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E-Content
BBA402- Marketing Management

Lecture 16- Branding

Prepared by:- Mr. Raj Kumar, Assistant Professor, Faculty of commerce and management, Rama University Kanpur

What is a Brand?

- An identifier
- A promise
- An asset
- A set of perceptions
- A “mind share”



Tangible and Intangible Elements

Brands are a combination of tangible and intangible elements

TANGIBLE

VISUAL DESIGN ELEMENTS - LOGO,
COLOR, IMAGES, TAGLINE,
PACKAGING, ETC.

DISTINCTIVE PRODUCT FEATURES -
QUALITY, DESIGN SENSIBILITY,
PERSONALITY, ETC.

- Intangible
- Customers' experience with a product or company - reputation, customer experience

Brands Convey Meaning

- **Attributes:** specific product features
- **Benefits:** attributes translate into functional and emotional benefits
- **Values:** company values and operational principles
- **Culture:** cultural elements of the company and brand
- **Personality:** strong brands often project a distinctive personality
- **User:** brands may suggest the types of consumers who buy and use the product



Brands Create Value for Consumers

Brands help simplify consumer choices

Brands help create trust, so that a person knows what to expect from a branded company, product, or service

This builds customer loyalty, which is valuable to businesses



Types of Brands

Different types of brands include

- Individual products
- Product ranges
- Services
- Organizations
- Individual persons
- Groups
- Events
- Geographic places
- Private label brands
- Media
- e-brands



Brand Equity

- Brand equity refers to the value of a well-known brand that conjures positive (or negative) mental and emotional associations.



How to Measure Brand Equity

- Price premium
- Customer satisfaction/loyalty
- Perceived quality
- Leadership/popularity
- Value
- Brand personality
- Organizational associations
- Brand awareness
- Market share
- Market price and distribution coverage

Brand Asset Valuator

- **Differentiation:** the defining characteristics of the brand and its distinctiveness relative to competitors
- **Relevance:** the appropriateness and connection of the brand to a given consumer
- **Esteem:** consumers' respect for and attraction to the brand
- **Knowledge:** consumers' awareness of the brand and understanding of what it represents

Power Grid

- **New/Fading Brands** have low brand stature and low brand strength. They can be sorted into two categories:
 - Neu has medium differentiation, less relevance, less esteem, and low knowledge.
 - Unfocused has low-medium differentiation, low relevance, low esteem, and high-medium knowledge.
- **Aspiring Brands** have low brand stature and high brand strength. They have high differentiation, medium relevance, slightly less esteem, and slightly less knowledge.
- **Power Brands** have high brand stature and high brand strength. They can be sorted into two categories:
 - Leadership has high differentiation, high relevance, high esteem, and high knowledge.
 - Decline has low differentiation and high relevance, high esteem, and high knowledge.
- **Eroding Brands** have low brand stature and high brand strength. They have low differentiation, slightly higher relevance, slightly higher esteem, and medium knowledge.

Other Methods to Measure Brand Equity

- As a financial asset
- As a price differential
- As consumer favorability and preference
- As consumer perceptions



Elegance is an attitude.

Brand Loyalty

- Brand loyalty is a consumer's commitment to repurchase or otherwise continue using a particular brand by repeatedly buying a product or service. Perceived value, satisfaction, and brand trust are also elements of brand loyalty.





Types of Customers

1. Hard-core Loyals
2. Split Loyals
3. Shifting Loyals
4. Switchers



Why Create Loyalty Programs?

- The benefits of brand loyalty are longer tenure, or staying a customer for longer, and lower sensitivity to price.
- By creating promotions and loyalty programs that encourage the consumer to take some sort of action, companies are building brand loyalty by offering more than just an advertisement.