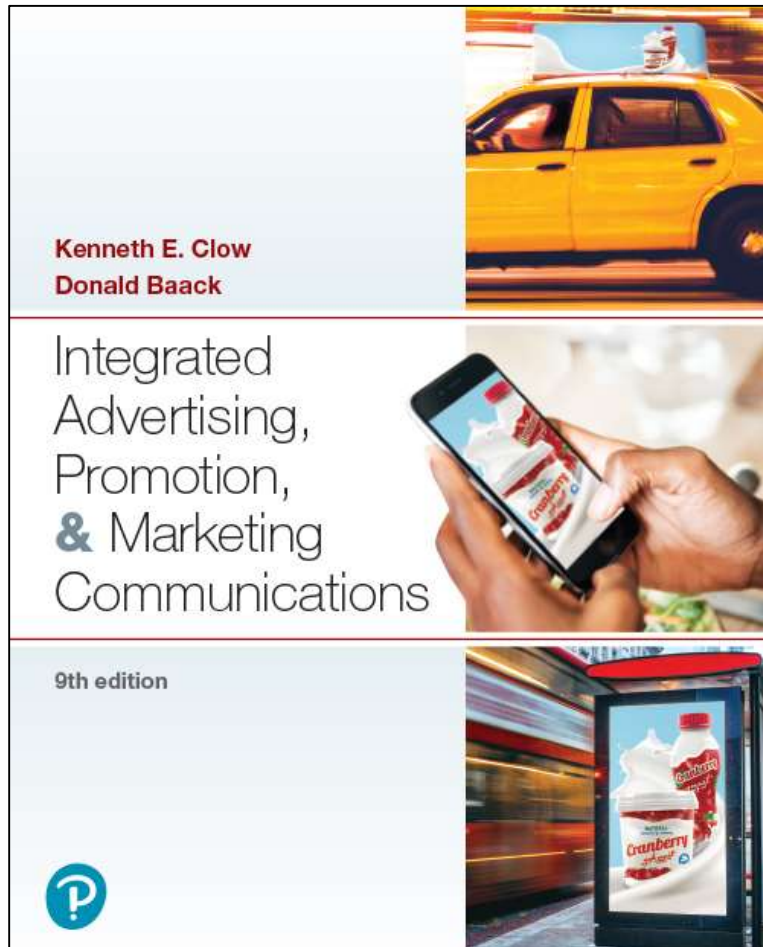


Integrated Advertising, Promotion, and Marketing Communications

Ninth Edition



Chapter 2

Brand Management

Chapter Objectives (1 of 2)

2.1 How does a brand's image affect consumers, other businesses, and the company itself?

2.2 What types of brands and brand names do companies use?

2.3 What characteristics do effective logos exhibit?

2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

Chapter Objectives (2 of 2)

2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

2.6 What current trends affect private brands?

2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

2.8 How do firms manage brands in international markets?

Chapter Overview

- Managing a brand image and logo
- Developing and promoting brands
- Brand equity versus brand parity
- Importance of packaging and labels



Gari Wyn Williams/Getty Images

Michelin

- Created brand association with the Michelin Tire Man
- Durability, reliability, safety key concepts for consumers
- Michelin is also devoted to safe driving and tire care
- Result: A stable company with consistent brand image



A Brand Image Ad for Rev Select



Figure 2.1: Elements of Brand Image

Tangible Elements

- Goods or services sold
- Retail outlets where the product is sold
- Advertising
- Marketing communications
- Name and logo
- Packaging and labels
- Employees

Intangible Elements

- Corporate personnel
 - Ideals
 - Beliefs
 - Conduct
- Environmental policies
- Corporate culture
- Country location
- Media reports

Figure 2.2: Brand Image Benefits to Consumers

- Provides confidence regarding purchase decisions
- Gives assurance about the purchase when the buyer has little or no previous experience
- Reduces search time in a purchase decision
- Provides psychological reinforcement and social acceptance of the purchase

Interstate Batteries: A Strong Brand Image



Figure 2.3: Brand Image Benefits to Companies

- Extension of positive customer feelings to new products
- Ability to charge a higher price or fee
- Consumer loyalty leading to more frequent purchases
- Positive word-of-mouth endorsements
- Higher level of channel power
- Ability to attract quality employees
- More favorable ratings by financial observers and analysts

Figure 2.4: Categories of Brand Names

- Overt names
- Implied names
- Conceptual names
- Iconoclastic names

Bringing the best in healthcare home.

Craig General Hospital offers the best in quality healthcare and it's close to your home!

- 24-Hour Emergency Room
- Surgery
- Laboratory
- Physical Therapy
- Ultrasound
- MRI, PET/CT Scan and 64-Slice CT
- Cardiopulmonary Care & Cardiac Calcium Scoring
- Mammography
- Comfortable Birthing Suites
- Sleep Studies
- Home Medical Equipment
- Renaissance - a specialized short term inpatient care facility for seniors with dementia-related diseases and other behavioral issues
- Transitions Grief and Life Change Support Center

CRAIG GENERAL HOSPITAL

256-7551 735 North Foreman • Vinita • craiggeneralhospital.com

Courtesy of Karen Plott/Choice Marketing

Questions to Consider (1 of 3)

- Can you think of corporate brand names that fall into each of the categories in Figure 2.4?
- Which ones are your favorites and why?
- Why would you choose these brands over competitors?

Figure 2.5: Origins of Some Unique Brand Names

- **Google**—name started as a joke about the way search engines search for information. Word googol is one followed by 100 zeros.
- **Lego**—combination of Danish phrase “leg godt,” which means “play well” and Latin word lego which means “I put together.”
- **Reebok**—alternative spelling of “rhebok,” which is an African antelope
- **Skype**—original name was “sky-peer-to-peer,” which was changed to “skyper,” then to “skype.”
- **Verizon**—combination of Latin word “veritas” which means “truth” and “horizon.”
- **Volkswagen**—created by Adolf Hitler as a car for the masses that could transport 2 adults and 3 children at speeds up to 62 mph. Name means “people’s car.”
- **Yahoo**—word from Jonathan Swift’s book **Gulliver’s Travels**, which represented a repulsive, filthy creature that resembled a Neanderthal man. Yahoo! founders, Jerry Yang and David Filo considered themselves to be yahoos.

Figure 2.6: Types of Brands

- Family brands
- Brand extension
- Flanker brand
- Co-branding
- Ingredient branding
- Cooperative branding
- Complementary branding
- Private brands

Campbell's: Family Brands



Michael Neelon (misc)/Alamy Stock Photo

Figure 2.7: Forms of Co-Branding



Figure 2.8: Four Tests of Quality Brand Logos and Names

- Recognizable
- Familiar
- Elicits a consensual meaning among those in the firm's target market
- Evokes positive feelings

Figure 2.9: Some of the Oldest Logos

Company/Brand	Year Company Founded	Year Logo First Used
John Deere	1837	1876
Coca-Cola	1886	1886
Johnson & Johnson	1886	1886
Union Pacific Railroad	1862	1888
Prudential Life Insurance	1875	1896
Campbell's Soup	1869	1898
General Electric	1892	1900
Goodyear	1898	1901
Sherwin-Williams	1866	1905
DuPont	1802	1907

Brand Logos

- Aid in recall of specific brands
- Aid in recall of advertisements
- Reduce shopping effort
- Reduce search time and evaluation of alternatives

Figure 2.10: Tips on Creating or Changing Logos

- The logo is a reflection of the brand
- Creating logos requires knowledge and expertise
- Use professional designers
- Make the logo simple
- Make the logo media transferrable

Identifying the Desired Brand Image

- Evaluate current image
 - Ask customers
 - Ask non-customers
- Can be a strategic advantage



Creating the Right Image

- Sends a clear message
- Portrays what the firm sells
- Business-to-business may be challenging



Rejuvenating a Brand's Image

- Sells new products
- Attracts new customers
- Retains current customers
- Key – remain consistent with old and new
- Takes time and effort

Figure 2.11: Keys to Successful Image Rejuvenation

- Help former customers rediscover the brand
- Offer timeless consumer value
- Stay true to original, but contemporize
- Build a community

Changing a Brand's Image

- Extremely difficult
- Necessary when target market declines or brand image no longer matches industry trends
- Requires more than advertising
- Begins internally, then moves outward



Questions to Consider (2 of 3)

- Can you think of companies that have rejuvenated their brands by following the principles in Figure 2.11?
- What was the result?
- How about instances in which companies tried to completely change the brand's image?
- Was it successful? What do you think would be most difficult about this process?

Developing and Building Powerful Brands

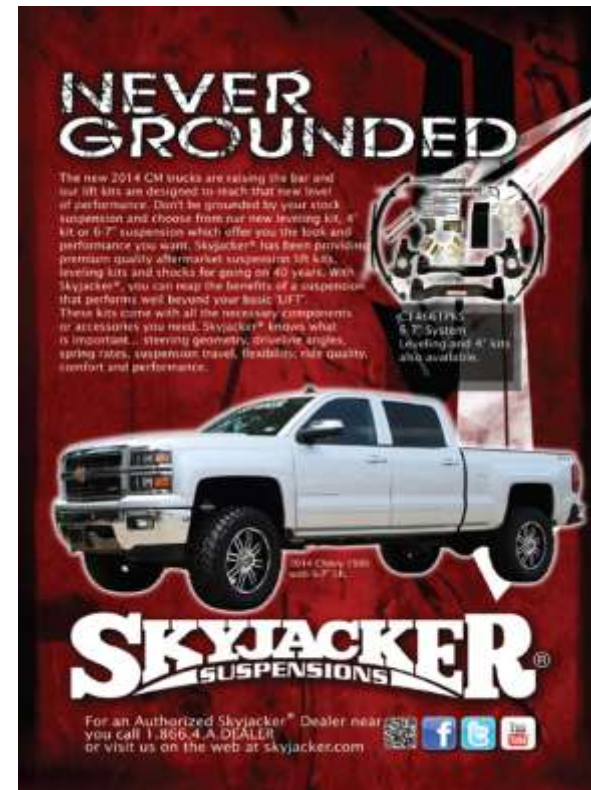
- Understand why consumers buy and rebuy a brand
- Where does your brand stand now?
- What are your objectives?
- What are you doing to build your brand and business?
- What are your brand's strengths? Weaknesses?
- Which opportunities should be pursued first?
- Where are the pitfalls?

Figure 2.12: Building Powerful Brands (1 of 2)

- Invest in the brand
- Create awareness
- Offer authenticity uniqueness
- Build trust
- Deliver an experience
- Offer value
- Utilize social media
- Utilize mobile
- Act responsibly

Figure 2.12: Building Powerful Brands (2 of 2)

Skyjacker has built a powerful brand by providing customers with a good experience and delivering value.



Brand Loyalty

- The ultimate objective
- The only brand that customers purchase
- Drivers of brand loyalty:
 - Emotion
 - Value
- It's all about the consumer experience

Brand Equity

- Brand parity can be a problem
- Brand equity
 - A set of characteristics making the brand unique
 - Helps fight the brand parity problem
 - Brand name is perceived as better

Private Brands

- Popularity has fluctuated
- Connotation of low price, inferior quality
- Historically catered to price-sensitive consumers
- Retailers invest in private brands
- Many consumers see few differences

Figure 2.13: Changes in Private Brands

- Improved quality
- Perceived as a value purchase
- Higher loyalty toward retail outlets and lower loyalty toward specific brands
- Used to differentiate retail outlets
- Increased advertising of private brands
- Increased quality of in-store displays and packaging of private brands

Advantages to Retailers

Private Labels

- Higher gross margins
- Lower prices
- Greater loyalty to stores and brands within a store
- Differentiates stores from national brands
- Many consumers are unaware of the difference

Figure 2.14: Tactics Used by Manufacturers to Combat Retail Private Brands

- Focus on core brands
- Increase advertising
- Introduce new products
- Focus on in-store selling, packaging
- Use alternative methods of marketing

Packaging

- Final opportunity to make impression
- Two-thirds of purchase decisions made in-store
- Have three seconds to catch attention
- Package must stand out
- Must tell customers what is inside

Figure 2.15: Primary Purposes of Packaging

- Protect product
- Provide for ease of shipping and handling
- Provide for easy placement on shelves
- Prevent or reduce theft
- Prevent tampering (drugs and food)
- Meet consumer needs for speed, convenience, and portability
- Communicate marketing message

Labels

- Must meet legal requirements
- Provide another marketing opportunity
- Typically contain logo and brand name
- QR codes can link to social media sites



Ethical Issues in Brand Management

- Brand infringement
- Brand name can become a generic term
- Cybersquatting

International Implications

- Adaptation vs standardization
- Standardization reduces costs
- Shrinking world leads to standardization
- Think globally, but act locally



Questions to Consider (3 of 3)

Think about the GIMC strategy to “Think globally, but act locally.”

- How does this approach apply to branding?
- Why is it important to consider each local market’s unique features?
- How can it help to support and develop local brands?

Your Career: A Personal Brand

- You have unique characteristics, personality, image
- What is your personal brand image?
- Personal appearance conveys a lot to an employer
- Consider mannerisms: speaking, gestures, eye contact, posture
- Social media is key to your personal brand

Blog Exercises

- Tesla
- Nice Versus Kind
- Interesting Logos

Copyright



This work is protected by United States copyright laws and is provided solely for the use of instructors in teaching their courses and assessing student learning. Dissemination or sale of any part of this work (including on the World Wide Web) will destroy the integrity of the work and is not permitted. The work and materials from it should never be made available to students except by instructors using the accompanying text in their classes. All recipients of this work are expected to abide by these restrictions and to honor the intended pedagogical purposes and the needs of other instructors who rely on these materials.