Relationship marketing
Integrated marketing

Marketing mix

Target market

Product
- Product variety
- Quality
- Design
- Features
- Brand name
- Packaging
- Size
- Services
- Warranties

Price
- Price
- Discounts
- Allowances
- Payment period
- Credit terms

Promotion
- Sales promotion
- Advertising
- Sales force
- Public relations
- Direct marketing

Place
- Channels
- Coverage
- Assortments
- Locations
- Inventory
- Transport
• what is brand and how does brand work?
• what is brand equity?
• how brand equity is build, measured, and managed?
• what are the important decisions in developing a branding strategy?
Let’s start
BRAND
history
from earliest times, humans have used marks to designate, sometimes as property owner or sometimes as manufacturer.
cave drawing show bison with symbols on their flanks, presumed to be ownership marks

5000 B.C.
Mesopotamian commodities are identified with cylindrical seals. Stone seals are found in Cnossos on Crete.
bricks, pottery, quarry stones, and roof tiles from first Dynasty of Egypt have marks believed to be ownership marks
potters seals are found near Corinth

2000 b.c.
stamped ceramics used on locally made Greek pottery 6th century to 3rd century B.C.
documented economic use of brands in Roman empire. Bricks were stamped with mark from 500 b.c. to 500 a.c.
trade guilds begin using marks

12th century
13th century

bell makers begin using marks. Watermarks, also known as papermarks, first appear in Italy
earliest English law on trademarks: Bakers Marking law. Some bakers stamp bread, others prick the bread.
earliest litigation over mark 1452
First reference to infringement (Southern v. How): a clothier making inferior cloth uses the mark of a superior clothier. This case is considered a link between “merchants’ marks” of the Middle Ages and modern commercial trademarks.
Bass® brewery registers first trademark in UK.
Coca Cola® first used as a trademark for a tonic beverage.

1887
BRANDS identify the source of maker of a product and allow consumers to assign responsibility to a particular manufacturer.
the scope of branding
branding is about creating differences
to brand a product
it’s necessary to teach customers
"WHO" the product is by giving it a name and using elements to help identify it.
“WHAT” the product does
“WHY” customers should care
for successful branding strategy customers must be convinced that there is meaningful differences among all brands in the category
branding can be applied everywhere
brand equity
added value
endowed
to a products
this value may be reflected
in how customers
think
feel
act
and
price
profit
that the brand commands for the firm
brand equity value can be reflected in how customers think, feel and act with respect to the brand, as well as the prices, market share, and profitability that the brand commands for the firm
brand equity models
brand asset
valuator
Advertising agency Y&R developed this model. Based on research with almost 200,000 consumers in 40 countries, BAV provides comparative analysis of thousands of brands.
brand asset valuator

4 components
differentiation

measures the degree to which a brand is seen as different from others
relevance

measures the breadth of brand’s appeal
esteem

measures how well the brand is regarded and respected
knowledge

measures how familiar and intimate consumers are with the brand
differentiation
+
relevance
=
brand strength
esteem + knowledge = brand stature
2
Aaker model
Former UC - Berkley marketing professor David Aaker views brand equity as set of five categories of brand assets.
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Aaker model

5 categories
brand loyalty
brand awareness
perceived quality
brand associations
other proprietary assets
According to Aaker a particular important concept for building brand equity is **Brand identity**.
Brand identity

the unique set of brand associations that represent what the brand stands for and promises to customers
Aaker sees **Brand identity** as consisting of 12 dimensions organised around 4 perspectives.
brand as product
  - product scope
  - product attributes
  - quality/value
  - uses
  - users
  - country of origin

brand as organisation
  - organisational attributes
  - local vs. global

brand as person
  - brand personality
  - brand - customer relations

brand as symbol
  - visual imagery/metaphors
  - brand heritage
Marketing research consultants Milward Brawn and WPP have developed the Brandz model of brand strength, at the heart of which is the BrandDynamics pyramid.

According this model, brand building involves sequential series of steps, where each step is contingent upon successfully accomplishing previous step.
STEPS
Presence

Do I know about it?
Relevance

Does it offer me something?
Performance
Can it deliver?
Advantage

Does it offer something better than others?
Bonding

Nothing else beats it.

Bonded consumers spend more, but more consumers can be found on upper levels.
Brand resonance
Brand resonance

This model also views brand building as an ascending sequential series of steps from bottom to top.
4. Relationships
What about you and me?

3. Response = What about you?

2. Meaning = What are you?

1. Identity = Who are you?

According this model enacting the 4 steps involves establishing 6 brand building blocks.

- Resonance
- Judgement
- Feelings
- Performance
- Imagery
- Salience

Positive, accessible reactions
Intense active loyalty
Strong, favorable & unique brand associations
Deep, broad brand awareness
the model emphasize duality of brands

rational route to brand building

emotional route
salience relates to how often and easily the brand is evoked under various purchase and consumption situations
relates to how the product or service meets customer’s functional needs
deals with extrinsic properties of the product, including the ways in which the brand attempts to meet customer’s psychological or social needs.
are customer’s emotional responses and reactions with respect to the brand
focus on customer’s own personal opinions and evaluations
refers to the nature of the relationship that customers have with the brand
examples of brands with high resonance

Apple inc.