

Building Brand Architecture Sample Report: Dell vs. Apple

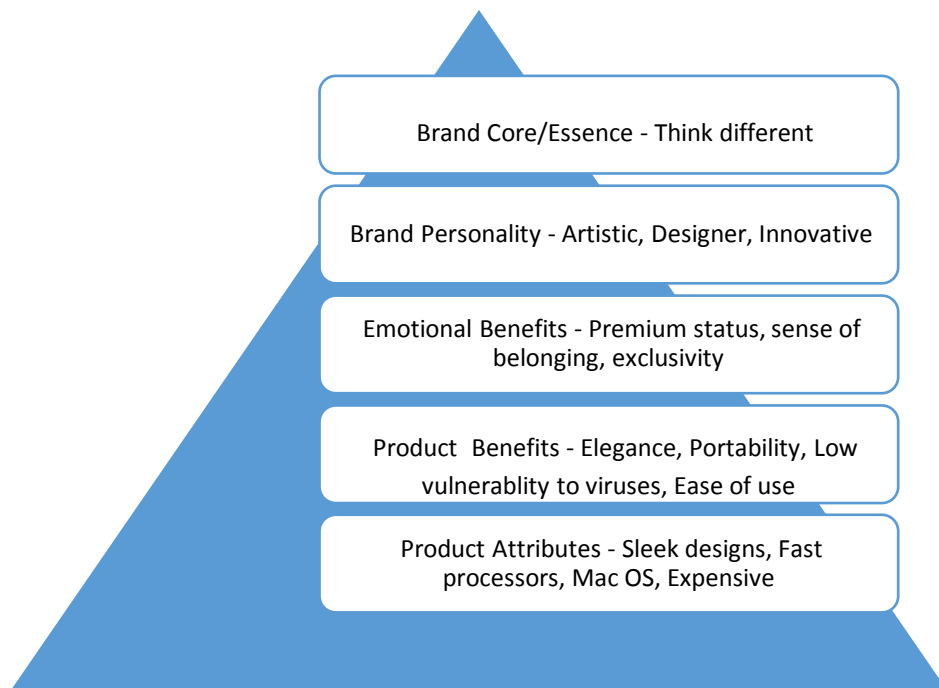
Introduction

This report builds and examines the brand architecture of two brands – Apple and Dell - in the personal computers market i.e, desktops and laptops. The two brands are chosen as they compete in very similar markets and yet have very different brand personalities. Apple and Dell are among the most valuable brands in the personal computer market, and this report will bring out the stark differences in the brand architectures of these two brands. The goal is to observe how consumers can have vastly different perceptions of and relationships with very similar products owing to the differences in brand architectures.

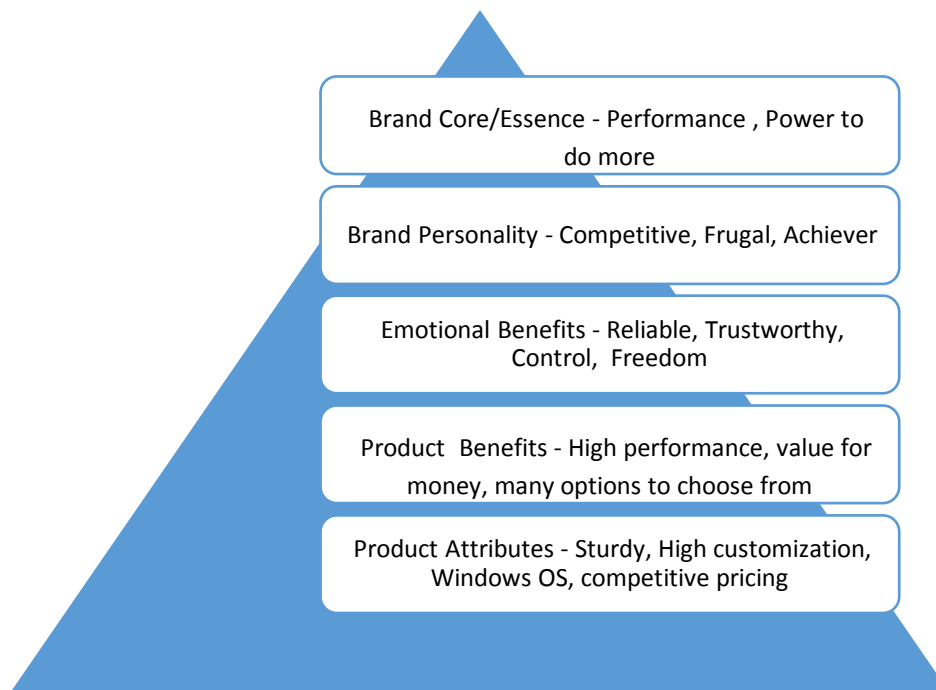
Brand Architecture

The first step is to develop brand pyramids for both brands.

➤ Brand Architecture for Apple



➤ **Brand Architecture for Dell**



Brand comparison

As we can see both brands compete in very similar markets. Also both brands put a high value on performance and product quality. However, the differences in the brand personalities appeal to very different target audiences in the same market. Apple prides itself on the exclusivity that it brings through its sleek designs and premium pricing. On the other hand, Dell attracts its audience with the high level of customization that it offers with its products. While Apple creates a sense of belonging for its customers, Dell provides its customers the value for money.

Apple targets the top end of the market, and its customers are not usually price sensitive. There are few options to choose from, but brand loyalty is very high. Dell offers a huge variety, and has something for every section of the market. It lets its customers control the pricing through the customization model. Dell's customers are generally more likely to be tech-savvy to control the specifications they require.

Due to differences in pricing, Apple's products are high margin products. On the other hand, Dell relies more the sales volume. Thus both brands serve the company's goal of revenue share through two different drivers.

Brand Value

Interbrand ranked Apple as the most valuable brand in its 2015 brand rankings¹ with the brand value of \$170,276M. However, for an apples to apples comparison, we would require the standalone brand value of apple computers. One way to estimate that could be factoring the overall brand value by the % revenue share of computers from

¹ <http://interbrand.com/best-brands/best-global-brands/2015/ranking/>

Apple's total revenue pie. However, that would not account for the differences in brand following with Apple's other products such as mobile phones or tablets.

Laptopmag rated Apple as the top brand followed by Dell at the second position². These rankings resemble the Brand asset valuator in that they do not provide a dollar value, and rather rate brands on various other parameters such as innovation, customer reviews etc.

Dell's brand value could not be determined. However, Apple can be arguably treated as the more valuable brand. Over the years, Dell has struggled to maintain the brand value that it had during its astronomical rise. While Apple continues to grow its fierce brand loyalty, Dell's products are increasingly seen as replaceable commodities³.

Sources Consulted

As referenced in the footnotes.

² <http://www.laptopmag.com/articles/dell-brand-rating>

³ <http://blogs.wsj.com/cio/2013/08/02/dell-has-little-brand-value-among-cios/>