



Study of the Emergence of Branding in Current Business Scenario

KEYWORDS

Brand management, Touch point

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ABSTRACT *A brand resides in the minds of consumers. Branding is the process of transforming products and companies into brands. Branding is the consistent and disciplined way a brand's essence is communicated to the public – the employees, shareholders, vendors and customers. A brand name may be a simple name, a logo or a symbol whereas to others it may be a promise, a guarantee of reputation or identification. Though most importantly, brands are conduits which bring consumers and marketers closer and bind them together. The Indian brands may not necessarily translate into premium prices, but they help companies gain higher market share in a crowded market place as they convey an assurance of quality and reliability. A brand is, however, more than the presentation of symbols in consumer promotions. Branding is a key strategic tool used to create awareness, reputation and build the organization's image. Marketers consider brands as carriers of values that an organization wants to take to market. The development and implementation of branding strategies and programs have lately expanded to include more than the traditional corporate, product and service domains of branding.*

Introduction

Branding plays an important role in the success of new products, and is important in its own right. Strong brands distinguish strong players from weaker players in a product/service class. In this research stream, we focus on several key topics: brand equity, brand trust, business-to-business branding, stretching, brand loyalty and variety seeking, global branding, and brands and emotions. Strong brands are a result of good marketing mix strategy (e.g. product quality, communication, and packaging) and we need to understand marketing mix strategies as a source of brand strength development and maintenance. Strong brands, in turn, also provide latitude for marketing mix strategies, in terms of price premium, distribution format and intensity, innovation, and promotional activity. Store brands or private labels are a particular type of brands, viz., brands owned by the retailer rather than by the manufacturer. These type of brands is becoming ever more important in the western World. This is due to a set of interrelated factors, including but not limited to increased concentration in retailing which enables retail chains to develop their own brands, improved quality of private labels, higher advertising for private labels, and reduced perceived differences between private labels and national brands. Some consumers have become private label shoppers and have even become loyal to a certain private label, just like other consumers are loyal to a specific national brand.

The introduction of innovative products is one of the most important marketing activities of fast moving consumer goods (FMCG) companies. However, relying on innovation to strengthen the company's position is a very risky strategy, in that the majority of new product introductions fail to generate significant consumer acceptance. To identify key products, competitive and consumer factors that affect consumer acceptance of new products in an international setting, and derive managerial recommendations.

Role of touch points and branding

There are known difficulties of setting the stage for a lasting brand, once an organization launches a new product, or is a new organization or subgroup within a larger organization. It takes innumerable customer interactions at touch points to build a brand effectively. That puts the building process on the slow track, as the mailings, e-mails, directories, guides, meetings and other activities slowly mount up in the member's mind. Each piece of the building process must be consistent, and have relevance and meaning for the recipient. An organization has to be patient, for it can take years for an organization to reach a highly memorable, effective state

with its brand, and many a good program has been discontinued by impatient senior staffers with a more cautious eye on the bottom line than knowledge of the branding process and its benefits.

Brand message aligns with expectations, the touch rate is predictable and rising, and the organization has shown relevance for the audience it wishes to serve, the organization is on its way to a highly effective brand. The visibility, awareness and effectiveness of an organization's brand also directly impacts its ability to recruit and retain members. One good tool to read the results is to retrieve the set of brand characteristics from the marketing archives, and see how many of the responses line up with those characteristics. If the responses, including the open-ended comments, use some of the terms and attributes that make up the organization's brand, then it is a good start on reading your data correctly and rating a healthy score on your brand effectiveness.

Literature review

Kotler (2000) stated that Brands are perceptions. The Volvo brand is 'safety' The Mercedes Benz brand means 'prestige', Hush Puppies means 'comfort'. The brand conveys why products exist, where they come from and where they are going. It also sets their guidelines. A brand is not a fact set in stone. It must be able to adapt to the times and to changes in buyer's behavior and technology. A brand is both memory and future of its products. A brand is built up from day to day; it is never set down once and for all of course its past must not determine its future too narrowly.

Mayo and Jarvis (1991) proposed an individual would make a brand selection based on what is "important and relevant to them", and so associations need to be measured in terms of attributes deemed determinant for a given brand.

De Chernatony (2006) proposed an integrated brand management program which takes into account brand visioning, organizational culture, brand objectives, audit brand sphere, brand essence, internal implementation, and brand resourcing and brand evaluation. Jackson (2009) explained that in an uncertain economic climate, budget conscious marketers may be tempted to neglect the long-term health of their brand. As a consequence, only the most robust and resilient brands will survive. Key to their success will be willingness to embrace the reciprocal nature of the relationships they build and develop with consumers. These are the brands with the confidence to establish a conversation. They focus on shared interests to build an empathetic understanding, and they

appreciate the importance of a genuine two-way dialogue. Most importantly, these brands see the value of experiential and sponsorship activities as the means to connect with audiences in a more direct and empowering way. They provide genuine touch points that can engage whole communities of like-minded advocates to build long-lasting brand equity. In these challenging economic times, marketers need to ensure they are getting more bang for their marketing bucks. Unfortunately, this makes the temptation to focus on short-term returns stronger than ever. However, the fact remains that the long-term health of a brand is ignored at one's peril. Target audiences and the ways to connect with them may vary; however, they have one point in common: in order to establish a dialogue, a genuine relationship needs to be developed. By creating a community of brand advocates, ultimately, long-term brand equity can be built. Marketers must be prepared to meet their target audience at their level and accept that getting there may not involve taking a traditional route. In the current climate, the market and the sophistication of the consumer have evolved to such a place that marketers can no longer afford to be unoriginal.

Objectives of the Study

- To find out the role of brand in a current marketing scenario.
- To define the role of marketing mix for the development of the new product.
- To evaluate the brand effectiveness for a new launch product in the market.

Role of brand

An inventory can be helpful in analyzing a brand's effectiveness. Simply creating a list of all the places where the brand appears, in what context, what medium, attached to what product, message or outreach vehicle, and see if they seem to have an obvious pattern, and if they are aligned. Often pulling samples from the archives and lining them all up together can be very useful in periodically protecting the brand. Keeping exorability high is another positive effect of a well-aligned and effective brand. If a brand is consistent with individual experience, that experience will be more memorable. Big Bazaar superstore in India shows a good example of this. Their "Return any time, no questions asked" returns policy has been with them since virtually the beginning of this company in India. They were so confident in the quality of their products, they couldn't dream of anyone sending them back, and thus the perceived risk of such a policy was low. That policy became part of their brand, and is now a deeply embedded positive characteristic, so much so that there was near revolt when a senior staffer proposed eliminating it to help save money. As it turns out, their return rate is notably lower than their competitors, and the savings realized would have been more than offset by the damage to their brand as a trusted, honorable retailer of fine outdoor merchandise. As a result, when you get a Big Bazaar catalog in the newspaper, you instantly put in the back of your mind that the purchase from there is of lower risk, and therefore a greater possibility, as a result of that policy. That gives them a competitive advantage, and keeps their customer retention high and their loyalty even higher, due to the exorability of that policy.

Role of Marketing Mix in Development of a new Product Step 1. Idea Generation

The first step of new product development requires gathering ideas to be evaluated as potential product options. For many companies idea generation is an ongoing process with contributions from inside and outside the organization. Many market research techniques are used to encourage ideas including: running focus groups with consumers, channel members, and the company's sales force; encouraging customer comments and suggestions via toll-free telephone numbers and website forms; and gaining insight on competitive product developments through secondary data sources. One important research technique used to generate ideas is brainstorming where open-minded, creative thinkers from inside and outside the company gather and share ideas. The dynamic nature of group members floating ideas, where one

idea often sparks another idea, can yield a wide range of possible products that can be further pursued.

Step 2. Screening

In Step 2 the ideas generated in Step 1 are critically evaluated by company personnel to isolate the most attractive options. Depending on the number of ideas, screening may be done in rounds with the first round involving company executives judging the feasibility of ideas while successive rounds may utilize more advanced research techniques. As the ideas are whittled down to a few attractive options, rough estimates are made of an idea's potential in terms of sales, production costs, profit potential, and competitors' response if the product is introduced. Acceptable ideas move on to the next step.

Step 3. Concept Development & Testing

With a few ideas in hand the marketer now attempts to obtain initial feedback from customers, distributors and its own employees. Generally, focus groups are convened where the ideas are presented to a group, often in the form of concept board presentations (i.e., storyboards) and not in actual working form. For instance, customers may be shown a concept board displaying drawings of a product idea or even an advertisement featuring the product. In some cases focus groups are exposed to a mock-up of the ideas, which is a physical but generally non-functional version of product idea. During focus groups with customers the marketer seeks information that may include: likes and dislike of the concept; level of interest in purchasing the product; frequency of purchase (used to help forecast demand); and price points to determine how much customers are willing to spend to acquire the product.

Step 4. Business Analysis

At this point in the new product development process the marketer has reduced a potentially large number of ideas down to one or two options. Now in Step 4 the process becomes very dependent on market research as efforts are made to analyze the viability of the product ideas. (Note, in many cases the product has not been produced and still remains only an idea.) The key objective at this stage is to obtain useful forecasts of market size (e.g., overall demand), operational costs (e.g., production costs) and financial projections (e.g., sales and profits). Additionally, the organization must determine if the product will fit within the company's overall mission and strategy. Much effort is directed at both internal research, such as discussions with production and purchasing personnel, and external marketing research, such as customer and distributor surveys, secondary research, and competitor analysis.

Step 5. Product & Marketing Mix Development

Ideas passing through business analysis are given serious consideration for development. Companies direct their research and development teams to construct an initial design or prototype of the idea. Marketers also begin to construct a marketing plan for the product. Once the prototype is ready the marketer seeks customer input. However, unlike the concept testing stage where customers were only exposed to the idea, in this step the customer gets to experience the real product as well as other aspects of the marketing mix, such as advertising, pricing, and distribution options (e.g., retail store, direct from company, etc.). Favorable customer reaction helps solidify the marketer's decision to introduce the product and also provides other valuable information such as estimated purchase rates and understanding how the product will be used by the customer. Reaction that is less favorable may suggest the need for adjustments to elements of the marketing mix. Once these are made the marketer may again have the customer test the product. In addition to gaining customer feedback, this step is used to gauge the feasibility of large-scale, cost effective production for manufactured products.

Step 6. Market Testing

Products surviving to Step 6 are ready to be tested as real products. In some cases the marketer accepts what was learned from concept testing and skips over market testing to launch the idea as a fully marketed product. But other

companies may seek more input from a larger group before moving to commercialization. The most common type of market testing makes the product available to a selective small segment of the target market (e.g., one city), which is exposed to the full marketing effort as they would be to any product they could purchase. In some cases, especially with consumer products sold at retail stores, the marketer must work hard to get the product into the test market by convincing distributors to agree to purchase and place the product on their store shelves. In more controlled test markets distributors may be paid a fee if they agree to place the product on their shelves to allow for testing. Another form of market testing found with consumer products is even more controlled with customers recruited to a "laboratory" store where they are given shopping instructions. Product interest can then be measured based on customer's shopping response. Finally, there are several high-tech approaches to market testing including virtual reality and computer simulations. With virtual reality testing customers are exposed to a computer-projected environment, such as a store, and are asked to locate and select products. With computer simulations customers may not be directly involved at all. Instead certain variables are entered into a sophisticated computer program and estimates of a target market's response are calculated.

Step 7. Commercialization

If market testing displays promising results the product is ready to be introduced to a wider market. Some firms introduce or roll-out the product in waves with parts of the market receiving the product on different schedules. This allows the company to ramp up production in a more controlled way and to fine tune the marketing mix as the product is distributed to new areas.

Evaluation of Brand Effectiveness for Launch of a New Product

Gluck & Bruner (2005) said that Brand Effectiveness is a metric by which advertisers can gauge how well advertisements perform at getting noticed, driving home key messages and encouraging people to actually buy the product or service.

Common Brand Effectiveness Metrics are:

- Online ad awareness: Also known as "ad recall," whether consumers remember seeing a company's advertising campaign.
- Unaided or aided brand awareness: The extent to which consumers think of or recognize a company's brand, with or without prompting.
- Brand favourability: The extent to which consumers perceive the brand positively.
- Message association: The extent to which consumers attribute characteristics to a company or product that were the subject of the ad campaign
- Purchase intent: Likelihood that consumers will buy the advertiser's product or service any time soon.

The purpose of branding is to create a powerful and lasting emotional connection with customers and other audiences. A brand is a set of elements or "brand assets" that in combination create a unique, memorable, unmistakable, and valuable relationship between an organization and its customers.

The brand is carried by a set of compelling visual, written and vocal tools to represent the business plan and intentions of an organization.



FIGURE: Business Plan to Brand Assets

Branding is the voice and image that represents a business plan to the outside world. What a company, products and services stand for all gets captured in the branding strategy, and represented consistently throughout all the brand assets in daily marketing activities.

The brand image that carries this emotional connection consists of the many manageable elements of the branding system, including both the visual image assets and language assets.

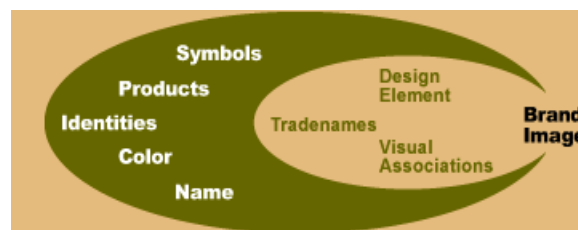


FIGURE : Brand Image Internal Population

An often overlooked or intentionally ignored component of any brand implementation is the internal employees and other audiences. Considering that these front-line employees are any company's brand ambassadors and control the perceptions that customers have, this is a critical step in the process. Developing an internal program to announce the new brand strategy to employees, communicate the benefits, train them and equip them with new skills, and reward them for behavior changes is crucial to brand success. This program serves to "brand the moments of truth" or "stamp the brand promise on every customer touch point it has created and equipped". All of what an organization is and what it stands for comes together at the points of contact with the customer. The employees guard the intersection between the brand and the customer.

Results

The main aim was to consider how far the results as a whole, shed light on the objectives chosen for this study. However, the aim is not to weld the entire findings into a single theory. The communications challenge facing consumer brands is amazingly clear, yet it continues to frustrate marketers as they work to find audiences for their goods and service. A corporate cause branding strategy is the next logical outgrowth of this evolving role of national brands. Aiding in this movement is business' ability to embrace technology and the change and resulting efficiencies produced by innovation. Consumers turn to business for answers and assistance with new technology and it is brands that can meet those needs. A brand with a focused branding strategy, aligned with a specific cause that is relevant to consumers, can take the next steps and stake a claim on the minds of consumers.

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