

# **BRAND EQUITY**

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# Brand decisions

- **What is brand?**
  - Attributes
  - Benefits
  - Values
  - Culture
  - Personality
  - User



# BrandDynamics Pyramid

Nothing else beats it

Bonding

Does it offer something better than the others?

Advantage

Can it deliver?

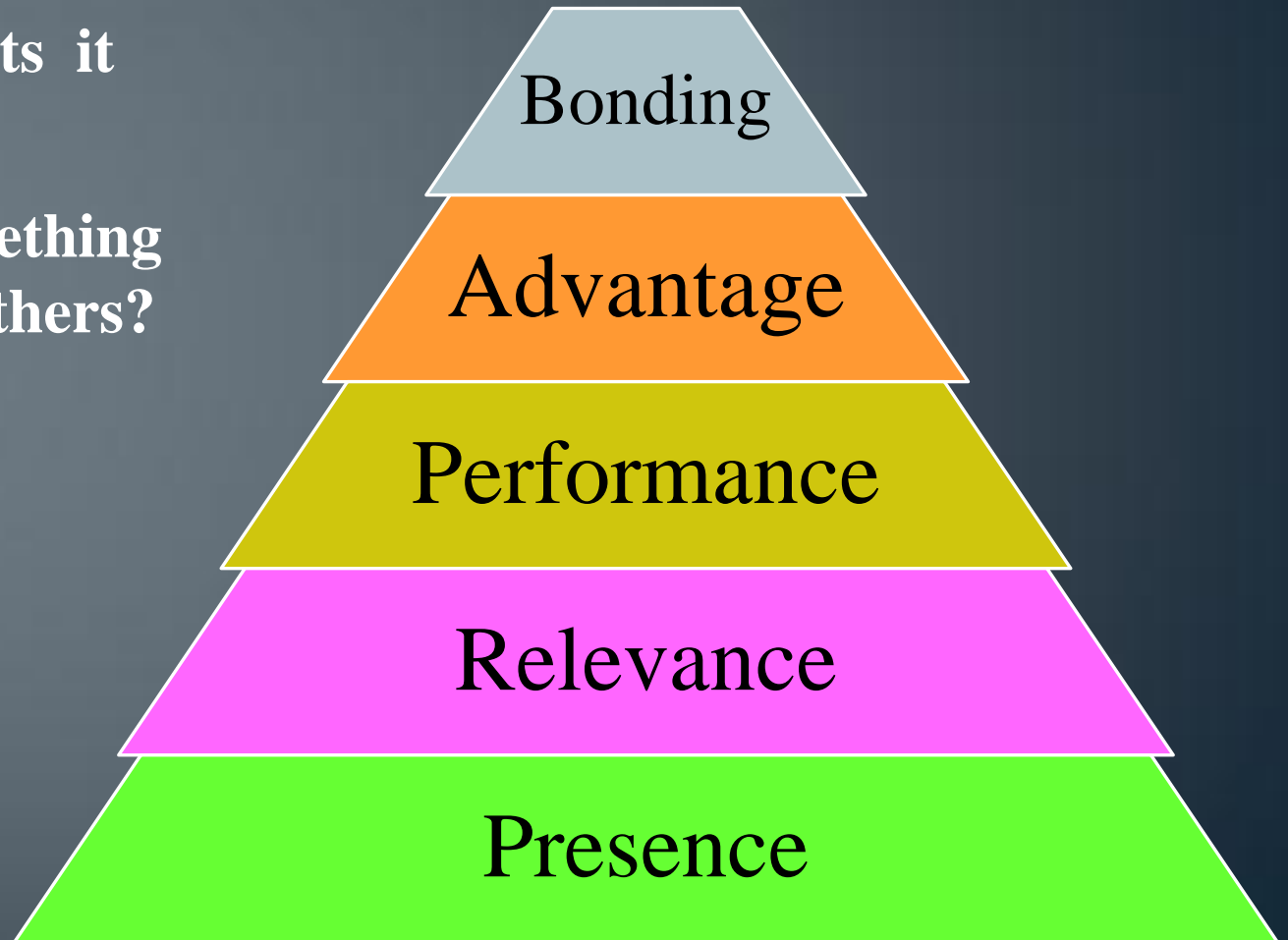
Performance

Does it offer me something?

Relevance

Do I know about it?

Presence



# Building Brand Identity

- **Brand bonding**

- Brands are not built by advertising but by the brand experience
- Everyone in the company lives the brand
- Three ways to carry on internal branding – Employees must
  - Understand
  - Desire, and
  - Deliver on the brand promise



# Brand Resonance

## Stages of Brand Development

**4. Relationships =**

What about you and me?



**3. Response =**

What about you?



**2. Meaning =**

What are you?



**1. Identify =**

Who are you?

## Branding Objective at Each Stage

Intense,  
active loyalty



Positive,  
accessible reactions



Points-of-parity  
& difference



Deep, broad  
brand awareness

# Brand Building Blocks

- **Brand salience** is how often and how easily customers think of the brand under various purchase or consumption situations.
- **Brand performance** is how well the product or service meets customers' functional needs.
- **Brand imagery** describes the extrinsic properties of the product or service, including the ways in which the brand attempts to meet customers' psychological or social needs.
- **Brand judgments** focus on customers' own personal opinions and evaluations.
- **Brand feelings** are customers' emotional responses and reactions with respect to the brand.
- **Brand resonance** refers to the nature of the relationship customers have with the brand and the extent to which they feel they're "in sync" "with it."

# Brand elements choice criteria

- **Brand building**

- Memorable, *short name*
- Meaningful, *correspond to product*
- Likeable, *aesthetically appealing*

- **Defensive**

- Transferable, *can be used to introduce new products*
- Adaptable, *adaptable and updatable*
- Protecable, *legally and competitively*



# Brand Equity

- **Value of Brand Equity**
  - Brand valuation
  - Competitive advantages of high brand equity:
    - The company will have more leverage in bargaining with distributors and retailers because customers expect them to carry the brand.
    - The company can charge a higher price than its competitors because the brand has higher perceived quality.
    - The company can more easily launch extensions because the brand name carries high credibility.
    - The brand offers some defense against price competition.



# Brand Equity

- **Managing Brand Equity**
  - Brand Reinforcement
    - What products the brand represents
    - How the brand makes products superior, and which strong, favorable, and unique brand associations should exist in the minds of consumer
  - Brand Revitalization

# Brand Equity

- **Branding Challenges**
  - Branding Decision: To Brand or Not to Brand?



# Brand Equity

- **Branding gives the seller several advantages:**
  - Brand name makes it easier for the seller to process orders and track down problems
  - Seller's brand name and trademark provide legal protection of unique product features
  - Branding gives the seller the opportunity to attract a loyal and profitable set of customers.
  - Branding helps the seller segment markets.
  - Strong brands help build corporate image, making it easier to launch new brands and gain acceptance by distributors and consumers.

# Brand Equity

- **Brand-Sponsor Decisions**

- Manufacturer brand
- Distributor brand
- Licensed brand name
- Slotting fee
- Brand ladder
- Brand parity



# Brand Equity

- **Brand-Name Decisions**
  - Four available strategies:
    - Individual names
    - Blanket family names
    - Separate family names for all products
    - Corporate name combined with individual product names

# Brand Equity

- **Desirable qualities for a brand name**
  - It should suggest something about the product's benefits
  - It should suggest the product or service category
  - It should suggest concrete, “high imagery” qualities
  - It should be easy to spell, pronounce, recognize, and remember
  - It should be distinctive
  - It should not carry poor meanings in other countries and languages

# Brand Equity

- **Brand building tools**
  - Public relations and press releases
  - Sponsorships
  - Clubs and consumer communities
  - Factory visits
  - Trade shows
  - Event marketing
  - Public facilities
  - Social cause marketing
  - High value for the money
  - Founder's or a celebrity personality
  - Mobile phone marketing



# Brand Equity

- **Brand Strategy Decision**
  - Functional brand
  - Image brand
  - Experimental brands
- Line Extensions
  - Branded variants
- Brand extensions
  - Brand dilution





# Brand Equity

- Multibrands, New Brands, and Co-Brands
  - Multibrand
    - Flanker Brands
  - Co-branding (Dual branding)
    - Ingredient co-branding
    - Same-company co-branding
    - Joint venture co-branding
    - Multisponsor co-branding



# Brand Equity

- **Brand Asset Management**
- **Brand Auditing and Repositioning**
  - Brand report card



# Packaging and Labeling

- **Packaging**
- **Package**
  - Primary Package
  - Secondary Package
  - Shipping Package
- **Factors which have contributed to the growing use of packaging as a marketing tool**
  - Self-Service
  - Consumer affluence
  - Company and brand image
  - Innovation opportunity



# Packaging and Labeling

- **Labeling**
  - Functions
    - Identification
    - Grading
    - Description
  - Consumerists have lobbied for:
    - Open dating
    - Unit pricing
    - Grade labeling
    - Percentage labeling



# Reference

- **Kotler, Philip, and Kevin Keller. *Marketing Management*. 13th ed. Prentice Hall, 2008.**