between a logo and a brand with the result that they affiliate themselves with the logo but scant attention to the brand.

A logo is not a brand. Michelle Rosen-Oberman and Tammara Umbricht two marketing specialists of Brand Clarity, an international brand communications consultancy based in Zurich and London cannot seem to stress this point enough. To them a brand is a perceptual entity, rooted in reality, which reflects the perceptions of people who meet it. An organization's brand is both functional and emotional. Stakeholders consider not only what a company does for them, but also how they feel about it. This emotional response often has more influence than price, but it is something managers frequently neglect to factor in. For example, people buy products from the Body Shop not only because of the quality of the goods, but also because of their emotional response to the company's social and environmental responsibility. Advertisements in the Indian TV regarding body shapers are a case in point. It is truism that every organisation from the local panwalla to Hindustan Lever has a brand irrespective of whether or not it is actively managed. It is always advisable to keep the brand alive and not allow it to gather dust. This is simply because **i**t makes good business sense to continually manage and track your brand, and to integrate this with your business strategy. A strong brand creates value, which can be translated into financial profits.

Here a word of caution is called for. Studies show that a huge marketing budget is not always necessary to assess and improve your brand. Small to medium enterprises can begin to take charge of their brand by organizing workshops with managers and representatives from key stakeholder groups, such as employees and customers. Strategy formulators must be encouraged to answer five basic questions that help keep your brand on track by defining your organization's true value proposition; in other words, what you deliver. Ask the following: 'What are we? What do we do? How do we do it? Why do we do it? And, whom do we do it for?' Answering these questions is a significant step toward uncovering the functional value of your brand. Bringing to light your corporate values – how you work and what you stand for – is equally important.

How do you as the internal customer view and feel about your brand? This is another question that one must ask the managers and stakeholders of companies wanting to strengthen their brands. To find the answer, they organize workshops where key stakeholders are asked to visualize corporate values by using images. We must ask the managers to look at different images and pick out those that best express how they feel about the organization. This approach usually helps to reveal the emotional side of branding. Companies with limited resources can also benefit from this visualizing exercise. Ask your employees to come to work with five images that they believe best reflect the values behind your company brand. Then hold a workshop to discuss the findings, is a good way of going about things. The very process of holding such a workshop for your managers and employees is excellent for team building, as an O D specialist will vouchsafe. It helps identify an authentic set of common values, which will strengthen your brand. Of course, you can do it alone, but that is where you bringing in outside moderators like Professors of B Schools to help and this can be very useful for keeping things on track.

During the authors' stint at XLRI as a Professor (1993-95), it was observed that sometimes, brands get scratched, dented, bruised or even broken. When company managers want to "fix" their brand, they call in experts like Professors Rajan Saxena, Sharad Sarin, Mohan Agrawal and Vijendra Asopa. With the help of workshops and other quantitative and qualitative assessment tools, they help companies to use the value of the brand they already have as a building block. They take the help of O D professionals to take a close look at how they are communicating their brand, and check how it fits with their current business strategy and objectives. Then we can help them put together a new brand communication strategy, implement it, and of course benchmark, measure and adjust the results.

As Professors R Ishwar, Pranabesh Ray and Sorab Sadri at XLRI kept hammering into the managers who came for Executive Development Programmes, *your employees are your brand.* One of the biggest mistakes companies can make is in believing that their customers are their most important stakeholders. We advise managers to look inside their companies and help them to recognize that employees are their most important stakeholders. Employees can make or break a brand, since employees have the most customer contact, and therefore are part of your external advertising. If they feel empowered and can stand behind your brand, you are well on your way to success. That is why strategic management cannot do without an O D expert on its team.

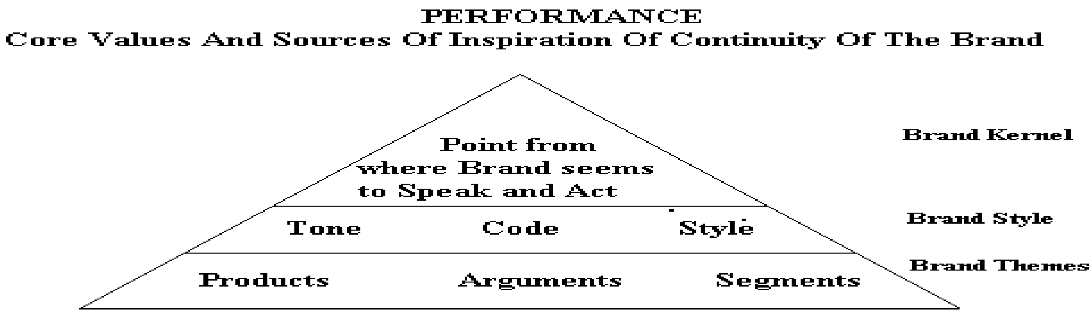
Living your brand is a good idea. Starbucks sets a good example of employees living a brand. The company does not just sell coffee, it sells a coffee house experience and its employees are an essential part of that experience. Beyond that, the company and its employees are committed to bonding with local communities and to fair trade. This focus on community service comes from the top, and the employees are obviously proud to be a part of the company. Like the Body Shop, Starbucks is proof that companies can make money and have a heart. In India (especially during the giving of dowry), the demand is for a Godrej by which invariably they refer to the store-well almirah that the company is best known for. Often names of persons are automatically linked to brands especially "programs". For instance when we talk of *Geetmala* that made Radio Ceylon a household name in India is inevitably linked to Amin Sayani the great radio announcer, even decades after the program ceased to be aired..

Ten Things to Remember About Corporate Branding

- Your corporate brand is often your most important asset (and you can put a monetary value on it).
- Your brand is much, much more than your logo or even your corporate identity.
- A brand is rooted in reality, but most importantly, reflects the perceptions of all those who encounter it (stakeholders).
- Every point of contact counts: from your website, to sales calls, to delivery.
- The emotional response to a brand can be more influential than price.
- Branding must be an integral part of your business strategy and not something managed in isolation.
- Your value proposition (what you deliver) and your corporate values (as they are lived) are the foundations for your brand.
- Good branding, which creates value for your company, takes reflection and hard work. Big budgets alone are not enough.
- The more your employees live the brand, the more successful it will be.
- Great brands keep their promises; they are honest and authentic.

As was argued in *Geometry of O D* (2002) and again in *Business Ethics and Corporate Governance: Towards Organisational Excellence* (2006) Strategic Management must be team managed that is empowered to take and execute decisions. Moreover, it is indubitable that the O D expert is an integral member of such a high profile team if the organisation's brand has to have an impact in the highly competitive market.

Jean-Noel Kapferer's Geometry --An Alternative Approach



Branding involves people and is all about timing. When a company loses time, it creates space for other companies (or new entrants) to take the lead. Companies forget that branding is, sometimes, like a Formula One race. The issue is not being in the race or completing it; it is about finishing in position 1 or 2. Three models can help companies do this. The Prism, The Pyramid, and The Platform: three models for three different kinds of brands. The Prism is for single brands; the Pyramid, for multi product brands; and the Platform, for rejuvenating brands. These are not consumer models; they are decision – models that help mangers answer the questions they are supposed to answer. This calls for a new approach – to brand management – new ways of thought and investigation that help companies make the right decisions. We posit a set of axioms and a corollary to go with it.

AXIOM I: Brands Are Nothing More Than What Their Managers Do With them. Sometimes managers believe that just having a brand is adequate, and start worrying about other things that has nothing to do with their branding or marketing. That is a dangerous thing to do.

COROLLARY I: Brands age because of mismanagement. The challenge in making a brand lasts lies in being able to face the ever-changing environment. Take the case of worldwide aspirin brand , Aspro. Created at the time of world war II, the brand faced a series of decisions over 40 years, and it was very funny, that it made the wrong decision every time. First, it decided to remain totally OTC (Over- The – Counter). Now, we know that you are better off in terms of customer –perception if doctors prescribe you – even if you exercise the OTC option. Ten years later, the company had to think in terms of launching a soluble version of Aspro. Again, they decided against it by telling themselves "Aspro is a tablet." In addition, a rival entered the market with a soluble aspirin. Ten years later, a new molecule, parcetamol, entered the market. The company had the choice of launching Aspro with paracetamol, but decided against it the logic: Aspro is aspirin. Over 40 years, they made three wrong decisions. That is how brands lose their grip. This example highlights on of the major changes taking place through time: the evolution of technology.

COROLLARY II: Companies over evaluate the halo effect of being the brand used by parents. One of the most famous whisky names in the world is Ballantine's. Between 1988 and 1995, for whatever reasons, the brand awareness of Ballantine's in France dropped from over 60% to 22%. The management, it appeared, had other things, like Mergers & Acquisitions, in mind, and was not really concerned about managing a brand. Originally, Ballantine's must have been pleased at being the reference- brand among adults, but the younger generation, which has been seduced by brands like J&B, does not even know its name. . The new generation will not automatically adopt its parent brands. People do not think that way any longer except, perhaps, in rural societies. In modern urban societies, a brand needs to become the preferred one of the basis of its own credentials.

When you create a product, find out how and where they like to consume it, and then, of course, engage in advertising. For decades, the advertising for all liquor brands revolved around the aspect of calmness: landscapes of Scotland, castles, and people having a good time in cheerful dining rooms. That kind of thing will not appeal to the young generation. They like movement. Finally, you also need to engage in proximity marketing. You have to be where your customers are. All this depends on an internal cultural change. This means having the right people within the company. Often, when you look behind aging brands, you find an aging management.

AXIOM II: The Concept of Identity is Central to Managing Brands over Time. Managing brands are, in effect, managing extensions. Hence, the concept of identity becomes important. What is common to the new Smirnoff for the younger generation and the classic Smirnoff? Some values which establish a link. People buy brands, but behind this lie a number of motives, and if you do not create new brands that match evolving consumer wants, you will have problems. Experience reveals that whenever a brand rejuvenates itself, its older customer is rather pleased. Why? Because it means that, their own choice is not a generation one if anyone uses the same brands as his / her children it means that he /she is still young. So people have exaggerated the image of dual image it is therefore necessary that you keep some things in common. This called the core, but deciding on what the core should be is the most important issue .A easy question with difficult answer.

COROLLARY I: Your brand may have built -in element of mortality. Sometimes especially if you are a brand associated with fashion. Not all brands are created to last 100 years. Techno music is very popular now. So let us suppose you create a brand around techno values. This will last a few years; then you will have to create another brand. There is a Unilever brand perfume, targeted at the European mass market, named *Juene Ordre*. This is French saying meaning Young Order. The funny thing is that the brand is now 25 years old. Every 3 years, the company launches a brand - extension with a different surname and thus evolves.

AXIOM III: Branding Is Not A Miracle Drug That Gives Your Product Eternal Life. To really survive, you should be able to adapt. This highlights the brand management paradox. Brands are meaningful only if they have a meaning that is stable . The key concept of brand management is identity. However, at the same type everything is changing. How does a brand find the right balance between identity and change? When should you change the Mercedes – Benz? For 40 years, the company changed nothing. Then in 2 years, they changed everything because they realized they were risking extinction by refusing to adapt. The CEO of Mercedes Benz said, “We can keep our image, and go out of business. Alternatively, we can change it a little bit, and stay in business. And to change our image, we should show that we make cars for today.”

You can wear jeans and still be classy; you do not need a tuxedo. However, even when you are changing, all your cars must convey the impression that they belong from the same family. However, if you repeat yourself too much, people will say that you cannot come up with new products. The most difficult thing is finding the right balance.

AXIOM IV: The Pyramid Is Meant For Brands That Are Extending Themselves. This model is used in lot number of car brands that are generalist & have car for different segments of the market. Brand managers should known that the brand would exist only if all their customers feel the products they bought came from the same source. That is not a function of putting the same name on the hood. If you want people to feel so, you must be able to state in a sentence, you are perspective on cars. What is the final impression you wish to create? What are the values that drive, or influence the way you think about cars? If you are not able to do that, you do not have a clear idea of the business you are in. Besides, if you do not do it yourself, the customer will do it her way. At the base of the pyramid, you have products. These cater to the needs of specific segments; perhaps generations. Then, you have a prism for each of the products on offer. Nevertheless, new facets of the prism remain similar. Otherwise, your offering will be totally independent & different. The pyramid is specifically for a brand with a wide range.

COROLLARY I: For Single Brand Use the Prism. When you have a single brand, use a prism. In this case, it is no longer a pyramid but a cylinder. You do not have a large base because there is a single brand. Over a period, your identity must change, and you should periodically check whether your prism is in syncO Donism with the market.

COROLLARY II: Brand Extensions Help Leverage Value across Markets. Consider the case of Marlboro. In many countries, it is difficult to advertise tobacco products. Brand extensions are a way of dealing with this problem. The companies' first attempt was a failure. They asked a manufacturer to make clothes sporting the name Marlboro name. Based on research on the Marlboro smokers the company created a line of sweaters, shirts and formal suits. That is precisely why the extension failed; the product could have been Dunhill. The Marlboro brand of garments did not have a differentiating factor. That is they need to understand not the Marlboro customer, but the Marlboro Brand. Moreover, since Marlboro represents an image of adventure, and the Wild West, the company launched Marlboro jeans.

AXIOM V: Use The Brand Platform Approach To Rejuvenate A Brand. The brand platform is useful for brands that do not any longer know where they are. The first things you do are to answer the question: why, at the end of the day, do people want me? If you cannot answer the question, you might as well do something else. Thinking as it is an important internal tool of communication is of vital importance. A tool can re-build the foundations of a brand. This model has been used for several old brands. Take Channel for instance. Why would tomorrow's youth need Channel? They have Calvin Klien, Gucci and Ralph Lauren. Unless we find a good reason as to why we will be relevant tomorrow, we are doomed today. If you do not have the passion and conviction that you will be able to make a difference tomorrow, milk the cow, and make money out of your ageing customers.

AXIOM VI: Brand Identity Is Not Something You Shop For Or Borrow From Someone. When you launch a product, you hope it will become a brand. The first rule: a brand always starts out as a name on a new product. Nike was not born a brand; it was the name on a new pair of shoes. In addition, people said these shoes are fun, they are fashionable and Nike became more than simply a good product. However, it takes time. Therefore, the identity Prism is filled systematically over the life of the brand.

The prism is also more than just an analytical tool of what people say about the brand. It is a prospective tool of what the brand wishes to become. However, it takes time to build benefits. The first thing you say is “Hello, this is a new computer, it does this, and by the way, its name is Atari.” If the customer is happy with the way it works, it may make the customers happy on the performance of the machine and then the prism starts filling up. In addition, over time, more communication will fill it. However, if, after many years, the Prism is still empty, things are wrong.

AXIOM VII: There Is An Order In Which The Facets Of The Prism Are Filled. It starts with the product. All brands begin by being real products. Therefore, the physical facet is the concrete part of the brand. When you start communicating, you always show, in your ads, picture of the typical customer. Generally, you also draw, internally for your own purposes, pictures of the expected customers. These will fill the facets of the customer reflection and target audience. Later, your other marketing actions will fill the other facets. However, the first facet to be filled in it is always the product. Benetton started its life as a colourful sweater. Colour thus became the physical facet of identity. Little by little, they moved to United Colours of Benetton. In addition, advertising played a large role in propagating an image where the youth of the world were shown to be similar. A little, like the advertising for Coca-Cola. Only Benetton slowly became more radical in its advertising. They started speaking more from the cultural facet of the prism. They show issues that bother them. Because that is that way, the youth of the world feel. Coca-Cola would never do something like that.

COROLLARY I: Customer reflection and the target market is not the same thing. Although Benetton and Coca-Cola seem to address only the youth, that is not the case. People often mistake customer reflection for the target market. It is because they seem to address the young that Benetton manages to sell to everyone. Benetton and Coca-Cola have reflected customer who is young, but their success is built on universal appeal. In addition, when you want to seduce the aging customer, you should look young.

COROLLARY II: The relationship facet of the prism is relevant for service brands. Every company is oriented to customer satisfaction. However, each service- provider must find its own relational style, which will make people say: “Here it is different.” Since service brands work with people, they will have to find the right way to train their employees who are in touch with the customer, not only to deliver the right service, but also to do it in a way that is typical of a brand. In hospitality, for instance there is, probably a Sheraton Way of handling guests, which is different from The Marriott Way.

AXIOM VIII: Branding can never become a substitute for Marketing. The strength of Coca-Cola is not just the brand; it is the distribution system. Wherever you are, you will find a Coca-Cola within arm’s reach of desire. That is important. What is the use if you cane never find brands that you like Coca-Cola is, after all, a low involvement product, and being there when you want its is a strong source of consumption. In addition, consumption creates desire. Desire creates consumption and consumption, and consumption creates desire – it works both ways

Dynamic Brand Value Management

It is a new brand management technique, which bestows a scientific halo on what has traditionally been a touchy subject. It is the brainchild of London Business School Professor Kim Warren, marketing consultant Lars Finskud, and 4 McKinsey consultants, Driek Desmet, Maurice Glucksman, Norman Marshall, and Michel Reyner. DBVM is a hybrid of knowledge streams classic marketing theory, the resource based view of the company and business dynamics, which allows companies to fit mathematical models around complex systems. At the heart of DBVM are three ideas: (a) The value of a brand is equal to the net present value (NPV) of its future cash flows. (b) This value is a function of the brand resources like product features, distribution strength and customer loyalty. (c) The development and interaction of these resources create a complex system replete with time delays and feedback loops.

CONVENTIONAL BRAND MANAGEMENT	DYNAMIC BRAND MANAGEMENT
• Brands are single assets • Short term financial conflicts with long term marketing thinking • Brand management is a separate function • Financial performance measures • Recognition of the value of intangibles • Focus on snapshot values. • Global solutions to all markets • Debating what to do. • Extrapolating from the past**.**	• Brands are systems of resources • Shared focus on value-creation • Brand management as a organisation –wide responsibility • Lead performance indicators. • Quantification of intangibles. • Focus on rates of changes. • Tailored solutions • Debating the assumptions • Simulation of the future.

Total Brand Management (TBM)

Increasingly management experts are talking about total brand management (TBM) as conscious business strategy. TBM is a religion can infuse life into the most dormant of brands. Winning brands are carefully designed business systems. This is what managing excellence is all about. Consider the Body Shop, all international retailers of cosmetics and toiletries. It encompasses the way products are sourced (all-natural ingredients), developed (no animal testing) and sold (in distinctive Body Shop boutiques). All are as important to the brand as to the actual product. Consumer purchases the entire system not just the product. Managing the brand means managing the system.

Next, let us agree on the right aspiration of the brand. Awareness is not enough. Neither is loyalty. True winning brands will create relationship with consumers that inspire advocacy. How do you create a brand that inspires loyalty and ultimately advocacy? Are opportunities for product innovation and an improved consumer experience truly exhausted? Have attempts been made to bond with consumer tO Dough “relationship" services that surround the basis product? Nine out of 10 times, the answer would be "No". A few of our experience illustrate the TBM response: Years ago when a mother went shopping for a mosquito repellent, she kept checking labels. Her prime concern being "I hope this is not too strong for my kids. It led to the development of new, mild skin application repellent specially designed for kids, which became a runaway hit.

Let us now ask consumers what their dissatisfaction and compromises usually are. When homemaker goes shopping for a particular product, she finds that it is out of stock. That disappoints her. Worse, the retailer nervous about losing a sale directs her to a competitive product. Chances are that you are on the verge of losing a consumer for life. Alternatively, she brings your product home and myriad dissatisfaction occurs: inconvenient packaging, inconsistent quality, and inferior taste. These are the decisive moments for the brand, the point where relationship s are made or broken.

Conclusion

This paper raised many fundamental issues to clear many a cobweb. In the end we ask do consumers look for a relationship beyond the basic product. Increasingly they do. Rethink what value you can provide beyond your product. Japanese video-game maker, Nintendo, found itself in a dying market with too many players and limited shelf space. The challenge: to discover a new way to hold its brand name with consumer. Therefore, it launched two initiatives: Nintendo Power, a $15 a year magazine that receives 40000 letters monthly, and a 900- number line on game strategy that receive 10000 calls weekly. Both proved to be powerful consumer vehicles cutting across hardware, software, education, product development, consumer service. They have opened a direct a line of communication from the consumer back to product development, enabling the company to forecast sales of a new product within 10 percent. The result: a secure bond with consumers, increased sales and increased profitability. That is good TBM and that is precisely what enables us to approach the rainbow of excellence.

Brand equity is the billboard of corporate excellence. To build brand equity many a time the organisation has to be moulded according to the needs of the market so that it remains competitive. And, in a world mired by conditions where the big fish eat the small fish survival is a major concern. This requires continuous strategic management intervention and this paper has attempted to posit a theoretical framework on which this intervention can be mooted.

References

Montesquieu, Baron de la Brede et de(1748), *The Spirit of the Laws* ,charlesde Secondat, Amsterdam,Chatelain

Ogilvy,David(1963),*Confession of an Advertising Ma,* Amazon.co.uk

Heidicohen.com/30-branding definitions/

Kapferer Noel and Jean (1994),*Strategic Brand Management,*Amazon.co.uk

David a .Aaker(1991),*Managing Brand Equity,* Amazon.co.uk

Mark Di Somma (2014), *Brand Strategy for lasting value* ,Amazon.co.uk

Michel Chevalier, Gerald Mazzalovo (2012), *Luxury Brand Management: A World of Privilag,* /second edition, amazon.co.uk

Rezaee Zabihollah (2009), *Corporate Governance and Ethics,* John Willy and Sons