

SUMMARY OF THE CBBE MODEL presented in **CONCEPTUALIZING, MEASURING, MANAGING CUSTOMER- BASED BRAND EQUITY** authored by: Kevin Lane Keller, published in *Journal of Marketing*, Vol. 57, No 1 (Jan1993), pp. 1-22.

The customer-based brand equity (CBBE) model is presented from an individual consumer's viewpoint. It is referred to as the varying impact of brand awareness on consumer reactions to brand marketing. To improve marketing productivity, marketers should adopt a broad view of marketing activity for a brand and recognize that the long-term success of all marketing programs depends on the knowledge about the brand in the consumers' memory.

There are two vital components associated with brand knowledge, viz., brand awareness and brand image. The degree to which consumers know the unique features or reputation of a specific brand of goods or services is called brand awareness. Brand perceptions are referred to as brand images and are based on the associations that consumers have with the brand. There are four components that determine the brand image, and they are favourability, strength, uniqueness and types of brand associations. Attributes, benefits, and attitudes make up the three main categories of brand associations.

The favourability of brand associations relates to creating a positive overall brand attitude and a brand whose attributes and benefits satisfy the needs and wants of a consumer. The strength of association is dependent on how the consumer memory captures the information and how the image of the brand is maintained. The uniqueness of brand associations makes the information more accessible and easier to recall. A brand's success is heavily dependent on associations that are unique to the brand and superior to other brands.

CUSTOMER-BASED BRAND EQUITY:

Understanding brand equity helps managers understand how marketing improves the value of their brand. Three main concepts in brand equity are "differential effect", "brand knowledge", and "consumer response". Customer-based brand equity is improved by creating a favourable response to pricing, distribution, advertising, and promotion activity.

Building customer-based brand equity can be achieved by selecting brand identifiers and incorporating them into a marketing strategy.

Brand exposure can be increased by developing supporting marketing programs such as frequent references in advertising and marketing tools, event or sports sponsorship, PR, and other initiatives. If the existing brand associations need to be improved in some way, secondary brand associations can help.

MEASURING CUSTOMER-BASED BRAND EQUITY:

There are two important methods for calculating customer-based brand equity. The "direct" method assesses the influence of brand awareness on customer reactions to marketing mix components. By measuring brand knowledge, the indirect approach evaluates possible sources of brand equity. Using both indirect and direct methods of measuring customer-based brand equity is recommended because they complement one another.

MANAGING CUSTOMER-BASED BRAND EQUITY:

Six guidelines for managing customer-based brand equity include adopting an extensive and long-term perspective, identifying the main benefits and intended consumer knowledge structures, taking into account a wide range of advertising, promotion, and other marketing choices, and synchronizing the selected marketing strategies. Monitoring research, controlled experimentation, and assessing prospective extension possibilities are also recommended.

THE COCA-COLA COMPANY

DESCRIPTION AND HISTORY OF THE COMPANY:

The Coca-Cola company was founded in 1892 and is primarily engaged in the manufacture and sale of syrup concentrate for Coca-Cola which is a sweetened carbonated beverage. This company also produces other soft drinks like Sprite and Fanta. It is an American corporation with more than 2800 products available in more than 200 countries. In fact, this company is known to be the largest beverage manufacturer in the world and is one of the most successful brands in marketing history, with its headquarters situated in Atlanta, Georgia. (Wikipedia contributors, 2023).

In 1892 an Atlanta pharmacist, Asa Griggs Candler, incorporated the Coca-Cola Company. The Coca-Cola trademark was filed with the U.S. Patent Office in 1893. Coca-Cola's first ad was "Coca Cola. Delicious! Refreshing! Exhilarating! Invigorating!". Candler was among the first businessmen to include merchandising in his advertising strategy (Saini, 2021). Subsequently, Coca-Cola acquired several companies like Minute Maid, Thums Up, movie studio Columbia Pictures and several other beverage companies. The advertising strategies of Coca-Cola include direct marketing, social media, text messaging, web-based media, sales promotions etc (Wikipedia contributors, 2023).

Further, the bright red logo displayed on the beverage delivery trucks, vending machines etc, also augments the advertising in the retail section. With regard to food services, Coca-Cola is preferred and often suggested to be paired with several fast foods. In 2005, addressing the concerns of people who have diabetes, the company introduced Coca-Cola Zero, a zero-calorie soft drink with the taste of regular Coca-Cola (The Editors of Encyclopaedia Britannica, 2023).

CUSTOMER-BASED BRAND EQUITY MODEL IN THE COCA-COLA COMPANY

The ways in which the CBBE model is implemented in the Coca-Cola company are as follows:

BRAND AWARENESS:

Coca-Cola has always worked towards achieving its precise brand identity in order to increase consumer awareness of the brand. It has consistently maintained the same logo and colour for decades, helping brand recognition and recall. They have always used the colours red and white, which are usually associated with energy, youth, excitement and boldness. The brightness of these colours grabs people's attention and increases their awareness (Clinehens, J, 2022)

BRAND IMAGE:

Coca-Cola had several marketing campaigns that connected brand values to emotions and feelings that are close and significant to consumers, such as "Happiness Machine", "Open happiness", "Taste the feeling", and "Share a Coke" (Cocacolabranding, 2016). Most of their advertisements and taglines connect to the emotion of "happiness". These campaigns created a feeling of refreshment and closeness with family and friends, creating an overall positive brand image.

MANAGING BRAND EQUITY:

Coca-Cola attracts consumers with a high level of brand awareness, good reputation, quality, and constantly updated product packaging and variations. It also maintained the same pricing for several years, making consumers stay loyal even when there were competitors in the market (Tasneem Kibria, 2020). Coca-Cola was able to build long-term associations with consumers by paying attention to their requests and suggestions and responding in a positive way.

RECOMMENDATIONS TO IMPROVE THE MODEL IN THE COMPANY

DIVERSIFICATION OF PRODUCTS AND EXPANSION OF MARKET:

Coca-Cola has less product diversity and depends only on soft drinks for its revenue. Entering the food market can help Coca-Cola expand their market and increase consumer reach. Diversification of products and the introduction of snacks and food can help increase market share. The biggest competitor of Coca-Cola is PepsiCo which has already introduced snacks and food, which gives them get more market share.

INTRODUCING HEALTHY BEVERAGES:

Nowadays, people are more health conscious and are worried about health issues like diabetes and obesity, which can be caused due to high intake of sugar. The main ingredient in beverages sold by Coca-Cola is sweeteners. These sugary beverages, when consumed in large quantities, can cause health problems. Hence, Coca-Cola can branch out and introduce healthier drinks with less sugar in them.

CHANGING PACKAGING:

Coca-Cola is one of the top producers of plastic waste every year, as the beverages are always packed in pet bottles. These pet bottles, essentially being plastic, are not environmentally friendly. Hence, the company could develop more environmentally friendly packaging, thereby impressing potential consumers and society.

ADVERTISING AND BRINGING OTHER PRODUCTS TO LIMELIGHT:

Coca-Cola company has several products, but only a few beverages like Coca-Cola, Sprite and Fanta are known to consumers worldwide. Reintroducing and advertising all the other products can generate more revenue for the company.

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