Everything about Brands

The **Brand Asset Valuator** of advertising agency Young & Rubicam measures brand value by applying four broad factors.

FOUR FACTORS FOR DETERMINING BRAND VALUE

Differentiation. Differentiation is the ability for a brand to be distinguished from its competitors. A brand should be as unique as possible. Brand health is built, and maintained, by offering a set of differentiating promises to consumers. And by delivering those promises to leverage value.

Relevance. Relevance is the actual and perceived importance of the brand to a large consumer market segment. This gauges the personal appropriateness of a brand to consumers and is strongly tied to household penetration (the percentage of households that purchase the brand).

Esteem. Esteem is the perceived quality and consumer perceptions about the growing or declining popularity of a brand. Does the brand keep its promises? The consumer's response to a marketer's brand-building activity is driven by his perception of two factors: quality and popularity. Both vary by country and culture.

Knowledge. Knowledge is the extent of the consumer's awareness of the brand and understanding of its identity. The awareness levels about the brand, and what it means, shows the intimacy that consumers share with the brand. True knowledge of the brand comes through building of the brand.

Differentiation and Relevance taken together say a lot about its growth potential ("Brand Vitality"), while Esteem and Knowledge determine the current power of a brand ("Brand Stature").

BRAND ASSET VALUATOR SURVEY

A Survey, based on the Brand Asset Valuator, is conducted annually containing data about 20.000 brands. It is based on the opinion of over 230.000 respondents in 44 countries.

WHAT IS THE BRAND IDENTITY PRISM? DESCRIPTION

According to Jean-Noël Kapferer, brand personality should be just one key facet of brand identity.

Jennifer Aaker deserves credit for having revitalized the human metaphor for a brand, but she is causing conceptual confusion by merging a number of dimensions of brand identity into brand personality. Kapferer recommends to revitalize to the original terminology of brand identity as the overall brand descriptor.

THE BRAND IDENTITY PRISM HISTORY

To understand Kapferer's model it is useful to read a bit of history:

Already in 1958, Martineau used the word "brand personality" to refer to the non-material dimensions that make a shop special: its character.

In the 60s and 70s there was a growing dissatisfaction with equating the product and the brand. A typical example of that was the term "Unique Selling Proposition" or USP from Rosser Reeves.

In 1982, Séguela, a VP of an adverting agency, recommended that all brands be described along three facets:

Physical. What does the product do and how well does it perform?

Character Brand personality facet.

Style. Operational elements for adverting and communication.

In the late 80s, Ted Bates introduced the term "Unique Selling Personality". As a consequence, in the famous 'copy strategy' - the essential single sheet which summarizes the advertising strategy as related to copy - it became widespread to see a new item to be filled by account executives: brand personality.

Analogously to the use of the term "personality" in psychology, on the research side, the brand identity frameworks always quoted brand personality as a dimension of brand identity - namely those traits of human personality that can be attributed to the brand. Among the other dimensions are:

Brand inner values (cultural facet)

Brand relationship facet (its style of behavior, of conduct)

Brand-reflected consumer facet

Brand physical facet (its material distinguishing traits)

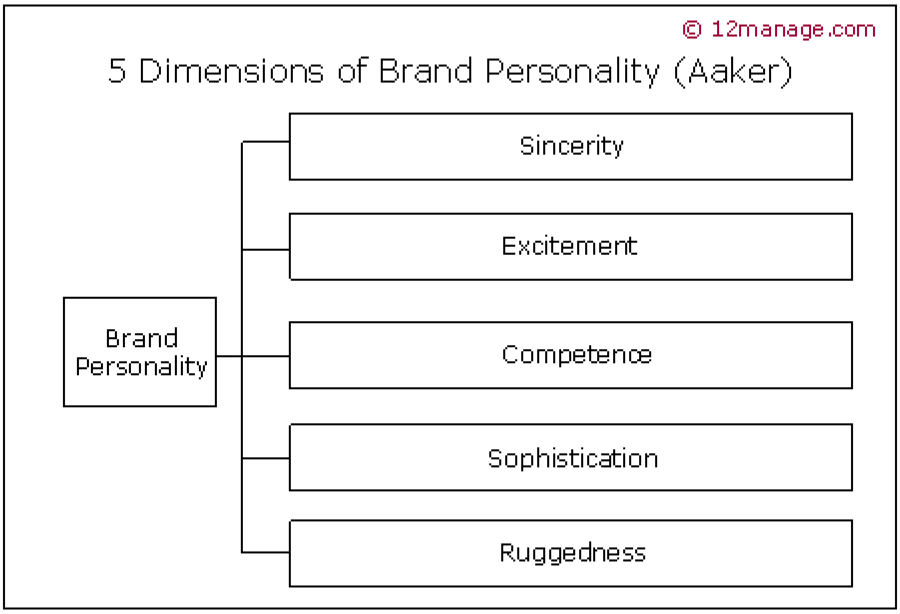
The Brand Personality Dimensions of Jennifer Aaker (Journal of Marketing Research, 8/97, pp. 347-356) is a framework to describe and measure the 'personality" of a brand in five core dimensions, each divided into a set of facets.

It is a model to describe the profile of a brand by using an analogy with a human being.

THE FIVE CORE DIMENSIONS AND THEIR FACETS

These are:

Sincerity (down-to-earth, honest, wholesome, cheerful)



Excitement (daring, spirited, imaginative, up-to-date)

Competence (reliable, intelligent, successful)

Sophistication (upper class, charming)

Ruggedness (outdoorsy, tough)

Each facet is in turn measured by a set of traits. The trait measurements are done using a five point scale (1 = not at all descriptive, 5 = extremely descriptive) rating the extent to which each trait describes the specific brand.

AN EXPLANATION OF THE TRAITS BELONGING TO EACH OF THE FACETS

These traits are:

Down-to-earth = down-to-earth, family-oriented, small-town

Honest = honest, sincere, real

Wholesome = wholesome, original

Cheerful = cheerful, sentimental, friendly

Daring = daring, trendy, exciting

Spirited = spirited, cool, young

Imaginative = imaginative, unique

Up to date = up to date, independent, contemporary

Reliable = reliable, hard working, secure

Intelligent = intelligent, technical, corporate

Successful = successful, leader, confident

Upper class = upper class, glamorous, good looking

Charming = charming, feminine, smooth

Outdoorsy = outdoorsy, masculine, Western

Tough = tough, rugged

The Brand Personality Dimensions Framework of Jennifer Aaker can be used to investigate the current status (IST) of a brand and to describe the desired future status (SOLL) of the brand.

DEFINITION BRAND RECOGNITION. DESCRIPTION.

Brand Recognition is the extent to which a brand is recognized for stated brand attributes or communications.

In some cases brand recognition is defined as Aided Recall - and as a subset of brand recall. In the case, brand recognition is the extent to which a brand name is recognized when prompted with the actual name.

A broader view of brand recognition is the extent to which a brand is recognized within a product class for certain attributes.

DEFINITION BRANDING. DESCRIPTION.

Branding is the process by which both a brand and brand identity are developed through selecting and blending tangible and intangible attributes to differentiate a product, service or corporation (See also: Corporate Reputation, Online Reputation) in an attractive, meaningful and compelling way. An association is being made between the (name of the) product and various values, images, awareness, recognition, qualities, features and benefits.

It is also described as the process of building a favorable image for a product or company that differentiates it, in the minds of prospects and end users, from other competitors.

BENEFITS OF BRANDING. ADVANTAGES

One of the main questions in establishing a proper branding strategy is: Should we establish our own brand names or should we engage exclusively in reseller brands (private labels or own label brands? Medium-sized companies with limited resources and specialized knowledge may prefer to sell their products without having their own brand. However, there are considerable benefits of branding:

Customer Loyalty: Branding gives company the opportunity to increase the amount of loyal and profitable customers.

Corporate Image: Strong brands increase the corporate image, thus making it easier to launch new brands and obtain more acceptance by distributors and consumers.

Product Identification: Brand names makes it easier for the company to process orders and determine problems.

Segmentation: Branding helps the company to segment markets.

Legal Protection: The brand name and logo of the company can provide legal protection of unique product features, which competitors may seek to copy.

WHAT IS POSITIONING. DESCRIPTION

Positioning is a marketing method for creating the perception of a product, brand, or company identity. Starting from 1969, two young marketing guys, Jack Trout and Al Ries, wrote, spoke and disseminated to the advertising and PR world about a new concept in communications which they called positioning. The term was actually first mentioned in a paper by Jack Trout: Positioning is a game people play in today's me-too market place, Industrial Marketing, Vol.54, No. 6, June 1969, pp.51-55. Their 1981 book about Positioning: "The Battle for Your Mind" became a bestseller. Until then, advertising agencies had primarily been basing their media campaigns on internally conceived benefits of the client's product.

According to Trout and Ries, "positioning is not what you do to a product. Positioning is what you do to the mind of the prospect. That is, you position (place) the product in the mind of the potential buyer". Since that time in marketing, positioning is the technique in which marketers try to create an image or identity for a product, brand, or company in the perception of the target market. What matters is how potential buyers see the product. It is expressed relative to the position of competitors. Typical positioning tools include graphical perception mapping, market surveys, and certain statistical techniques.

COMPETITIVE EDGE AND POSITIONING

A successful positioning strategy is usually based on a sustainable competitive advantage of a company. Positioning can be based on several things, including:

Product features

Benefits, needs, or solutions

Use categories

Usage occasions

Placing and comparing it relative to another product

Dissociation of the product class

THREE BASES OF POSITIONING CAN BE DISTINGUISHED

- Functional (solve problems, provide benefits to customers)
- Symbolic (self-image enhancement, ego identification, belongingness and social meaningfulness, affective fulfillment)
- Experiential (provide sensory stimulation; provide cognitive stimulation)

STEPS IN PRODUCT POSITIONING. PROCESS

- Identify competing products
- Identify the attributes, also called dimensions, that define the product 'space'
- Collect information from a sample of customers about their perceptions of each product on the relevant attributes
- Determine the share of mind of each product
- Determine the current location of each product in the product space
- Determine the target market's preferred combination of attributes. These are called: an ideal vector.
- Examine the fit between: the positions of competing products, the position of your product and the position of the ideal vector
- Select the optimum position

THREE POSITIONING STRATEGIES BY YOUNGME MOON

In an HBR article of May 2005, Youngme Moon introduced three variations of Positioning that can be used to break free from Product Life Cycle thinking.

Companies can change how consumers perceive them. By Positioning or often Repositioning their products in unexpected ways. Three positioning strategies that marketers use to cause a mental shift at consumers are Reverse, Breakaway, Stealth Positioning:

Reverse Positioning. This method removes "sacred" product attributes. Simultaneously new attributes are added that would typically be found only in a highly augmented product. For example IKEA is not delivering to your home the products which you have bought, and it offers no sales consultancy. But IKEA added: children drop-off, cafe, toys). Recommended for: Services companies.

Breakaway Positioning. This method associates the product with a radically different category. By manipulating the cues of consumers of how they perceive and categorize a product, a firm can change how consumers frame a product. (ex. Swatch > no longer in category Swiss Watches, but in Fashion Accessories). Recommended for Packaged Goods companies.

Stealth Positioning. This variant gradually interests consumers for a new offering, by hiding the product's true nature. For example Sony's AIBO robot was positioned as a lovable pet. This shifted consumer's attention away from its major limitations as a household aide. It apparently even turned elderly people into early technology adopters. Recommended for: Technology companies.

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