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Branding: Concept, strategies, and decisions

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Abstract

Branding includes making a promise and maintaining it. It is the art to create the brand. It makes the customers committed towards the business. A good brand makes the product different from that of competitors and provides quality to the product and the business. A strong brand is the most precious asset for any business. Brands are considered as assets because they give a stable earning to the organization. It is the collection of all the elements of the marketing mix together into a whole to create an identity called as brand. In this paper, we will read about the management of the brand.

Keywords: Branding concept, maintaining, brand

Introduction

Branding is one of the most important elements for any organization. It is not merely a function of advertising but it is the main essence of the business because it gives identification to the product. Branding is not only a selection of activities but also a strategic point of view. It is centre for creating values for customer, not just to the images. It is the most important tool to gain competitive advantage. Brands are the culture which is happening in the market. Effective strategy for branding defines the value of brand. Strategies of branding are included in the marketing mix. Brands are not products they are different from each other. Products define about what the company is making while brand defines what the consumer is buying. Brand is an emotional element. It is a promise for the product that it will fulfill the expectations of the consumers. Brands have the trademarks which means they give right to the organization to have its sole right for its production. It shapes the expectations of the consumers. A brand gives complete knowledge about the specific company, its good or service to make it different from other products available in the market. It is an assurance that the specific product is unique in nature.

For the consumers, brand is a source for the product. It delegates the responsibility to the producer of the product, it lowers the risks of failure, and reduce the costs of searching. It has a quality symbol with it and it is a symbolic device. It deals with the producer of the product. In short, brand is a promise of the seller to its consumers to provide unique products with several different advantages. Brand is a name of term, sign, and symbol to make the products of a specific company different from that of other producers i.e. competitors. Some most recognized brands are McDonald's, Coca Cola, Pepsi, Nokia, Sony, LG, Maruti etc.

A brand connects four elements together which are employees, management, stakeholders and the consumers. Brand is a variety of memory in the mind of consumer. It represents values, ideas and personality of the company. Today, it is difficult to spot a company which is providing a single product. The growth of industrial sector is increasing day by day and so the competition. Therefore, it is necessary to increase the product line, because it would relate the brand with other products. To achieve this, company needs to approach branding seriously.

Evolution of Branding: Previously most of the products don't have any brand. The products are sold just to satisfy their basic needs like hunger, clothes and shelter. These products don't have any identity. Brands are the symbol of homogeneity. If anything is single or unique it doesn't need any branding. For ex. Famous Tajmahal or Redfort, there is no difficulty in identifying them. They don't require any kind of brand. But the difficulty will arise when there will be multiple of Tajmahal or Redfort, then their branding will be required. Naming something is the practice of branding to differentiate it from the others. Branding has been the important element of marketing from always.

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The 1st step towards branding was packaging of the products like water, salt etc. Pharmaceutical companies were the first to put their brand names on the products. Today, there is nothing which is unbranded. There are some brands which are successful and some of them are not, but yes every item has a brand with it.

Concepts of Branding: Creating a brand is the main aim of the marketing company. Brand is a name, sign or symbol or their combination which identifies the goods or services of the seller to that of the competitor. It is based on 2 aspects: First is 'what is the brand' and second is "what the brand does'. It may be a symbol, logo or trademark. It plays an important role in the field of marketing. It distinguishes the product or services of any organization from the others. It helps the consumers to identify the product or service. It includes:

- **Brand identity:** The concept of identity has been used widely by human. Identity means "who is a person, or what is a thing is". Today, a large number of people are working in the organizations, so identity is the very important issue. For this, identity card is provided to the employees of the company to identify them. It describes the identity of a person.

Brand identity is the promise made by the organizations to the consumers. Brand can be made for a product, personality or a set of values which creates an impact on the mind of consumers. Brand identity is the recognition of a brand. It defines a particular company, product or a service or an individual. It is the noticeable element of the brand which identifies a product for the consumers. It is necessary for the growth of company's brand. Brand identity has 2 levels: Inner core (central identity) and outer core.

Inner core: It identifies the reasons of existence of brand. For a brand to have separate identity, analysis of consumers, competitors and company's SWOT analysis is necessary.

Outer core: Outer core completes the meaning of the brand. It is the functioning part of the inner core of the brand. It suggests the tangibility of the brand.

- **Brand Dimensions:** Brand identity provides the long term approach to make the brand durable. It makes the communication flow to the market and makes the brand practical. It provides protection to the brand which influences the image of the brand and increases the opportunity. The dimensions of brand identity are:

Physique: The structure of brand is based on the physique. It is the tangible aspect of the brand. It refers to the physical aspects of the brand which are rooted in the product. It includes characteristics like name, color, logo, packaging etc. It is the backbone of the brand.

Culture: It consists of rituals and values. There is a system or network of values behind every brand. It drives the brand. Culture is one of the important issues behind preference of consumers.

Relationship: Brand is a relationship because product has no direct identification. Identification of a product is its brand. These relationships are based on emotional and functional delivery.

Self-image: It refers how the customers seek the relativity of brand with them. Self-image is the reflection from the inner of a person. It is a consumer's own self-perception.

- **Brand Equity:** Value of brand exists because of their equity. Every marketer believes that equity adds value to the brand. The brand can sometimes decrease the value of an organization. It can be an additional cash flow gained by adding a brand with a product or a service. It is a set of assets and liabilities added to a brand, which may increase or decrease the value of a product to the consumers or the organizations. Customer equity is the main essence of brand equity which stands by the brand. A brand can add value to customers or to the marketers.
- **Brand Awareness:** It is assumed that the customers are aware of the availability of the product. It refers to the degree where consumer associates themselves with the brand. It includes brand recognition and brand recall. Brand recognition is the ability of the consumer to recognize the brand when they are asked about it, and the consumers can easily differentiate them and Brand recall is the process of recovering the name of a brand from the memory of the customer by giving him clues so that he can recall the brand from his memory. It needs to be improved in case of complicated names; short, unique and expressive names should be selected. For ex. Coca-Cola is now called as coke.
- **Brand Image:** It is the impression of the brand in the eyes of the consumer. It defines where the brand stands in the market. It includes the beliefs of customers about a particular brand. It is all about the perception of customers about the product or service. It involves an emotional value for the public. It identifies the character of an organization. It highlights the mission and vision of the company. The elements which help in creating positive image for the product are having a unique logo or slogan which describes about the company. It helps in associating the consumers with the brand. These associations form brand image.
- **Brand Loyalty:** It is the framework where consumer is afraid to purchase the goods of another brand on which he has no trust. It can be measured by word of mouth, no. of buying, commitment, trust, satisfaction of consumers etc. as the loyalty of brand increases, chances of moving of customers to another brand becomes less. Brand loyalty is the scope where consumer buys the product with same brand. The loyalty of consumer is defined when they purchase the specific brand as long as availability of such brand. It defines the feeling of a consumer that the particular brand is available with right product, appropriate features, best quality at a reasonable price even if the competitors are providing their products at cheaper rate and he is still stuck to his brand.

Branding Strategies: In current marketing environment, there is a prevailing relationship between the product and the brand. There are different strategies of branding which helps in building brand equity and adding value to the company. Brand strategies have the power to reach the target audience easily. It helps in building value from the customer's point of view. These strategies are based on the

target audience. A good brand strategy has the ability to make brand equity and establish itself as a strong brand in the market. It can be seen by the help of strategies of branding followed by various companies. Once the research of a company is completed and the target audience is defined, product is launched following these branding strategies:

- **Recognition of Name Brand:** Most of the companies use their own brand name to extend its product line. Most of the well reputed companies with large brand name are recognized by their logo, slogan or color. For ex. Apple, Coke, Starbucks, McDonalds, Sony. All these companies feature products with multiple categories under a single name.
- **Individual Branding:** Some of the companies introduce their products with different brand name other than their parent companies. It includes establishment of brand as a different and unique identity and which can be easily recognized.
- **Branding with Attitude:** In case of attitude branding, equivocal marketing goes above the actual product. These brands use those strategies which brings the customized experience to the life personality with their products and services.
- **Branding with No-Brand:** Products with no brand are simple and general in nature. A simple approach can speak high in such strategies. Most of the successful companies of Japan are using this marketing strategy. They use 'Muji' which means no label.
- **Extension to brand:** It takes place when one of the flagship brands ventures come to the new market. For ex. A shoe company is now in the business of making jackets, athletic wears and fragrances. The brand name has its own identity to the product mix.
- **Own Label:** Private labels have become very popular in the supermarkets. Retail chains like Wal-Mart are producing cost effective brands in order to fight with other large retailers.

Factors for choosing branding Strategy: Choosing an appropriate brand strategy is a difficult task. For this an organization needs to adopt a perspective according to situation to pick a strategy which suits the needs of the firm in best manner. Following factors can be considered while choosing a strategy for branding:

- **Size of Marketing:** Branding strategies are highly expensive. Some amount has to be kept as investment for formation of a brand's image. In large markets, where business is on growth mode, expenditures involve in establishment of brand, can be easily recovered. While, when the market is small and not growing properly, achieving this becomes quite difficult and it increases the payback period. Here, branding strategies which takes help from already established brand name becomes necessary.
- **Competition:** It encourages the firms to focus on consumers more. The main challenge is to win the trust of the consumers. To be in the competition, and to win the competition it is necessary to adopt the branding strategies very carefully. Benefits of consumer's loyalty need to be achieved. Here, individual branding strategy is more appropriate.
- **Resources:** Branding of product is not a good choice for the firms with limited resources. Big organizations

like Coke, Apple etc. are very rich with resources. These firms may help in supporting the product brands with limited resources.

- **New Product:** When a new product needs to be launched, which is unique then using a brand name which is common is not good. Common brand name will make the customers closer to the product on the basis of similarity of brand name and will not concentrate on its different features. It is the marketing challenge to make the customers focus towards different features of the product. For introducing such type of new products, umbrella branding should not be done.
- **Innovation/Technology:** Innovation of new product may include new technology. With the innovation, uncertainty comes for both the organization and the consumers. For the organization, uncertainty means both the success and failure to the business. In case of innovation, a firm has to do 2 things, first is to save the image of brand, if innovation fails and second is to communicate the uniqueness to the consumers. For this firm can adopt double branding strategies.

Selection of Brand Name: One of the most important decisions at the time of launch of new product is to select the name for the brand. The brand name should define the product and its benefits. They should be concise, concrete and easily pronounceable and easy to remember. They must be registered and protected legally and should be appropriate for all types of advertising media. The issue for selecting a brand name comes into existence as soon as the idea of product converts into actual product. The brand name must be as appropriate as the product. The selection of brand name consists of a process which is:

1. **Objectives for Brand Name:** The first step for the organization is to find the appropriate objectives for the brand name. It involves proper review of the product and the benefits of the product. The firm should be aware of the target market and make marketing strategies accordingly.
2. **Making a List of brand name:** The second step is to generate a list for the potential brand names which will suit the product best. For this, review of employees can also be taken.
3. **Shortlisting Names:** Next step of selection of brand name process is to shortlist the brand names which are more suitable for further processing. The task of generating brand name is given to a team which consists of product managers, advertising department and marketing people.
4. **Doing Survey:** Next step is to watch the reactions of consumers regarding the screened brand name. It can be done by doing surveys or by focus interview groups. It will help in deciding which name would be best for the particular product and which are easy to remember.
5. **Searching the trademark:** The fifth step is to search for trademark the proposed brand names so that it can be registered and protected legally.
6. **Selecting the brand name:** The last and final step is to select the name which is most suitable from all the proposed brand names, as the final brand name for the product

Necessary Qualities for a Brand Name: Successful brand

name is very important for development of strategic brand. It is mistaken that selecting a brand name is as easy as naming a baby but is not true. Brand name is more complex, difficult, competitive and quite expensive. Companies spend millions of dollars for trying to fit the best brand name to the product. So the desirable qualities for a brand name are:

- **Related to benefits of Product:** A perfect brand name should define the benefits and quality of a product by its name, so that consumers feel more attached towards the product.
- **Easy to Pronounce:** A brand should be short so that it can be easily pronounceable so that consumers cannot find it difficult to ask for the product to the seller.
- **Easy to Remember:** A brand name should be easy to remember, so that it can be also recognized. Making a brand name difficult, can make the product easily forgettable.
- **Something Different:** The brand name should be different and catchy so that consumer will be more enthusiastic towards purchasing the product.
- **Adaptable to Packaging needs:** The brand name should be adaptable to packaging needs of the product, so that the label of the product can define the features of a product.
- **Capable to register legally:** A brand name should not be offensive. It should be able to get trademark so that it can be registered legally and the manufacturer can have the copyright to the product and brand name.
- **Distinctive:** A brand name should be clear and unique as compared to other brands in the market so that they can be easily identified as a brand name.
- **Away from confusion:** A perfect brand name should avoid the confusion from existing brand names. Because the confusion of brand name may affect the word of mouth for the product.
- **Able to translate:** Translation of brand name and its communication is necessary for any organization because of language barriers in the country.

Conclusion

Brand is a promise by the seller that the product offered by them will meet the demands and needs of the consumers. It defines about the expectations of consumers related to the product. Brands have trademark which make them the sole owner of a brand name for the particular products which protects the company from its competitors. It increases the loyalty of the buyer because they will be aware of the quality of the product and they buy the same product again and again.

The importance of branding can be identifying itself because today there is hardly anything which is unbranded. Companies usually start with one product but as the product and its brand name grows, the marketers move forward to multi products. It is a basis for competitive advantages, and it's the way of identifying a product. It provides financial returns to the organization. It is a sign of loyalty for the consumers towards the product. In short, a brand is a promise of seller to provide a unique product to the consumers with unique features, services, and advantages.

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