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# REVIEW OF RESEARCH

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## NEW VISTAS IN BRAND BUILDING

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### ABSTRACT:

**M**any brand managers have an assumption that an effective brand can be built by a heavy dose of advertising and when advertising fails by a series of consumer promotion programs. There has not been any realization that advertising only contributes towards increasing the memorability of the campaign for play on at the selling point. A sales promotion program, either to keep your customers and customers allows few other brands with higher novelty and higher brand promise into consideration set. So this reduces the brand saliency and this process initiates a process called brand decay. What the brand manager fails to realize is that it is the brand value that drives the customer equity and hence builds a brand for the long term. Often brand managers take solace in blaming the advertising campaign for their mistake of not controlling brand value erosion. Advertising only helps in building brand awareness and favorability of the association with key brand attributes and images. Academicians and practitioners have often questioned ability of the most creative advertisement in generating sales in the short run or establishing a brand in the long run. That is the basic reason why the advertising world is not credited for building brands despite taking a large chunk of marketing expenses. At best they are credited for being the vehicle for the brand communication. If this is the case for advertising alone, then the effects of other elements of integrated brand communication are compensatory in nature. The negative perception of the brand deducts the incremental effect created by the advertising campaign. So traditional methods of building brands need further attention for success in Indian market. Let us discuss now the market response behavior of Indian brand managers before we look at the paradigm shifts in managing brands in Indian market.

**KEYWORDS:** consumer promotion programs , selling point , favorability.

### The problem of Market Responsive Behavior of Brand Managers

The rationale of using sales promotion is often questioned as it is antithesis to building long term value for a brand but as a practice, it has been the shelter of every brand manager to refuse to price based competitive as the slightest instance of competitive retaliation. Similarly the public relations and publicity tools are over credited for being more credible in building brand image but underused in Indian context. If the neutrality is communication and high credentials are given to these forms of brand communication effects are questioned for a long time because they have contributed less for category communication effects. But this note is not a critique to what Indian brand managers and communication experts are doing today and are continually doing for all these years. This note is an attempt to find a way out and build strategies so that we can



really work towards building great brands in Indian market.

Despite Indian civilization being centuries old and business in India flourishing so much in post independence era, we have not been able to place a brand in the global map. Numbers of brands we tout as national brands even have lesser presence in the far flung places in our country. Inability to enter in to deeper pockets, develop and build products to match the need and pocket of the rural customer constituting more than sixty percent of the Indian market have made us to define these markets as rural markets and untouchable. So the self chosen markets were branded as urban markets and each one of the players in the race try to compete in that clutter only. The choice was self imposed and since the scope of the business was limited to few urban pockets, attempts were not made to build the markets developing brands that could have satisfied the rural customers. The so called strategist waited in the wing for rural customers to become rich enough so that they can target them. I strongly believe there is any term coined in marketing literature that can be used to explain the behavior of the brand managers. Let us revisit the situation again. The customers have demand for the product in the market and they have the limited capacity to pay but the marketers are not ready to build brands for these market where there is a huge potential for business, the marketers were fighting for a piece from a smaller cake.

The problem of market responsive behavior of the brand managers does not end here. On one hand when we talked about neglect of the rural market and non exploitation of the huge market potential, the urban market was also not treated strategically. In stead of building categories and bringing new innovations to the market place, the success of one brand brought more players to the same segment and then cluttering invited price based competition which is an antithesis of brand building. A series of advertising campaigns and sales promotion programs were built around brands to enhance their market share and no attempt was made for the mind share. The war for the market share is always short term in nature than the epic for the mind share. Mind share was never the goal till the brands started asking for more market expenditure oriented oxygen. Additional expenses to keep the Brand on the store self brought newer problems to the forefront. The retailers and other intermediaries in the value chain took a U turn and started calling shots in the market place. The retailing became organized and due to their fragmented structure and closeness to the customer, they tried to pull strings and started asking for higher commissions, longer credit period and more assurance on payments. Such a syndrome in the market started hitting the bottom line for many companies and the case squeeze affected their market expansion initiatives. This kind of change in the market structure further weakened the strength of the brands in the market and they started behaving more like commodities.

Indian Market has its own modality of operation and peculiarity in behavior. The country being geographically spread to such huge distances had always the problem of establishing an effective distribution system that any national player could have afforded. So each player was trying to develop its own network and trying to build a competitive advantage based over this network, which was proven wrong at a later point of time. It is the only market where consumption behavior is largely shaped by an external factor called monsoon. This is due to the over dependent on monsoon and hence it was difficult to follow a trend pattern to build consumption levels for customers in larger markets. This is very much evident in the fast moving consumer good category. To sum it up there was no conscious attempt made to build strategies in the long term and hence not many strong brands in the market.

### **The major Paradigms of Brand Building Theoretical Perspective**

Paradigms of branding are well planned and based over two dimensions. They are brand centrally dimension and customer-centrally dimensions. The brand centrality dimension is based over the reliance of the firm on taking decisions with brand being the strategic focus. Organization revolves around the creation, development and protection of the brand identify. The customer centrality dimension refers to the shared beliefs among a firm's top managers about the nature of consumer involvement in the process of value creation. The approach runs from a unilateral approach where the consumer is a passive recipient of value created within the organization. The unilateral approach focuses on the internal characteristics and actions of the organization as the central dimension of value creation.

Customers are conceptualized as passive recipient of the message for enacting a predetermined role in

consumption. Competitive advantage is constructed internal to the enterprise by three distinctive processes namely investments to create value for consumers and improve a firm's portfolio or resources, secondly capabilities, communication to generate positive interpretations about the brand in the consumer's mind and finally influence the action of the consumer and development of a strategic plan to ensure consistency between an organization's culture, resources, investments and communications. In contrast to this the multilateral perspective emphasizes the interdependent process of value creation. In this assumption, consumers are construed as sources of competency and co-developers of personalized experience. Brand value and meaning is co-created, co-sustained and co-transformed through organizational consumer interactions.

The earlier studies done to understand the strategic orientation of the brands look at the uni-dimensional approach of using brand concept for visual identification and differentiation. Brands are used as a legal instrument particularly when we work for protection of patents and trademarks. A part of the brand consists of words or letter that forms a means to identify and distinguish a firm's offerings through a brand mark.

The brand mark is a symbolic or pictorial design that identifies a product. Branding for trademark purpose makes a brand name a legal instrument that the owner claims exclusive access. Sometimes a brand becomes so strong in the customer mind that the market identifies the product with the generic name of the brand. Nylon, Aspirin, Kerosene, Xerox, Dettol are examples in the Indian Marketing context. This is often referred to as Product Paradigm. In this paradigm the strategy formation process focuses on generating superior performance through the identification, creation and protection of favorable products market positions.

The Projective Paradigm Brands are conceptualized as focal platform for implementing an organization's strategic intent. Brands can be managed as identify systems. Brands are defined as gestalts larger than the sum total of its elements. Brand management is enacted through the creation, development and communication of a coherent brand identify. A brand identify charter provides a coherent profile of its vision, values, mission, target segments, and core benefits, style and anchoring of the products. The major challenge for the brand manager is to create and sustain brand identify by developing co-ordinated marketing strategies across diverse markets. Media options and work cultures.

The Adaptive Paradigm postulation is based on the customer centrality phenomenon. Brands are construed as performing essentially consumer centered. Roles facilitating decision making reducing risks and search costs and providing symbolic value. The concept of brand image gradually takes over as the central strategic focus than the identity. This concept however fails to identify the active role of the consumers in the co-creation of brand meaning. It focuses on consumer's evaluative process but fails to illustrate how firms configure brand value. The relational paradigm provides alternatives that confront the weaknesses in both the projective and adaptive paradigm.

Relation paradigm conceptualizes brand management as an ongoing process with clear beginning and ending in which brand meaning and value is co-created through the collaboration and competition between organizations and consumers. Brands are construed as personalities that evolve in the context of consumer - brand relationships. Brand management under relational perspective is the recognition of consumer's active role in co-developing brand meaning and value.

The current approach to branding is multidimensional and comprises of functional, emotional, relational and strategic dimensions, the brand today provides added value to a product through higher brand equity. Brand equity increases the likelihood that consumers will recognize the firm's product when they make purchase decisions.

So in the truest term a brand is a mental anxiety reducer that provides an assurance of desired performance against other generic products. The current perspective of branding is driven by the interaction between push factors associated with marketing and strategic research and pull factors related to the increased managerial interest on the brand valuation and brand management due to transformations in the business environment.

The push model highlights the role of brand in developing sustained competitive advantages in which it is taken as a resource and capability difficult to be imitated by the competitors. Brands by themselves are capable of achieving a high customer retention rate as it removes a generic product from the excess of perfect

competition. The symbolic value of the brand permits the buyer to repose his faith on the manufacturer due to brand identification. A strong brand hastens the process of brand acceptance in a product category. A customer has to pass through three distinct stages to become a loyal user. These stages are Brand Recognition, Brand preference and Brand Insistence.

### BRAND BUILDING AND ADVERTISING

Advertising plays a great role in initiating the process of loyalty formation. On one hand sales promotion tries to break the existing loyalty pattern in an existing product or brand by offering a higher trial in a short period of time and advertising helps in creating recognition for the new brand. At the stage of a brand but does not prefer it to the competing brands.

In the brand preference stage the consumer selects one brand preference stage the consumer selects one brand over competing offerings based on previous experiences with that brand and knowledge obtained about new brands in the market. This knowledge creation is the task of the whole marketing system of a brand and not of only advertising and sales promotion functions.

In brand insistence stage the consumer refuses to accept alternatives and searches extensively for the desired goods and services. This is the ultimate stage of branding success where a strong brand player makes the customer to be so loyal with the brand that in every purchase situation he only insists the brand and shows perfect routinized response behaviour. This stage comes with consistent brand performance and a strong positioning strategy in the market.

#### Strong brands are:

1. Valuable to the extent that enable firms to explore opportunities (through line and brand extension) and neutralize the competitive threats (due to high customer retention and loyalty rate);
2. Rare among a manufactures/marketer's current and potential competitors;
3. Costly to imitate;
4. Without strategic substitutes.

Brands perform valuable functions in enabling customers to adopt a differentiated product. The pull model looks at a brand as a strategic asset for the organization and hence researchers asset for the organization and hence researches looks for valuation of brands. The earlier organizational concepts value assets as some total of the physical and financial assets. Today's valuator are looking for symbolic values and evaluating its importance in the organizational context. Customers pay higher price to buy brand and the marketer in return hires the customer mind space. They generate their assets at the customer mind space level.

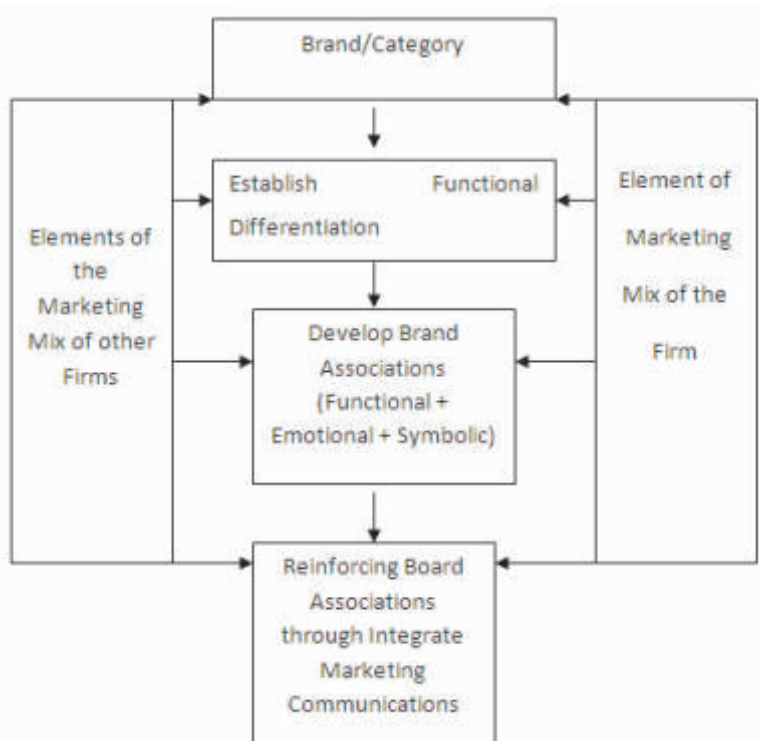
The tendency of any business is to manage a product, which happens to have a name. When the focus of the business is launching a new product and brand launch is considered as a tactical decision through communication, yet the reality is something different. In reality the customer confronts the brand when he decides about buying. So brand is not a product, which incidentally has a name, rather brand gives the product a meaning and defines its identity in both time and space. Companies are now evaluating this brand equity and managing nourishing and controlling the value based brand management paradigm. Brands do not exist in all markets, neither have they played a very significant role in all buying situations, nor they significantly affects products success in any categories.

We do not find strong brands in commodities like rice, wheat, vegetable and sugar. So brands exist when customers perceive a risk in buying the product. Once the perceptions of risk disappears then the brand again enters in to the commodity market. Therefore, the importance of perceived risk is the generator of a strong differentiation in branding.

However there is a caveat to the role of marketing communication and advertising in particular, in the brand building process. With the High level of media and confusion in the market place it is necessary to moderate the over reliance of brand managers on advertising. A cross sectional study in the Indian market makes us to believe that the rules for building brands are very simple. The secret lies in hiring a celebrity, doing feature

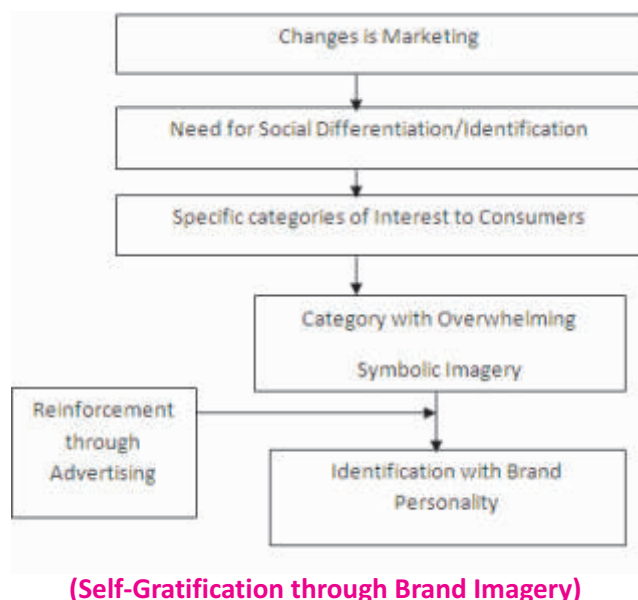
based television advertising and using soft emotions are the tools available for building brands. But the potential question at this stage is the utility of highly visible campaigns for all the product categories and their relevance in matching to the brand building and possibly brand rebuilding campaigns. Are there alternative methods for building brands in lesser advertising budgets or not?

The models for building brands vary across categories, product categories linked with fun, enjoyment and entertainment may need a high decibel of advertising, as they are more oriented towards self-indulgence and gratification than a particular benefit expectation. These categories need a social differentiation platform and are used for the symbolic reasons than a rational choice. So brands in this category use fantasy based imagery, Brands use alternative route through delivering tangible benefit, may help the brand rise above the clutter of marketing communications to trigger trail purchase. A different brand building route for a brand in such product categories in which a major proportion of the target segment could visualize the brand benefit in a tangible manner vis-a-vis soft drinks and liquors where the physiological gratification decides the symbolic aspects is very subjective.



**Role of Integrated Marketing  
(Communication in Brand Building)**

In such subjective product categories, the consumer will buy the brand more out of his symbolic needs and over a period of time may even allow it to condition his physiological gratification because of dominance of symbolic appeals and the lack of a standardized functional and tangible benefit. The role of advertising in cases where the choice decisions are on the basis of functional utility is to create the awareness and then bring the customer to the store. When the brands have a strong functional benefit in it, it triggers trails and develop positive word of mouth. Tools like public relations, sponsorship will help in building brands. Articles and public relationship materials around the issues related to the product category and the brand are used to build a favorable association. Brands like Palmolive, Evita and Ponds use the problems of skin care as an issue and associate them in the counseling function for the customers to build a strong rapport Over a period of time, the brand is able to create an association in the category and hence communicate the relevant brand benefit.



### The Problem of sameness

Creation of the perceived difference in a market symbolized by “sameness phenomena” is an upheaval task. The contemporary approach to building strong brands rests largely on emotional branding paradigm than functional branding paradigm. At the physical contact point for a brand, the customer looks at the brand universe offered to him to be same with similar function attributes. So the brand managers try to build competitive advantage through emotional bondage creation or emotional brand association. Emotional branding paradigm came from the non profit sector and subsequently used by product/service brand managers for creating competitive advantages. This strategy has stood the test of time across the globe.

It is difficult to lay guidelines for sustainable brand building but a serious look in to the patterns emerging in the market leads our path to a successful process. It starts with developing a brand identity considering the perspective of core identity. This image is not agency or brand manager driven rather it is how your customers perceive you. The identity will express brand manager’s aspiration level for a perception where as the image shall give the real perception.

A successful positioning connects functional attributes of the brand with the psychographic needs of the customers in generating a symbolic association.

### The second step is to get an exact product market definition.

This is possible by defining target customer groups by identifying the markets that have similar set of needs and concerns that the brand can satisfy. After this the brand manager goes for setting up the competitive framework not only decides which set of competing brands to look for (brand manager’s strategic group) but also lays down which set of brand elements to push through the communication strategy. The fourth stage is the implementation of the communication strategy, which helps the brand managers to communicate to the communication strategy, which helps the brand manager to communication to the customer the benefit of buying the product.

This differential proposition in communication is a “point of separation” or distinction for the brand. The net benefit to be presented largely depends on the relative positioning standings of the competing brands. The brand manager should present “the reason why” of choosing the brand which should support the benefit claims. In many of the cases the communication strategy gives customers a “permission to believe” through celebrity endorsements. In cases of poor credible sources (at the initial stages of building brands) a celebrity endorsement helps in giving a “term of reference” for the customers to opt out a brand.

This reinforces the customer’s decision and speeds up the process of closing the sales. Over a consistent

brand communication the brand manager tries to establish a brand character or “personality” this is done through descriptions and association that reflect personality traits or values consistently over a period of delivery of brand value to the customers. The brand manager as a final standing normally reruns the relative positioning standing of the vis -a vis to the competitors to find out the probability of a competing brand switching to the positioning statement developed by the brand manager for his own brand . if the probability is high and period of sustenance of brand differentiation is small then he should look for alternative positioning propositions at the brand building stage.

## CONCLUSION

Building a brand in a market of limitless choice without a clear identity for the product seems mission impossible. It may make a strong product drown in the ocean of similarity. So there is the necessity for a sure-fire strategy for making a brand successful in today’s market place which can win hearts and minds of prospective customers. In 19 of 22 consumer categories, the leading brands in 1925 are still a leader in 2000. A successful brand building investment always creates an option for the consumer that it is the only alternative available in the market to buy. In some cases people are ready to pay more for this familiarity and confidence on a high price value proposition but also a strong emotive bonding to the customer.

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