Branding

10

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Learning Objectives

Upon completing this chapter the student will be able to:

- Define brand, branding, and related terms.
- Explain why branding is seen as an IMC tactic.
- Explain the importance of brand maintenance and how companies maintain their brands.
- Describe the process of developing a brand campaign.
- Explain the creative action plan.

Pre-Test

1. ______________ can be defined as a mental association, a promise made to consumers, or an intangible sum of attributes.
   a) A logo
   b) A brand
   c) A total product concept
   d) A trademark
2. According to the total product concept
   a) consumers' perceptions are based not just on the product itself, but on the benefits to the customer that the product represents.
   b) consumers will only buy products that come with complete lifetime warranties and guarantees.
   c) almost every aspect of life, including services, can actually be seen and marketed as a product.
   d) a brand name and logo must communicate to consumers every aspect of what the product offers.
3. ______________ is the ongoing process of reminding consumers of a brand and keeping the brand in front of them.
   a) Brand maintenance
   b) Brand repair
   c) Brand identity
   d) Brand loyalty
4. Which of the following is true about private brands?
   a) They offer a smaller profit margin for the retailer.
   b) They come with national IMC support from the manufacturer.
   c) They are purchased more often than national brands.
   d) They offer retailers higher profit margins but with additional costs.
5. The force that drives the brand campaign should be the—
   a) headline.
   b) concept.
   c) target market.
   d) visual idea.

Answers

1. b) A brand. The correct answer can be found in Section 10.1
2. a) consumers' perceptions are based not just on the product itself but on the benefits to the customer that the product represents. The correct answer can be found in Section 10.2
3. a) Brand maintenance. The correct answer can be found in Section 10.3
4. d) They offer retailers higher profit margins but with additional costs. The correct answer can be found in Section 10.4
5. b) concept. The correct answer can be found in Section 10.5

Introduction

All companies strive to protect their brand from unauthorized use. UPS® is no exception. The package delivery service, started in 1907, has grown into a global company. The brand is one of the most recognized brands in the world. In addition to package delivery, the company provides specialized transportation and logistics services (www.ups.com). Because UPS® partners with many organizations, it is easy for another company to use the brand in ways not beneficial to UPS®. To avoid this and to protect its brand, the company developed a UPS® Brand Exchange website (www.upsbrandexchange.com). The site gives guidelines for proper use of the UPS® brand for employees, brand communicators, customers, sponsored organizations, partners, and other third parties.

AP Photo/United Parcel Service

▲ The UPS® Brand Exchange website provides guidelines for various stakeholders on the proper use of the UPS® brand.

In this chapter we will look at branding. Branding started out as one of the variables that make up the total product concept. Marketers then realized the importance of a brand in terms of its impact on marketing communication. The use of branding has become more important because customers relate to a brand on an emotional and personal level. They grow to trust brands and the messages that brands communicate. Integrated marketing communication planners use branding as a silent salesperson. When no other marketing or advertising is present, a brand can communicate with customers simply by being on a product placed on a shelf. The development of a brand, a branding campaign, and a personality for a brand are very important concepts for IMC professionals. Total understanding of one's brand is necessary for success in executing an IMC campaign.

In this chapter, branding and its associated terminology are defined. We then look at the brand as part of the total product concept and its transformation into an integrated marketing communications variable. Branding strategies and tactics are discussed. Finally, we discuss a branding campaign and how it fits into the overall IMC campaign.

10.1 Brand and Branding

In this section, we examine the definitions of brand and branding, as well as other terms that relate to branding. Advantages and disadvantages of branding are discussed.

Defining Brand and Branding

There are numerous definitions for the terms *brand* and *branding*. Although the terms were defined earlier, in this chapter we further expand on the definitions. A brand is the ". . . use of a name, term, symbol, design, (distinctive coloring), or a combination of these to identify a product (or service)" (Perreault et al., 2012). According to advertising guru, David Ogilvy (1985), a brand is "the intangible sum of a product's attributes: its name, packaging, and price, its history, its reputation, and the way it's advertised." Allen Adamson, managing director of Landor Associates and author of *BrandSimple: How the Best Brands Keep It Simple and Succeed* says, "A brand is something that lives in your head. It's a promise that links a product or service to a consumer. Whether words, or images, or emotions, or any combination of the three, brands are mental associations that get stirred up when you think about or hear about a particular car or camera, watch, pair of jeans, bank, beverage, TV network, organization, celebrity, or even country" (p. 3). These different definitions show that, depending on how the term is used, *brand* can identify a company or its products, or it can be viewed in a more holistic manner as a sum of attributes or a promise made by a company to stakeholders.

The term, *brand*, is a noun, *branding* is a verb. According to marketing expert, Lois Gellar, branding "is an ongoing process of looking at your company's past and present . . . and then creating a cohesive personality for the company and its products going forward" (Cohen, 2011).

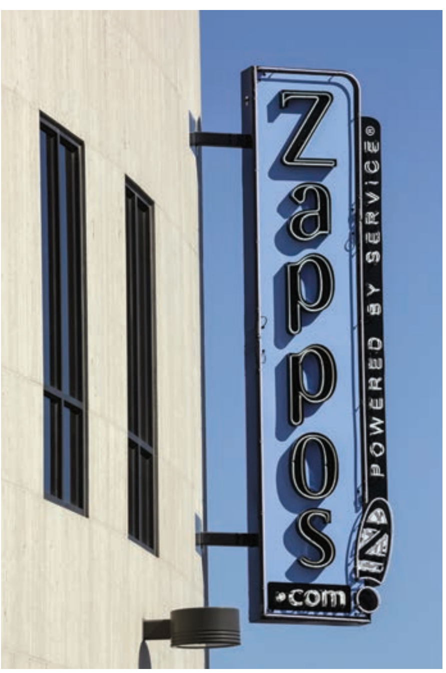
Jim Siegel, director of marketing and communications for HealthCare Chaplaincy, says,

> Successful branding is what you do, not what you say or show. Successful branding requires your delivering consistently positive experiences for your constituents. It comes from keeping your promises to them, from earning their trust that your brand will do its best at every point of contact to deliver on what they want and expect from you. This trust leads to their choosing your brand again. Successful brands never take their constituents for granted. (Simmans, 2013)

Advantages and Disadvantages of Branding

Branding is a necessity for all organizations but there are some drawbacks associated with the IMC tactic. Let's look at advantages and disadvantages of branding.

First and foremost, branding helps consumers identify a company or product. The brand is a shortcut to emotions and meaning in the customer's mind. The more a person is exposed to a brand the more aware that person is of the brand's attributes. Therefore, branding helps to build awareness. Once a consumer is aware of a brand, called **brand awareness**, an image of the company is formed. Companies want that image to be a positive one. The more positive the image, the more likely the consumer will consider the brand for future purchases. When the brand consistently delivers positive experiences, consumers are more likely to trust the brand. Brands that develop positive images and high levels of consumer trust have a competitive advantage. The brand is used to differentiate a company and its products from the competition. Successful branding can communicate bigger messages than just a logo. Trust, integrity, and reliability can also be communicated when a person sees a brand. For example, Zappos.com is known for high-quality service. This was not the case when Zappos first opened. It took time to communicate bigger messages with the brand.



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▲ Zappos.com built its brand by selling shoes and providing high-quality service.

Brands are assets for a company. Companies invest in obtaining **trademarks** and service marks so that no one can use their brand without authorization. In the 14th Annual Best Global Brands Report (Interbrand Releases . . ., 2013), Apple® beat Coca-Cola® as the number one brand. Previously Coca-Cola® held the spot for 13 years in a row. See Table 10.1 for the top 15 brands and their worth.

To determine the most valuable global brands, Interbrand looks at three key areas (Interbrand Releases . . ., 2013):

1. the financial performance of the branded products or service
2. the role the brand plays in influencing consumer choice
3. the strength the brand has to build sales and earnings for the company

Table 10.1 Top global brands in 2013

Ranking	Brand	Value in 2013 (in millions)	Percent change from 2012
1	Apple®	$98,316	+28%
2	Google	$93,291	+34%
3	Coca-Cola®	$79,213	+2%
4	IBM®	$78,808	+4%
5	Microsoft®	$59,546	+3%
6	General Electric	$46,947	+7%
7	McDonald's®	$41,992	+5%
8	Samsung	$39,610	+20%
9	Intel®	$37,257	-5%
10	Toyota®	$35,346	+17%
11	Mercedes-Benz®	$31,904	+6%
12	BMW	$31,839	+10%
13	Cisco	$29,053	+7%
14	Disney®	$28,147	+3%
15	Hewlett-Packard®	$25,843	-1%

Source: Based on data from http://www.interbrand.com/en/best-global-brands/2013/Best-Global-Brands-2013-Brand-View.aspx.

Although the advantages of branding outweigh the disadvantages, there are some drawbacks. First, developing a brand and branding is expensive. Many companies hire consultants to help develop a brand. Expense comes with the maintenance of the brand and keeping the brand up-to-date and relevant. This requires a long-term commitment, which is hard to sustain. Second, a brand can be easily damaged. An unintentional action by an employee or a product recall can tarnish a company's reputation, which affects the brand. It can take a long time to rebuild a brand's identity once it has been damaged. Finally, a disadvantage is that it's difficult to measure success. While a company can view sales and profits as an indication of success, intangibles such as trust and loyalty are harder to measure. Table 10.2 summarizes the advantages and disadvantages of branding.

Table 10.2 Advantages and disadvantages of branding

Advantages	Disadvantages
• Creates identity and builds awareness • Builds image, consistency, and trust • Used for differentiation and competitive advantage • Used to communicate bigger messages • Is a valuable asset	• Expensive • Requires long-term commitment and maintenance • Can be easily damaged • Difficult to measure success

Branding is a unique IMC mix variable because it crosses and affects all other areas of IMC. A brand helps develop continuity for a campaign or product. The brand is shown in almost all IMC executions. Branding brings the creative and business elements of advertising and IMC together. Although it looks like a basic concept, the development of a brand and the execution of a branding campaign as part of a total IMC campaign can be difficult.

Other Branding Terms

Brands identify the goods and services of sellers and differentiate those goods and services from those of the competition. Other terms allow us to dissect the concept of branding and gain better understanding of the power of a brand.

Brand names and logos help to differentiate brands. A **brand name** is the pronounceable portion of the brand. If you can pronounce it, it's the brand's name. Tide® Detergent, Starbucks™ Coffee, and McDonald's® are all brand names. A **logo** (also known as brand mark) is the distinctive lettering and coloring, design or symbol, or other distinguishing mark that IMC practitioners use to identify and differentiate their products and services. Logos are typically used on company products, services, and brands, as well as in advertisements. Apple® has one of the most recognized logos in the world.

Often marketers want to generate additional protection for their goods and services so they register their brands and brand marks with the United States Patent and Trademark office to create official ownership of the brand. By registering brands, organizations generate additional protection for brands; however, courts have held that whoever had the brand mark first, owns it!

There are two categories of brands: manufacturers' brands and dealer brands. A **manufacturer's brand** is a brand that is owned by the manufacturer of the product, good, or service. These brands are also referred to as national or regional brands. Delco, a manufacturer of batteries, for example, is owned by General Motors, but the batteries are sold by numerous retailers. **Dealer brands** are owned by the intermediaries. These brands are also referred to as store brands, private brands, distributer brands, or private labels. With a dealer brand, it doesn't matter who manufacturers the product, the brand itself is still owned by the intermediary. Take the example of Girl Scout Cookies. The Girl Scouts® have had several companies manufacture the product, such as Keebler and ABC Bakers, but when the product is sold, the consumer sees the Girl Scout Cookie branding and may have the perception that the Girl Scouts created the product. In this case, Girl Scouts of the USA licenses the companies to make the cookies.

In the execution of branding, many other terms are used. Often marketers want to take advantage of the strength of their brand. They may undertake **family branding**. In family branding, marketers place a "blanket brand" on all their products so that consumers will perceive that all have high quality. Craftsman branded tools, equipment, and work wear, sold by Sears, is an example of a family brand. **Individual branding** occurs when products within an intended market segment are unrelated. These products may be unrelated because they differ in price, differ in quality, differ in usage, or differ in some other way. Proctor & Gamble (P&G) is king of individual branding. Because P&G sells so many different and unrelated products within the grocery market, the company wants to keep consumers from comparing the product offerings. For example, P&G may not want consumers to know that it manufactures and sells Pampers® diapers as well as Crisco® Oil, Tide® Detergent, and Pringles® potato snacks. P&G may want to develop **brand personality** and brand awareness on an individual level and not confuse the consumer base with the many types of products sold.

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▲ Girl Scout Cookies are manufactured by various companies, but still carry the Girl Scout® branding.

Combination branding occurs when companies use a combination of an individual brand and a company name. For example, the Ford™ Mustang combines the company name (Ford) with the individual brand (Mustang). This identifies the product for the consumer and identifies the company that manufactures that product as well. **Multiple branding** occurs when a company has numerous different brands targeted to a market segment. Brewers do a great job of multiple branding to take advantage of differing consumer tastes within the beer category. Anheuser-Busch, for example, offers a range of products from an entry-level beer, to a mid-priced beer, to craft beer, to import beer, to high-end beer. They can then compete effectively on price and product quality perceptions within a specific product category.

❯ *Learning Check*

Reflect on your learning by answering the following questions:

1. What is the purpose of branding?
2. What are advantages and disadvantages of branding?
3. What companies come to mind that are examples of brand leaders?

10.2 Branding as an IMC Tactic

Branding has a unique history in terms of its use by marketers. Brands started as one of the many variables that were created to develop the **total product concept**. The concept describes how people view products as more than the generic product, but also look at areas such as service, price, brand, and packaging to develop perceptions about a product. The total product concept emphasizes that every product represents a bundle of benefits for the consumer. When those benefits are not realized, consumers are dissatisfied, more willing to listen to the competition, and may even defect to competitors' products. In sum, consumers demand many different things from their product purchases. The products that are purchased by end users include not only the physical goods, but warranties, services, guarantees, colors, personality, packaging, delivery, installation, image and other variables that meet the consumers' needs and wants.

Brand Communication

Marketers realized the power their brands had in assisting the consumer in making product choices. Consumers would buy products based upon brand name more than by looking at the ingredients in the product. The power of brand communication was discovered. Although branding is still part of the total product concept, its communicative powers make it a communication variable as well. As marketers focused more on developing brands for their products and services, brands became more valuable.

Brand Value and Brand Equity

Brand value and brand equity are closely related. The financial and accounting personnel of a company or organization account for **brand value** in the financial statements. Well-known brands are worth millions of dollars to firms (see Table 10.1) and can be bought and sold. The overall value of a brand is known as brand equity. Brand value is counted in financial statements whereas brand equity is in the minds of stakeholders, mainly customers. Five areas drive brand equity (Aaker, 1991).

1. Awareness—The target market must minimally be aware of the brand.
2. Loyalty—Becoming the brand of choice contributes to brand equity.
3. Perceived quality—Consumers make judgments about brands, which impacts brand equity.
4. Brand association—When consumers have positive memories about the brand, the equity of the brand is increased.
5. Other proprietary asset—Accumulated patents, trademarks, relationships with trade partners, and intellectual property rights strengthen a company's competitive edge.

Consumers develop experience with a brand and learn what the brand represents. Positive experiences help build brand equity while negative experiences erode brand equity. Brand equity needs be managed and maintained for maximum effectiveness. As part of this process, brand value needs to be estimated. According to Duncan and Moriarty (1997), there are ten strategic drivers of brand value.

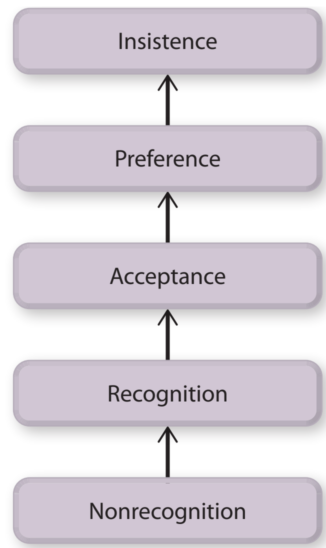
1. Create and nourish relationships rather than just make transactions.
2. Focus on stakeholders rather than just customers or shareholders.
3. Maintain strategic consistency rather than independent brand messages.
4. Generate purposeful interactivity rather than just a mass media monologue.
5. Market a corporate mission rather than just product claims.
6. Use zero-based planning rather than tweak last year's plan.
7. Use cross-functional planning and monitoring rather than departmental planning and monitoring.
8. Create core competencies rather than just communication specialization and expertise.

9. Use an integrated agency rather than a traditional full-service agency.
10. Build and manage databases to retain customers rather than just acquire new customers.

Brand Familiarity Ladder

Consumers become aware of a brand over time. When people buy a product there are different levels of involvement, depending on the type of product and the reason for purchase, as discussed in an earlier chapter. Like products, brands also have different levels of familiarity or how well a brand is known by consumers. The brand familiarity ladder shown in Figure 10.1 can be useful when planning the branding campaign.

Figure 10.1 Brand familiarity ladder



With the brand familiarity ladder, all brands begin at the **nonrecognition step**. Consumers have not heard of the brand or they may not recognize it. For example, a consumer that bought a product, perhaps cereal, may have consumed the product but does not remember the brand. This is nonrecognition. IMC planners must generate enough communications so that the target market becomes aware of the brand's existence. From **brand nonrecognition**, consumers slowly become aware of the brand and move to the brand recognition step.

Brand recognition happens when consumers have heard, seen, or read about the brand and can identify the brand. Creating top-of-mind awareness is the ultimate goal. **Top-of-mind awareness (TOMA)** is defined as "the first brand that comes to mind when a customer is asked an unprompted question about a category. The percentage of customers for whom a given brand is top of mind can be measured" (Farris, Bendle, Pfeifer, and Reibstein, 2010). For example, name the first fast food restaurant that comes to mind. The top answers for this question are McDonald's® and Burger King®. These brands have TOMA.

imagebroker.net/SuperStock

▲ McDonald's® and Burger King® are brands that have strong top-of-mind awareness.

Once consumers are aware of the brand and recognize it, they have an opportunity to reject the brand at this step or in the next steps. Brand rejection may occur because the consumer tried the brand and didn't like it, or it may occur because the consumer has seen or read about the brand (perhaps spoken with friends, looked up ratings online, or some other method of awareness) and it doesn't appear to satisfy the customer's wants and needs. Many people read online reviews of products. These reviews may cause brand rejection. If the consumer likes something in the review, the reviews move the consumer to the next step in the ladder, called brand acceptance.

Brand acceptance occurs when consumers accept the brand as one of their purchase alternatives when purchasing brands within a product category. In brand acceptance, the consumer feels the brand meets minimal expectations and satisfies his or her wants and needs. Brand acceptance is required before the consumer prefers a company's brand. **Brand preference** occurs when the consumer accepts and prefers a company's brand over all others. In the brand preference step, consumers are willing to use or buy another product if the one they prefer isn't available. Think about going out to eat. Perhaps you prefer Pepsi. You request a cola and the server asks if Coke® is okay. Although you would rather have a Pepsi, you feel that Coke will quench your thirst and satisfy your needs so you order the Coke. This is an example of brand preference.

The ideal step for an IMC professional in regard to developing the brand is called **brand insistence**. In brand insistence, consumers refuse to accept a purchase alternative. Using the previous example, when a brand insistent person is asked if Coke is okay, he or she will say no. People who insist on a brand will travel farther to get it. They display the highest degrees of loyalty to a brand. For example, Jeep® is an iconic brand with many loyal consumers who insist on Jeep when purchasing automobiles.

Jeep® Thanks Fans for Facebook Likes

In this video, Jeep employees thank fans for their loyalty:

http://www.youtube.com/watch?v=7DVrnCXY4-U

Brand Identity

In order to build brand equity, marketers begin by looking at a brand's identity. **Brand identity** is the outward expression of a brand (name, trademark, communications, and visual appearance). Brand identities reflect how organizations want consumers to perceive their brands and products (Neumeier, 2004). A brand's identity should be simple and clear. L'Oréal®, for example, wants consumers to know L'Oréal is the best on the market. To promote that identity, advertisers created the slogan, "Because I'm Worth It." Over the years, the slogan was modified to the current slogan, "Because We're Worth It." With an identity in hand, advertisers turn to the task of creating awareness for their brand. Brand awareness comes about through comprehensive integrated marketing communications where the IMC campaign is designed to focus on, support, or reinforce the brand identity.

What Goes Into Creating a Brand Identity?

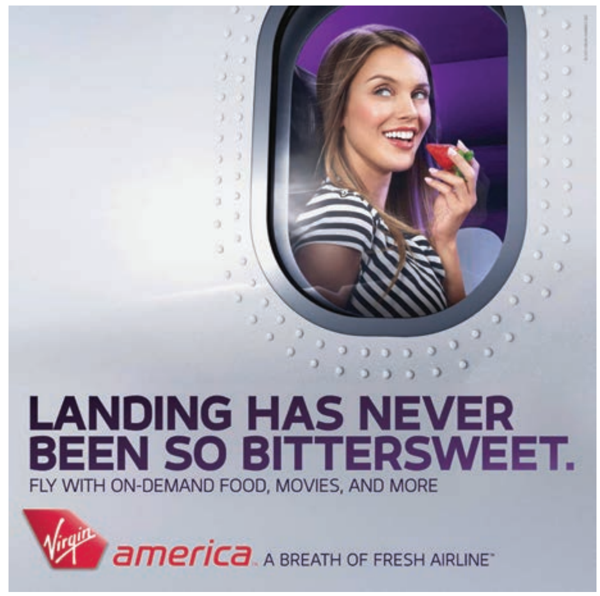
In this video, branding specialist, David Brier, takes us behind the thinking and process when developing a brand:

http://www.youtube.com/watch?v=ql-RnwR-37U

Brand Image

Having developed brand awareness, marketers then look to build or protect their brand's image. A **brand image** is the impression consumers have about a particular brand. Image is formed by interactions with the company as well as the quality of the products and services offered. A brand's image must match the brand's identity in order to develop effective communications. Companies use brand identity to help consumers define a brand image. If there is a gap between identity and image, the organization must discover the gap and work to ensure the intended brand identity matches the brand image. Many companies conduct advertising and IMC research to determine the image consumers have about different brands.

Part of the brand image is the **brand promise**. According to Jean Wilcox, branding expert, "A brand promise is the statement that you make to customers that identifies what they should expect for all interactions with your people, products, services, and company" (Cameron and Wilcox, 2003). A brand's promise should be consistent with the creative brief that was developed in the IMC plan and represent the benefits (or at least the unique selling proposition) the brand will provide the buyer. Most brand communications are built around the brand's promise to the consumer. An example of a brand promise is as follows: "Virgin America is a California-based airline that is on a mission to make flying good again, with brand new planes, attractive fares, top-notch service, and a host of fun, innovative amenities that are reinventing domestic air travel" (Virgin America: www.virginamerca.com). If consumers receive the benefits promised, they typically will have a good brand experience. For brands that don't measure up to their promises, consumers will typically look elsewhere the next time they have a need or want to satisfy.



PRNewsFoto/Virgin America

▲ Virgin America is a brand that promises to make flying fun.

Marketers must gather data that help them determine the brand experience consumers gain from using the brand. **Brand experience** is defined as the thoughts, feelings, and behaviors displayed by consumers when interacting with brand stimuli (Brakus, Schmitt, and Zarantonello, 2009).

Brand Loyalty

The more positive brand experiences a person has, the more likely the person will become **brand loyal**, which means the person consistently buys the same brand when making purchases in a product class. Brand loyalty is an indication of a customer's relationship with a brand. People who have high degrees of brand loyalty have an emotional connection to a brand and high levels of commitment to the company and products. A customer who consistently buys True Religion® brand jeans (category) and insists that these are the best jeans available (commitment), even when there is evidence that this may not be true, is said to be brand loyal. Brand loyalty contributes to a brand's equity.

The rental car company, Avis®, undertakes customer research every year to make sure it is meeting expectations. In one study, price, convenience, safety, and customer service were identified as areas where Avis could improve. Avis improved these areas and reassessed consumers' perceptions. Avis found that it is doing a great job and building brand equity while driving sales (Bearden et al., 2004).

According to a study by Ernst & Young (2012) that surveyed 25,000 people across 34 global markets, brand loyalty is fading. Ernst & Young call today's consumers "chameleons," because only one in four consumers in the developed world say that a product's brand influences purchasing decisions. In developing markets there is a higher degree of brand loyalty. Twenty eight percent of consumers surveyed say that the brand influences purchases. Chinese people were most influenced by brands (40%), followed by Brazilians (34%), and people from India (32%). The research found that different sectors have different levels of brand loyalty. Telecom providers have the highest rating (6.8 out of 10). Next are food and beverages (6.6 rating out of 10). Lowest rated areas are financial services (4.8 out of 10 for consumer loans) and government authorities (5.6 out of 10).

Branding with a Small Budget

The cost to develop and run a first-class branding campaign can be high. The IMC professionals need to consider the budget prior to developing the campaign. Even if an organization doesn't have a lot of money to spend, effective campaigns can be developed with small budgets. Costs can be shared or charged to other cost centers if branding activities drive business for other units. It doesn't matter if there is a small or large budget (although a larger budget will allow more options), a manager still needs to pay attention to the activities of the marketplace. Here are some tips to build brands no matter the size of the budget (Ogden and Rarick, 2010).

1. Join the local chamber of commerce. Chambers of commerce have a dues structure that is typically minimal for the exposure and support received. Chambers offer brand planners connections and are a great way to begin the process of building and growing a brand. Attend mixers, fundraisers, and other chamber activities to get more exposure for your company. If possible, host a mixer or sponsor a chamber event.
2. Always include the company's tagline and the unique selling proposition (USP) in communications to differentiate the business from others. Include the tagline, USP, and email signature on business cards as well.
3. Write an article or editorial about the business. Highlight what has been done in the community. Highlight anything that is relevant to your audience. Post the article online through e-zines, websites, and blogs. Attempt to get the article into local (or national) publications and broadcasts.
4. Create a blog and maintain it. Try to get on a high-traffic site for the blog.
5. Create a company page on a social networking or social media site such as Pinterest, Twitter, Facebook or Myspace.
6. Invite local media representatives to tour the business or to shadow employees as they work. Make sure to include the business editors of local papers, radio and television stations.
7. Get listed in local directories. Consider new resident publications and organizations such as Welcome Wagon.
8. Provide business cards, brochures, sales sheets, discounts, etc., to business leaders.

Bloomberg via Getty Images

▲ For businesses with small budgets, the local chapters of the U.S. Chamber of Commerce can help with brand exposure.

The key to branding is to make sure branding initiatives are in line with the money in the budget. Work from the budget when developing the brand campaign.

> ### ❯ *Learning Check*
>
> Reflect on your learning by answering the following questions:
>
> 1. Why is branding seen as an IMC tactic?
> 2. How do organizations develop brand equity?
> 3. Why is it difficult for companies to achieve brand insistence for their products?
> 4. How do company employees contribute to brand image?

10.3 Brand Maintenance

It is not enough to create a brand. In order to grow brand value and brand equity, brands must be nurtured and maintained. **Brand maintenance** is the ongoing effort to keep the brand in front of customers and other stakeholders. A company's brand reaches many stakeholders including customers, intermediaries such as advertising agencies, employees (including accounting and finance, operations, human resources, etc.), and other stakeholders who impact and shape a company's brand on a daily basis. It takes work to keep the brand relevant. With all the message clutter customers face on a daily basis, a reminder of a company's brand may help when it comes time to make a purchase decision. A target market's needs, wants, and desires can change immediately. Things that are important to the customer base now may not be important tomorrow or ten years from now. It is important for a brand to keep pace with changes.

AP Photo/General Mills

▲ Betty Crocker is a brand that has adapted to the changing consumer. The fictional housewife depicted in the company's branding has changed looks many times over the years to adapt to the changing consumer.

Internal Support

To maintain and grow a brand everyone in the company needs to be involved. Every employee, from the janitor to the CEO, must be brand ambassadors. Every employee should know how he or she is part of the brand. It helps to have an educational component to IMC efforts so that everyone knows what is being communicated. This helps to ensure messages are delivered in consistent ways.

Brand Review

A strong brand management plan includes periodic brand reviews. IMC planners do not go through this process because there is something wrong with the brand, rather they go through the process


PRNewsFoto/Harley-Davidson Motor Company
▲ The Harley-Davidson brand essence is freedom and independence.

to make sure the brand stays relevant. This is a normal and useful process of brand maintenance. It is a good idea to include as many employees as possible when going through the brand review process in order to get their buy-in on branding strategies and executions. By being part of the branding review team, employees will become more motivated, understand the brand better, and become better brand ambassadors.

In going through the brand review process make sure the following questions are addressed (Ogden and Rarick, 2010).

1. What is the **brand essence**? The brand's essence is the purpose of the brand summed up in simple terms (use the creative brief). For example, Harley-Davidson's essence would be "Freedom and Independence."
2. Do consumers view the brand essence the same way the company does?
3. How is brand awareness within the target market or target audience? Are brand recognition and brand recall at acceptable levels for the company?
4. How much brand value and brand equity have been built? Have they increased or decreased over the past planning period? Why?
5. Is the brand legally protected? Is there a trademark or a service mark to create more protection for the brand?

It is often a good idea to have an outside company conduct a brand review to get an objective perspective. Whether done in-house or by an outside company, a brand review is necessary to keep the brand relevant and keep the brand equity high.

Brand Repair

One key idea to remember is that organizations want to create positive brand images in consumers' minds. Negative impressions associated with a brand can only harm it and these impressions take a long time to dissipate. It may take months, or even years to overcome a negative brand impression. Marketers must work very hard to make sure the brand has no or very little brand rejection.

Even the best brands experience trouble. From a negative post on social media to a full-blown legal scandal, brands can incur lasting damage unless there is an organized attempt to rebuild. According to Karen Post, a branding expert known as the "brand diva," damaged brands can recover. Here are some of her tips for repairing a damaged brand (Post, 2012):

1. Take responsibility.
2. Don't give up.
3. Have strong leaders that manage the damage.
4. Stay relevant with stakeholders.
5. Keep improving.

6. Build equity through honesty and transparency.
7. Keep the uniqueness of the brand.

According to Post, once the brand recovers, put in place a comprehensive plan to better respond to future brand threats. Because communication with stakeholders is important, a key component of the brand repair process is public relations.

Learning Check

Reflect on your learning by answering the following questions:

1. What are some companies that do a great job of brand maintenance?
2. Why is it important to periodically conduct brand reviews?
3. Can all brands be repaired? Explain.

10.4 The Branding Campaign

As with other IMC tactical executions, brand planners create a plan that can be inserted into the overall IMC plan. IMC professionals will often create branding campaigns as opposed to the traditional IMC campaign. A branding campaign focuses on the brand as the lead unique selling proposition and all IMC objectives, strategies, and tactics are brand based. In developing the branding plan (or the branding campaign), follow the same outline provided throughout the text: Develop objectives, follow with a strategy that will guide the company in reaching objectives, and then create branding tactics.

In brand planning development, the general objective is to create a brand that will identify products and services. The goal is to differentiate products and services from those of competitors while allowing customers to know and understand the brand.

Building Powerful Brands

In this video, Graeme Newell reveals how McDonald's® and Coke ® have built powerful brands:

http://www.youtube.com/watch?v=-hQoSREwrCA

Integrating Branding Objectives

Branding overlaps with all other areas of IMC. Even in personal sales, the experience a customer or potential customer has with a salesperson is part of the brand experience. Every time a consumer or potential consumer is exposed to a company or product line, it's typically through the company's brand. For example, every advertisement a company runs impacts the reader, reviewer, listener, or consumer base. Strong branding creates consistency for a campaign. A company may run print advertisements with special discount coupons for particular items the company is trying to liquidate. Anyone reading this advertisement is exposed to the company logo. Consumers will feel a certain way about the ad and may even witness the personality of the brand from the ad. Most importantly, readers who have been exposed to the ad will make some type of judgment about the ad concerning its quality, the offer, and the company. When developing objectives, remember to make them SMART (specific, measurable, attainable, relevant, with a time frame). Shown below are three examples of brand objectives:

- Attend five trade shows in the next 12 months to expose the brand to potential retail buyers. We will give out 10,000 business cards and brand promotions at the trade shows.
- Position our brand as reliable as measured by customer service scores. Our goal is to increase the reliability factor from 67% to 90% in a 12-month period.
- To increase awareness of our brand capabilities by providing free product samples that demonstrate our best-quality chocolates. One million products will be provided with the goal of increasing brand awareness scores from 45% to 60% in a 6-month period.

Branding Strategies

When an IMC program is correctly implemented, a company should see an increase in sales, or another benchmark will be attained. Typically, the more money and resources devoted to the IMC program, the more progress will be achieved. However, money and resources do not guarantee success. Other areas that affect the likelihood of success include the quality of the IMC program, the economy, the competition, the uniqueness of product offerings, and how quickly trial purchases turn into repeat purchases. A company wants its target market to climb the ladder of brand familiarity from awareness to brand insistence as quickly as possible. The goal is to generate not only top-of-mind awareness for the brand in the category, but to build brand insistence and loyalty. Companies want to have the product of choice among all competitors within product and brand categories. Once this has been accomplished, the company is a brand leader.

Several different strategies can be used in the creation of the branding plan. We mentioned family branding or private branding. These are branding strategies. Other categories help create a powerful brand strategy. These include brand extensions, flanker brands, and co-branding. A company considers the big picture to determine a branding strategy. This includes examining the marketing and IMC plans. The market, products, and existing brand names are also taken into account. Let's take a closer look at brand strategies.

AP Photo/Rick Bowmer

▲ Nike used brand extension to launch its eyewear line.

Brand and Line Extension

A **brand extension** strategy is the use of a current core brand for new products in new territories or markets. The extension may or may not be related to the company's core products. The concept of brand extension is to use the powerful emotions and awareness created by the core brand for additional product offerings. A good example of brand extension is how Nike used the power of the Nike shoe brand on eyewear.

A **line extension** strategy is used when a company wants to expand an existing product line. For example, a watch company may introduce accessories in its line of watches. In this case, the watch brand is carried over to the accessories.

The strength of a brand name lowers the cost of launching a new product or line.

Flanker Brands and Diversification

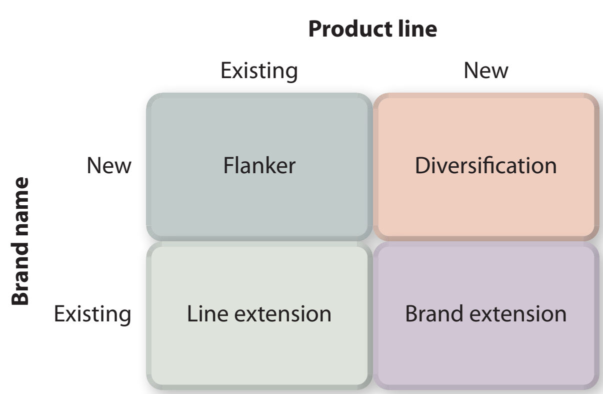
Flanker brands are developed for new products offered by a company or organization that already has at least one brand offering within the intended market segment. A flanker brand strategy is often used in markets that a company's current brands don't reach. They typically are specialty-type products within a larger market segment. If an IMC or brand planner feels the current brands may harm a new market offering they may opt for a flanker brand. Conversely, if the planner feels a new offering may harm an existing company brand, a flanker brand would be considered. The greeting card company, Hallmark, wanted to launch a new line of cards to sell below market price. Since Hallmark's brand and theme are "when you care enough to send the very best," Hallmark did not feel a discounted product would help the current branding. In fact, Hallmark felt that the new line of cards would hurt sales of the flagship brand cards and possibly damage the brand. Hallmark decided to launch the new line of cards under the brand Shoebox and not associate that line with the Hallmark brand. This allowed discounting the product while protecting the flagship brand at the same time.

▲ Shoebox is a flanker brand for Hallmark.

Diversification involves launching a new product in a new market. For example, PepsiCo has many brands aimed at different target markets including Lay's, Tropicana, Quaker, and Gatorade®.

Figure 10.2 summarizes the strategies with a 2 × 2 matrix that combines product line (existing vs. new) and brand name (existing vs. new).

Figure 10.2 Product line and brand name



Private vs. National Brands

Retailers often use a private brand (also called dealer brand) strategy. One problem retailers face when developing their merchandise assortment is achieving an appropriate balance between their own brands (private labels) and the national assortment of products (national brands, also known as manufacturer's brands). This balance is important because the retailer has to allocate shelf space for each of these products. Although there is demand for national brands, they generally have a smaller profit margin for the retailer; however, they are supported with national IMC developed by the manufacturer. In contrast, private labels provide higher margins—an advantage to the retailer—but require additional costs and tasks such as communicating the brands to consumers and developing consumer brand loyalty to the private labels (Ogden and Ogden, 2005).

AP Photo/Starpix, Marion Curtis

▲ Sofía by Sofía Vergara Collection is exclusive to Kmart department stores.

According to the Private Label Manufacturers Association (PLMA, 2012), nearly one of every four products purchased in the United States is a store brand, accounting for over $120 billion in sales per year. J. C. Penney is an example of a retailer that carries both private brands and national brands. Its private brands include Arizona Jeans®, Hunt Club®, Stafford®, and St. John's Bay®. National brands include Levi Strauss's Dockers®, Adidas®, Lee®, and Ocean Pacific.

Additionally retailers can create merchandise or private-label brands that are "exclusive" to their stores. Many discounters have begun to carry exclusive, designer-based clothing to attract customers to those brands and to have the ability to create higher prices for those products. For example, the following retailers have exclusive merchandise linked to celebrities (Vivanco, 2011):

- Macy's—Madonna's Material Girl and Diddy's Sean Jean line
- Sears—Kardashian Kollection
- Kmart—Sofia by Sofia Vergara
- Kohl's—LC (Lauren Conrad); Jennifer Lopez Collection; Marc Anthony Collection
- Target—Gwen Stefani's Harajuku Mini

Co-Branding

The last strategy for consideration is called co-branding.

Co-branding takes place when two (or more) brands are combined to generate additional exposure for each of the brands. Nike and Apple® co-branded The Sports Kit, a wireless system that connects shoes to an iPod.

There are three types of co-branding initiatives available to the brand planner: ingredient branding, cooperative branding, and complementary branding (Clow and Baack, 2014). **Ingredient branding** occurs when one or more brands are placed inside another brand. This helps to cut IMC expenses while extending a brand's identity. An example of ingredient co-branding would be the M&M Cookie Bar. Betty Crocker created an ingredient co-branding campaign with Mars to create the M&M® Cookie Bar Baking Mix. **Cooperative branding** occurs when two (or more) brands are placed in a new good or service. Cooperative branding is usually established as a joint venture between two or more companies (Clow and Baack, 2014). For example, the home furniture and décor retailer, Pottery Barn®, partnered with Sherwin Williams to create paint colors sold in the Pottery Barn stores.

AP Photo/Paul Sakuma

▲ The partnership between Nike and Apple® to produce the Nike + iPod Sport Kit represents co-branding.

In **complementary branding** two (or more) brands are marketed together in order to drive additional sales and profits for both brands. For example, during the holidays you can often find Campbell's Cream of Mushroom Soup in the same advertisement as Del Monte Green Beans. Both are ingredients in green bean casserole. When a volume sale is an objective, brand planners may use complementary branding to stimulate additional product consumption. The purpose of co-branding is to generate brand equity.

When co-branding, a company has to make sure its brand isn't overshadowed by the co-brand. Remember, a brand is measured by the company it keeps. Some good advice to keep in mind is "Before joining the co-branding party, brand stewards should be certain that their potential partner(s) is not only compatible with their host brand, but is also not likely to overshadow or in other ways dilute their brand's identity" (Upshaw, 1995).

Branding Tactics

Once the brand objectives and strategy are developed, the tactical executions come next. Remember the process of developing objectives, strategy, and tactics is an iterative process, which means it occurs repeatedly. So when developing the marketing plan, IMC is a tactic. Within IMC, there are objectives, strategies, and tactics. The process of developing objectives, strategies, and tactics repeats for each IMC tactic: advertising, personal selling, sales promotion, public relations and publicity, direct marketing, and Internet marketing.

Branding tactics are dependent upon making emotional connections with varying audiences. In branding, creativity is the basis for tactical execution development. Creativity allows for thousands of methods to execute branding campaigns. Variables have to be worked out, logos developed, taglines tried, color palates created, jingles written, etc. It can be a very time-consuming project. Before we look at some areas to address when generating branding tactical executions, let's take a look at creating those emotional connections.

As mentioned before, branding is one of the key areas where consumers make an emotional connection with a company and the company's products and services. The value of a brand is just as important to marketers from an internal point of view, as it is to its many publics. Therefore, it's important to include an agency's (or company's) employees, coworkers, and stakeholders in any new branding and advertising efforts. This gives instant buy-in on the brand internally, which carries forward when the brand is launched to the public. Brand buy-in can be achieved by sending memos, emails, phone calls, postings, or by circulating notices about the project. Post circulars in lunchrooms, break rooms, hallways, or any place that the circulars will be noticed. Avis®, with the assistance of its IMC agency, put printouts of upcoming branding events into employees' paycheck envelopes to notify the employees about the new branding campaign prior to its going public (Ogden and Rarick, 2010).

It may be a good idea for a company to hold a company-wide meeting where the branding campaign can be shown with time for input, questions, and answers. These meetings create an emotional connection to the brand. The development of brand executions is essential for a great branding campaign. Because of that, advertisers and branding professionals will typically develop a research-based creative action plan, which includes all elements of the branding campaign and serves as a guide for the graphic designers to integrate the brand in all IMC executions.

Learning Check

Reflect on your learning by answering the following questions:

1. How does branding overlap with other areas of IMC?
2. What are the main branding strategies?
3. How do private and national brands contribute to a retailer's merchandise assortment?
4. What are the benefits of co-branding?

10.5 Creative Action Plan

A creative action plan is one tool to use when developing branding executions. Although all action plans are different, most of them have the same basic elements shown in Table 10.3.

Table 10.3 Creative action plan sections

Section	Description
Client	Identify the client (if applicable). Include the product or service being marketed to allow those using the plan to get the "big picture."
Target market	Provide a comprehensive, yet brief, target market identification. Use graphs, charts, figures, and illustrations to get the point across.
Competitive analysis	In almost all situations, the brand planner should include a brief synopsis of the competition. Include a SWOT analysis (strengths, weaknesses, opportunities, and threats) of the competition and your business.
Market perception	Describe what the marketplace currently thinks of the company's products and services, as well as what the marketplace thinks of the company. Any gaps between market perception and what the company wants the perception to be should be described.
Unique selling proposition or value proposition	Describe the value proposition or unique selling proposition. List the brand benefits for the target market. Discuss product claims as well as any supporting research for the claims.
Support	Describe the endorsements or partnerships that support the brand.

(continued)

Section	Description
Tone	The tone of the brand reflects its mood. The mood is created by the format used for the brand and other IMC tactics. For example, does the product or brand lend itself to informative formats? Urgent? Classy? Funny? Cute? Entertaining? Each format type creates a mood for the brand.
Integration	Keep in mind that the brand will be integrated into all areas of marketing communication. The brand will be used in personal selling, direct marketing, advertising, sales promotion, electronic and Internet marketing, as well as public relations and publicity. It is at this point the brand intersects with not only the other IMC variables, but the entire marketing plan and business plan as well.

Creative Strategy Template

Marketer and author Pamela Mickelson (2011) provides a creative strategy template that serves planners well when creating their branding executions. Mickelson suggests a four-step template:

Convince → To Use → Instead of → Because

The planners will add brand specific information to the template:

To convince the target audience

To use (or purchase, vote, give, join, etc.) the company brand

Instead of (your competitor)

Because (value proposition, USP, key drama, desired benefit, customer problem/solution, focus of the sale)

In addition to the creative strategy template, Mickelson suggests outlining headlines, taglines, and body copy (the main part of the text in a marketing communication piece). By looking at creative concepts, a branding idea may emerge. Additionally, planners can visualize what the branding campaign will look like when launched. Mickelson suggests (2011) focusing on the following components:

- *Visual idea*—Make your visuals including the headline, arresting and involving.
- *Body copy: opening*—Make the opening a "grabber." Write a short and "punchy" sentence that brings the reader into the rest of the copy. Make the product benefit statement within the opening paragraph of the body copy.
- *Body copy: middle*—The middle should sum up the benefits and offer support for any claims about the brand. Mickelson suggests that this is the right place to include a memorable phrase.
- *Body copy: end and call to action*—The end of the copy should tell the reader (or listener) exactly what to do. Refer to the headline. Close with a "feel-good ending." Provide love, a promise, a great future, or whatever meets the target market's needs.
- *Headlines*—Headlines should attract attention. They provide a reason to read or listen to the ad. Good headlines suggest customer benefits and help define the market. Headlines may allow the audience to self-select. Remember the headline created for Preparation H? The headline simply read "Hemorrhoid Sufferers?" That was enough to get those agonizing over hemorrhoids to read the advertisement.

- *Taglines*—Taglines come out of headlines and are used through the entire branding campaign. The tagline tells the audience how the brand wants to be known. It should summarize the brand's promise or mission. The tagline should appear near the logo and appear in the final phrase to support its earlier mention.
- *Concept*—The concept is the communication idea that drives the goal of brand persuasion. The concept should be the driving force of the campaign. It should be included in all messaging. The concept should speak to the audience. Headlines combined with visuals make great concepts.

A final thought—branding offers signals to consumers. When developing branding objectives, strategy, and tactics, a company must be aware of the signals that are sent by the brand in the different environments in which the brand competes. Allen Adamson, the managing director of Landor Associates, provides a list of activities one should look for in the development of branding (Adamson, 2006).

© Shannon Stapleton/Reuters/Corbis

▲ The inside of an Abercrombie & Fitch® store sends signals about the brand. What does it say?

"Anything that is an expression of the idea the brand is trying to convey is a branding signal." This can include the following: a) the name of the brand, colors, taglines, music, and all marketing communications; b) package design, product functionality, and product design; c) retail environments, online experiences, websites, and customer care; d) the behavior of the people who work for the brand (would you expect someone who sells Nike t-shirts to wear Adidas®?); e) the service a brand provides is a signal; and f) anything that makes someone feel something about a brand.

Importance of Research

No matter which tactic is chosen, it should be tested through research. Mistakes made early can be corrected before the brand builds an audience. Work out the problems in the beginning. Create a method of evaluation and control that will allow brand planners to make changes to the brand without damaging it. Create strategic responses based on how the marketplace will react. Being proactive will save time and money.

› *Learning Check*

Reflect on your learning by answering the following questions:

1. In your opinion, which elements of the creative action plan are most important and which are least important?
2. What is the purpose of a creative strategy template?
3. How can research help with branding?

Summary and Resources

In Chapter 10 we looked at the concept of branding. We learned that branding communicates many messages and is an IMC tactic. While there are advantages and disadvantages to branding, every company uses branding. The chapter discussed the process of moving a customer from nonrecognition to brand insistence. Concepts of brand equity and how brand value is created and defended were also discussed. The idea of branding's role in the overall IMC plan was presented. We saw that brand maintenance is very important in achieving IMC goals because of the impact brands have on consumers and potential consumers.

The chapter ended with a discussion on how to create a branding campaign including objectives, strategies, and tactics. The information provided in the first 10 chapters of this book lays a foundation from which to build a new IMC campaign. In the last two chapters we will look at the future of IMC planning and execution.

Post-Test

1. ______________ can be defined as a mental association, a promise made to consumers, or an intangible sum of attributes.
   a) A logo
   b) A brand
   c) A total product concept
   d) A trademark
2. According to the total product concept
   a) consumers' perceptions are based not just on the product itself but on the benefits to the customer that the product represents.
   b) consumers will only buy products that come with complete lifetime warranties and guarantees.
   c) almost every aspect of life, including services, can actually be seen and marketed as a product.
   d) a brand name and logo must communicate to consumers every aspect of what the product offers.
3. ______________ is the ongoing process of reminding consumers of a brand and keeping the brand in front of them.
   a) Brand maintenance
   b) Brand repair
   c) Brand identity
   d) Brand loyalty
4. Which of the following is true about private brands?
   a) They offer a smaller profit margin for the retailer.
   b) They come with national IMC support from the manufacturer.
   c) They are purchased more often than national brands.
   d) They offer retailers higher profit margins but with additional costs.

5. The force that drives the brand campaign should be the
   a) headline.
   b) concept.
   c) target market.
   d) visual idea.
6. What is the foremost advantage of branding for a product or company?
   a) It creates awareness.
   b) It creates a positive image.
   c) It makes consumers trust a company.
   d) It is hard to damage once established.
7. What is the difference between brand image and brand identity?
   a) Brand image is the outward expression of a brand, while brand identity is how consumers feel about the brand.
   b) Brand image refers to consumers' impressions about a brand, while brand identity is how companies would like consumers to perceive it.
   c) Brand image includes the brand's name, trademark, and visual appearance; brand identity is formed by the quality of products being offered and by interactions with the company.
   d) Brand image can be measured in a financial statement; brand identity is intangible and exists in the minds of stakeholders.
8. Why is it important to include as many employees as possible in the brand review process?
   a) Brand damage is usually caused by employees who do not understand the brand.
   b) To find out whether consumers view the brand essence the same way the company does.
   c) Being included helps employees take responsibility if they have damaged a brand.
   d) Being included helps employees be more motivated, understand the brand, and become better ambassadors.
9. A hair salon chain has partnered with a celebrity stylist to introduce a brand new line of hair products that will be sold in the salon. This is an example of
   a) ingredient branding.
   b) cooperative branding.
   c) complementary branding.
   d) multiple branding.
10. Why is research important, regardless of the branding tactic used?
   a) Research can identify problems early on so they can be fixed before the brand has a large audience.
   b) Research allows employees to become a part of the branding process and act as brand ambassadors.
   c) Research allows planners to skip over some of the more tedious steps of the creative strategy template.
   d) Research is what convinces the target audience to use the company brand.

Answers

1. b) A brand. The correct answer can be found in Section 10.1.
2. a) consumers' perceptions are based not just on the product itself but on the benefits to the customer that the product represents. The correct answer can be found in Section 10.2.
3. a) Brand maintenance. The correct answer can be found in Section 10.3.
4. d) They offer retailers higher profit margins but with additional costs. The correct answer can be found in Section 10.4.
5. b) concept. The correct answer can be found in Section 10.5.
6. a) It creates awareness. The correct answer can be found in Section 10.1.
7. b) Brand image refers to consumers' impressions about a brand, while brand identity is how companies would like consumers to perceive it. The correct answer can be found in Section 10.2.
8. d) Being included helps employees be more motivated, understand the brand, and become better ambassadors. The correct answer can be found in Section 10.3.
9. b) cooperative branding. The correct answer can be found in Section 10.4.
10. a) Research can identify problems early on so they can be fixed before the brand has a large audience. The correct answer can be found in Section 10.5.

Key Ideas

- Branding is not only a component of the product, it's also a tactic used for marketing communications.
- Branding is one of the tactical executions available to marketing communicators. It is used with the other tactical executions of direct marketing, electronic/Internet marketing, advertising, sales promotions, public relations/publicity, and personal selling.
- Branding is used to identify the goods and services of one seller and to differentiate those goods and services from those of the competing brands.
- Brands and brand development create economic value for a company. Brands are seen as assets by companies and organizations.
- The development and maintenance of brands can be expensive and time-consuming. Because of the value associated with a brand, IMC professionals spend a great deal of time making sure their brands are protected.
- IMC professionals utilize five main concepts or tools to help create and build brand equity. These areas are: 1) awareness, 2) loyalty, 3) perceived brand quality, 4) brand associations, and 5) other proprietary assets.
- Consumers go through steps when deciding if they like a brand. This concept is called the brand familiarity ladder and is used by IMC professionals to help lead consumers to brand loyalty.
- Once a brand has been developed, it must be nurtured and maintained in order to keep its effectiveness. Consumers make judgments about brands, and even assign brands "personality."
- Brands may become damaged during a campaign. It is essential for the brand manager to protect the brand. If the brand is injured, steps must be undertaken to repair the brand.
- Like all other areas of the IMC campaign, branding must be carefully planned. Branding initiatives follow a plan that begins with the overall branding objectives, the creation of a branding strategy, followed by the branding tactical executions.

Key Terms

brand acceptance When consumers accept a brand as one purchase alternative.

brand awareness The level of knowledge a consumer has about a marketer's brand.

brand essence The promise of a brand written in the simplest form; often part of the brand's unique selling proposition or USP.

brand experience The actual relationship and interactions consumers have with brands they've purchased; the more the brand does what is promised, the better the brand experience the consumer will have.

brand extension Using a current, core brand for new products.

brand identity The outward expression of a brand.

brand image The impression consumers have about a company's brand.

brand insistence When consumers refuse to accept any brand other than the one they requested.

brand loyalty An indication of the strength of a customer's relationship with a brand.

brand maintenance An ongoing effort to keep the brand in front of customers and other stakeholders.

brand name The pronounceable part of a brand.

brand nonrecognition When consumers are unaware or do not recognize a brand.

brand personality The brand's meaning; what a brand stands for; how consumers see the brand.

brand preference When consumers prefer one brand to other brands, and when given the option, purchase their preferred brand.

brand promise The benefits or unique selling proposition that companies are communicating to their consumers in regard to the brand.

brand recognition When consumers are aware of a brand.

brand value The financial worth of a brand.

co-branding When two (or more) brands are used together to generate additional exposure and communication for each of the brands.

combination branding When a company name is combined with a brand name to create a new brand name.

complementary branding The process of marketing two or more brands together in order to build additional brand equity, brand consumption, or additional sales.

cooperative branding A situation where two (or more) brands are placed in a brand new product or service. Cooperative branding is typically a joint venture between two or more companies.

dealer brands (private brands) Brands that are owned by intermediaries.

diversification A strategy that involves launching a new product in a new market.

family branding Placing a company's brand on all products and services offered for sale; the use of a blanket brand for all products and services of a company or company division.

flanker brands New brands developed by companies and organizations that already have brand offerings competing in the market.

individual branding When a company sells unrelated products within an intended market segment.

ingredient branding The placement of one brand (or more) into another brand to create money savings, exposures, and brand identity.

line extension A strategy used when a company wants to expand an existing product line.

logo (also known as brand mark) A group of letters and pictures used as a distinctive mark for a product, company, or brand and in advertisements.

manufacturer's brands (national brands) Brands that are owner by the manufacturer.

multiple branding This occurs when a company has multiple brands in the same intended market segment.

nonrecognition step First step of the brand familiarity ladder when consumers have not heard of the brand or they may not recognize it.

top-of-mind awareness (TOMA) The first brand that comes to mind when a customer is asked an unprompted question about a category.

total product concept The concept that a product or service is made up of physical goods and services, want-satisfying attributes, desired benefits, branding, labeling, and packaging.

trademark Legally registering a brand or brand mark with the United States Patent and Trademark Office.

Discussion Questions

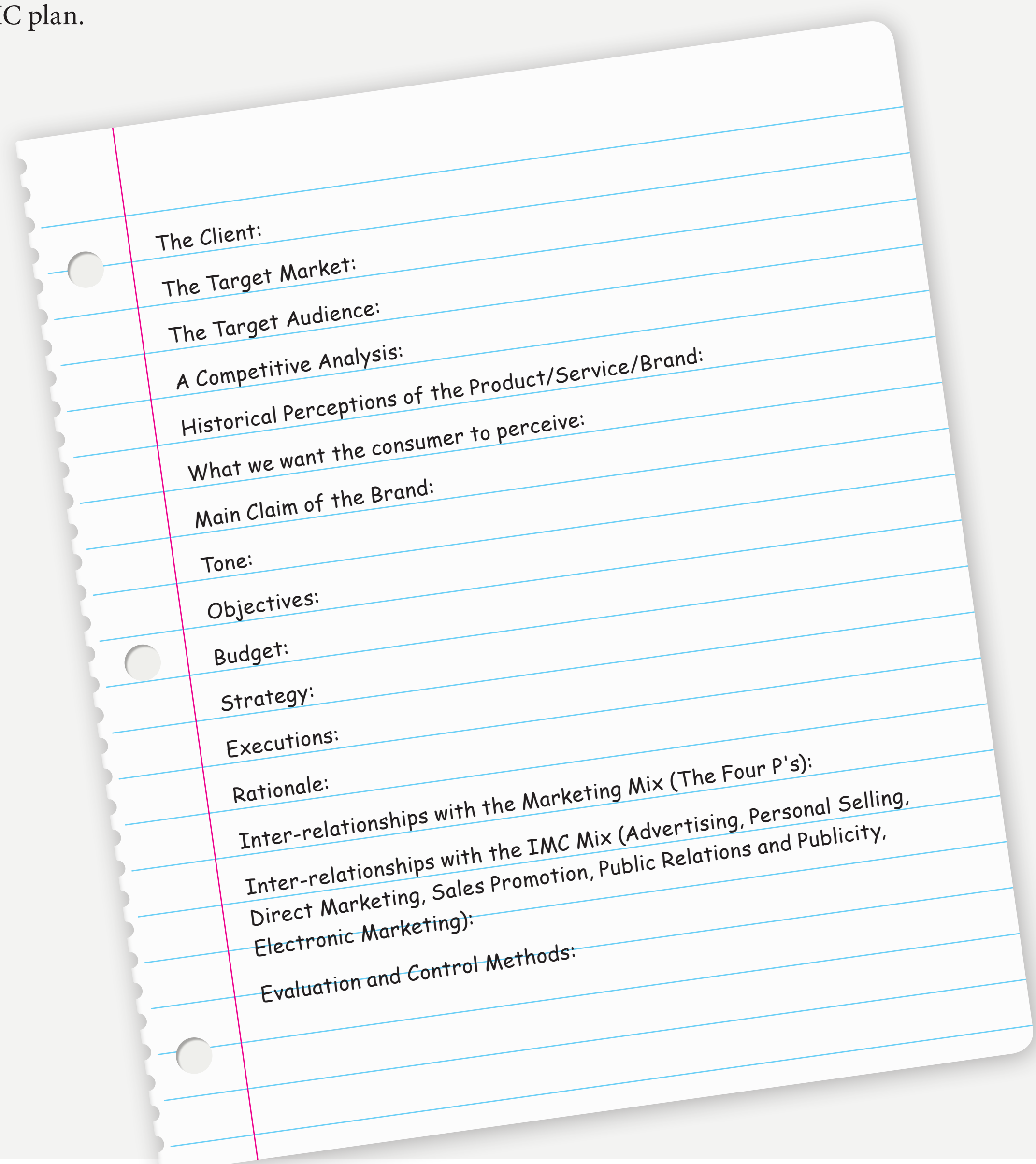
1. Why do you think branding has become dominant in the marketing communications area? Why wasn't this the case 20 years ago?
2. Which do you think is more effective in communicating with the target audience—a dealer brand or a manufacturer brand?
3. Think of a brand. How do you think that brand developed its brand equity? What elements go into that brand's equity?
4. In what instance would a company's small mistake create many problems for branding specialists.
5. Think of individual brand spokespeople. Make a list of your favorite five. Now from that list, think of replacement spokespeople who would have the same impact on you as the current ones. Why did you select the ones you did?

Critical Thinking Exercises

1. Select two brands of clothing and explain the meaning of the brands to you.
2. Find three examples of brands that have experienced problems and describe how the companies handled them.
3. Use the brand familiarity ladder and explain where these brands fall on the ladder for you: Big Lots, Foot Locker, Apple®, Campbell's Soup, Doritos, Philip Morris.
4. Provide four examples of co-branding and explain the type of co-branding (ingredient branding, cooperative branding, or complementary branding).

Continuing Project

Below is a template for the development of your branding plan. The plan will need to be inserted into the overall IMC plan so make sure you're concise in your information and data. Insert the correct information into each step of the template. When you're done, insert the plan into your overall IMC plan.



Additional Resources

Brand Strategy Insider—Website to share brand ideas: http://www.brandingstrategyinsider.com/2010/02/leading-brands-and-being-first-in-the-mind.html#.Uj3xfJ3D-70

Brand Channel—Articles on brands and branding: http://www.brandchannel.com/home/

The Branding Source—A blog dedicated to branding: http://brandingsource.blogspot.com/

Themanager.org—Contains articles on branding: http://www.themanager.org/Knowledgebase/Marketing/Branding.htm

Lovemarks—Site that attempts to measure strength and attractiveness of brands: http://www.lovemarks.com/

Branding Magazine: http://www.brandingmagazine.com/

Center for Brand Leadership: http://kelley.iu.edu/cbl/

Center on Global Brand Leadership: http://www8.gsb.columbia.edu/globalbrands/home

Case Study: Trader Joe's Branding Strategy

Trader Joe's (www.traderjoes.com) is based in Monrovia, California. The company opened its first retail grocery store in 1967. Since that time, Trader Joe's has grown to a chain of more than 400 stores. Trader Joe's has relatively small stores with a limited width of product lines. Although a typical grocery store will carry at least 50,000 SKUs (stock-keeping units, which are used to identify individual products, sizes, colors, etc.), Trader Joe's has about 4,000. The vast majority of the SKUs are private brands (usually about 80% of the SKUs). Self-described as "your unique grocery store," the products, which include organic and gourmet offerings, are from around the world and are rotated regularly. This gives Trader Joe's an advantage when it comes to setting price. Since they carry few national brands, there are limited price comparisons going on in a Trader Joe's store. The store also eliminates intermediaries by buying direct, allowing the company to reduce costs. The brand on items often indicates the place of origin or type of food such as Trader Jose's (Mexican), Baker Josef's (flour and bagels), Trader Giotto's (Italian), Arabian Joe's (Middle-Eastern), Trader Ming's (Chinese) and Trader Joe-San (Japanese). Children's food is branded as Joe's Kids.

Their brand is positioned as innovative and unique. They are known for high quality products and reasonable prices. The store has a nautical appearance, which is carried out in all touch points. Employees wear Hawaiian shirts and hand out samples of food and drinks. Store managers are called "captains" and assistant managers are called "first mates." The company has a monthly newsletter, The Fearless Flyer, which provides recipes and product information and allows the company to create brand stories that appeal to their customer base.

Trader Joe's maintains a trendy image, while at the same time providing its customer base with lower-than-market prices for items that consumers want and need. The private branding strategy enables stores to sell about $1,750 in merchandise per square foot, which is more than double what Whole Foods does. In addition, the company has no debt (Kowitt, 2010).

In a recent survey of 6,600 customers conducted by Market Force Information (2013), Trader Joe's was North America's favorite grocery store based on customer satisfaction (followed by Publix Super Markets and Whole Foods Market). The company also marked high in store atmosphere and courteous staff.

Critical Thinking Questions

1. What is Trader's Joe's competitive advantage?
2. How does Trader Joe's achieve differentiation through the use of branding?
3. How does Trader Joe's branding strategy translate into measurable results?