

Branding Strategies

before to begin the lecture



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brand strategy



Say the name, "Marilyn," and only
one woman comes to mind



Marilyn Monroe

brand is a physical and emotional identity of company, person, city etc.

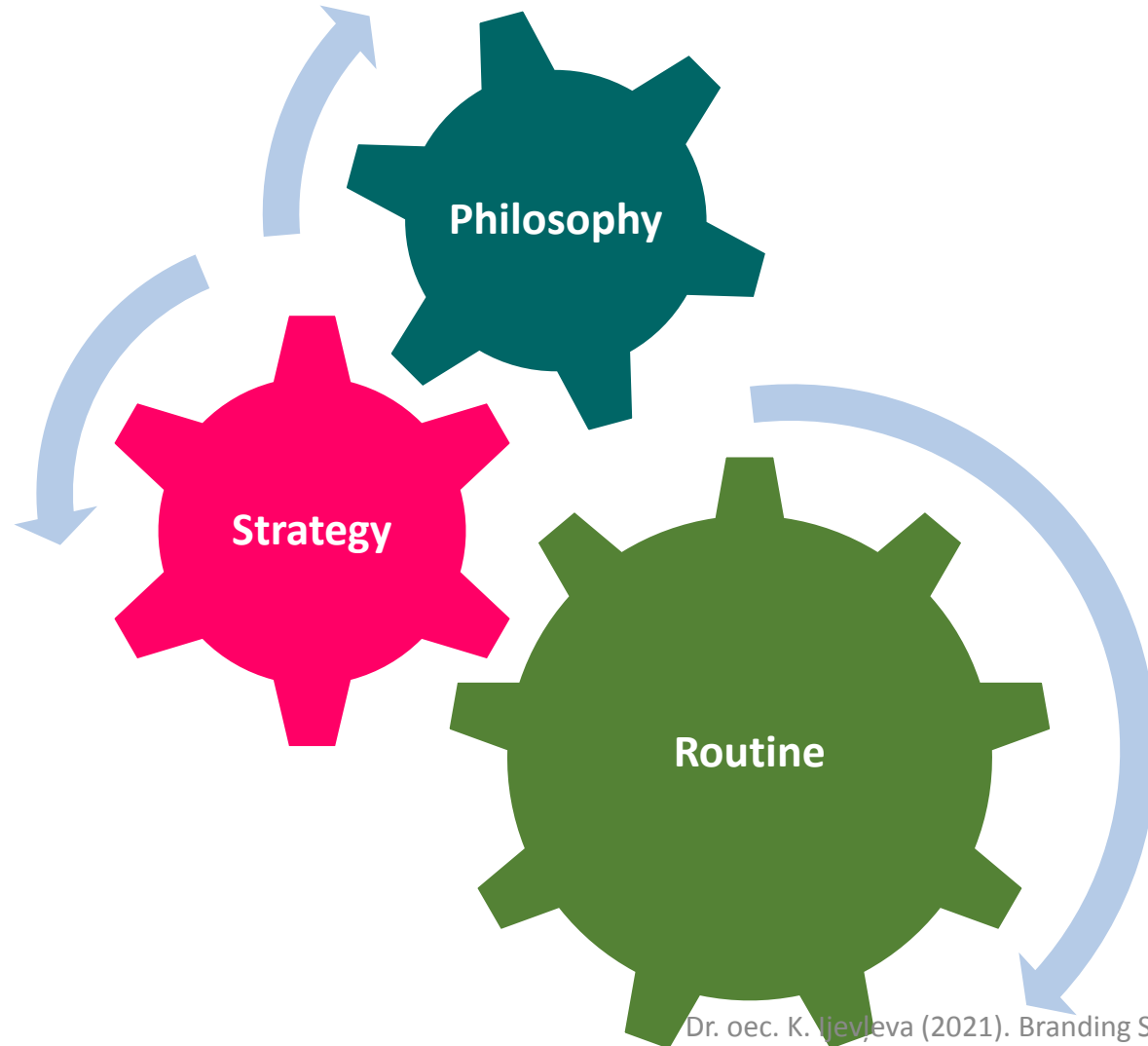


What is marketing and what is branding?

Three Marketing Levels

1. *“Marketing is not a function. It is a way of doing business”* (Regis McKenna). Marketing as a business philosophy, which determines the company's strategy and tactics in a competitive environment.
2. **Marketing as a Strategy. It is about segmenting (S) the market, deciding which customers to target (T) and deciding what messages to communicate to associate with company or just positioning (P).**
Overall process usually is referred to Segmentation – Targeting – Positioning (STP)
3. Day to day operational running of marketing. It encompasses the management of Marketing Mix.

Three Branding Levels



It's obvious that brand management is:

- step-by-step gradual process
- well-planned process
- often is inflexible/rigid process
- often is expensive

Brand

(Germanic → Old English)

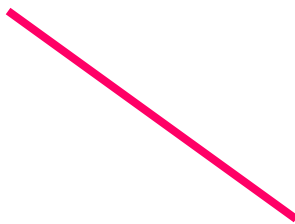
Brand / Brond – fire, flame, destruction by fire, firebrand, piece of burning wood, torch

- shepherds used to place burn marks on their livestock with a branding iron **in order to differentiate** it from the livestock of other shepherds
- after the Industrial Revolution, goods were being sold all over the world and manufacturers recognized the need to have **their products identified and differentiated from others**
- this led to brand names and ultimately to brands **being protected** by trademarks

- Creating brand recognition can be costly and companies are willing to spend vast amounts of money for building it up.
- Compared to this, the costs for registering a trademark are negligible.
- A trademark is a right granted by the state and serves as a protection for the investment in a brand.
- It provides the owner with an exclusive right to prevent others from using its brand in an identical way, but also from creating confusion by using a mark that is similar, or simply exploiting its reputation.



brand > trade mark



company's concept and image →
"intangible" economic value

Four brand dimensions

1. Emphasis on a product visual and physical identification and differentiation from competitors



Brand as a name or symbol that identifies a product

In this case, we are not talking about the success of the brand and the emotional connection with the consumers.

The point is that products have visual identification and differ from each other on the market (and shelves 😊).

Four brand dimensions

2. Emphasis on a consumer perception of the product

small talk

seasonal drinks'
tastes

A brand is a set of perceptions in the eyes of the consumer

you guess ...



you guess ...

The modern interpretation of the concept of a brand includes all consumer associations that arise in connection with a product as a result of gaining:

free Wi-Fi here

you guess ...

- their own experience
- public approval

Four brand dimensions

3. Emphasis on a company's promise to the consumer



low prices
rudeness
outlying airport
you guess ...



high customer service
free food and drinks
good destinations
free excursion
you guess ...

A brand is a combination of the name and other symbols used to identify a product and the "promise" that is given to the customer

A brand is like a promise that the offered product has a set of specific (positive or not) qualities

Thus buyers' expectations are based on this promise

Four brand dimensions

4. Emphasis on an added value



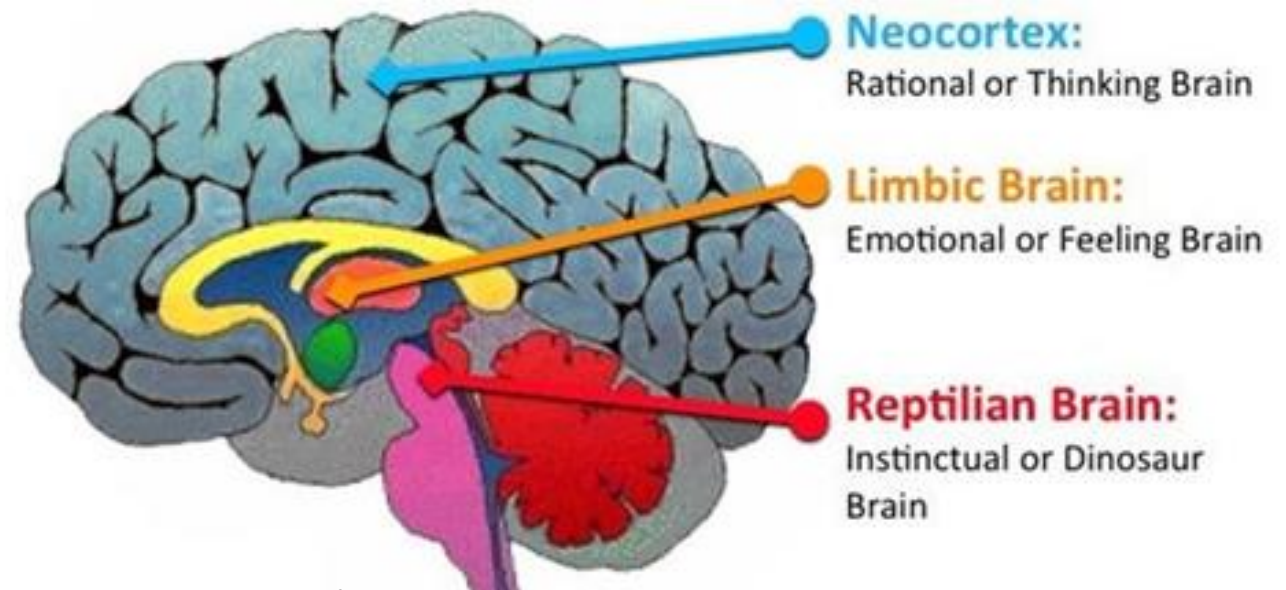
A brand is an object (product) that meets the functional needs of users and provides them some kind of additional value that can satisfy psychological needs



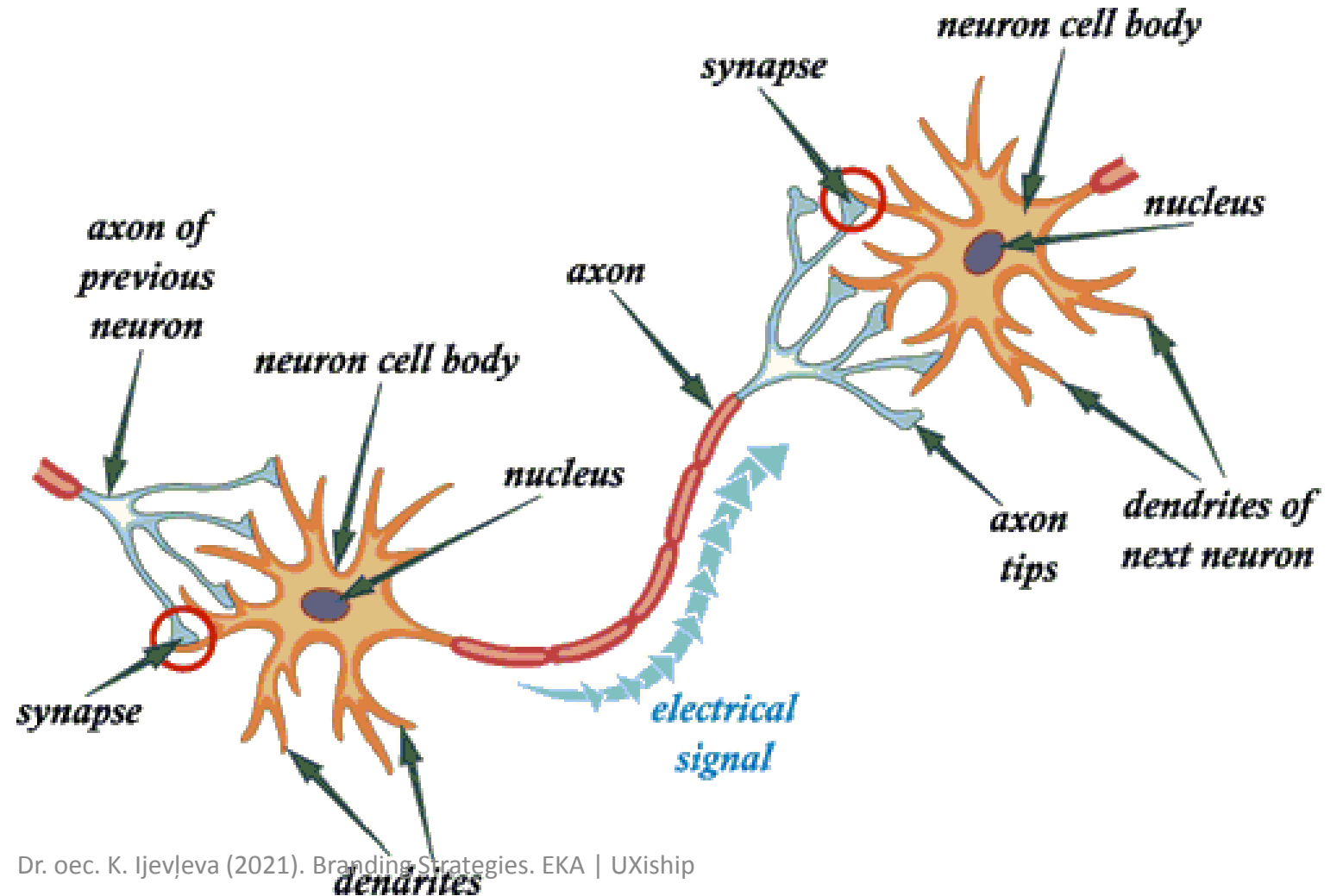
A brand is an individualized product that is attributed by the customers like a value (functions + emotions)

Three main brain's systems

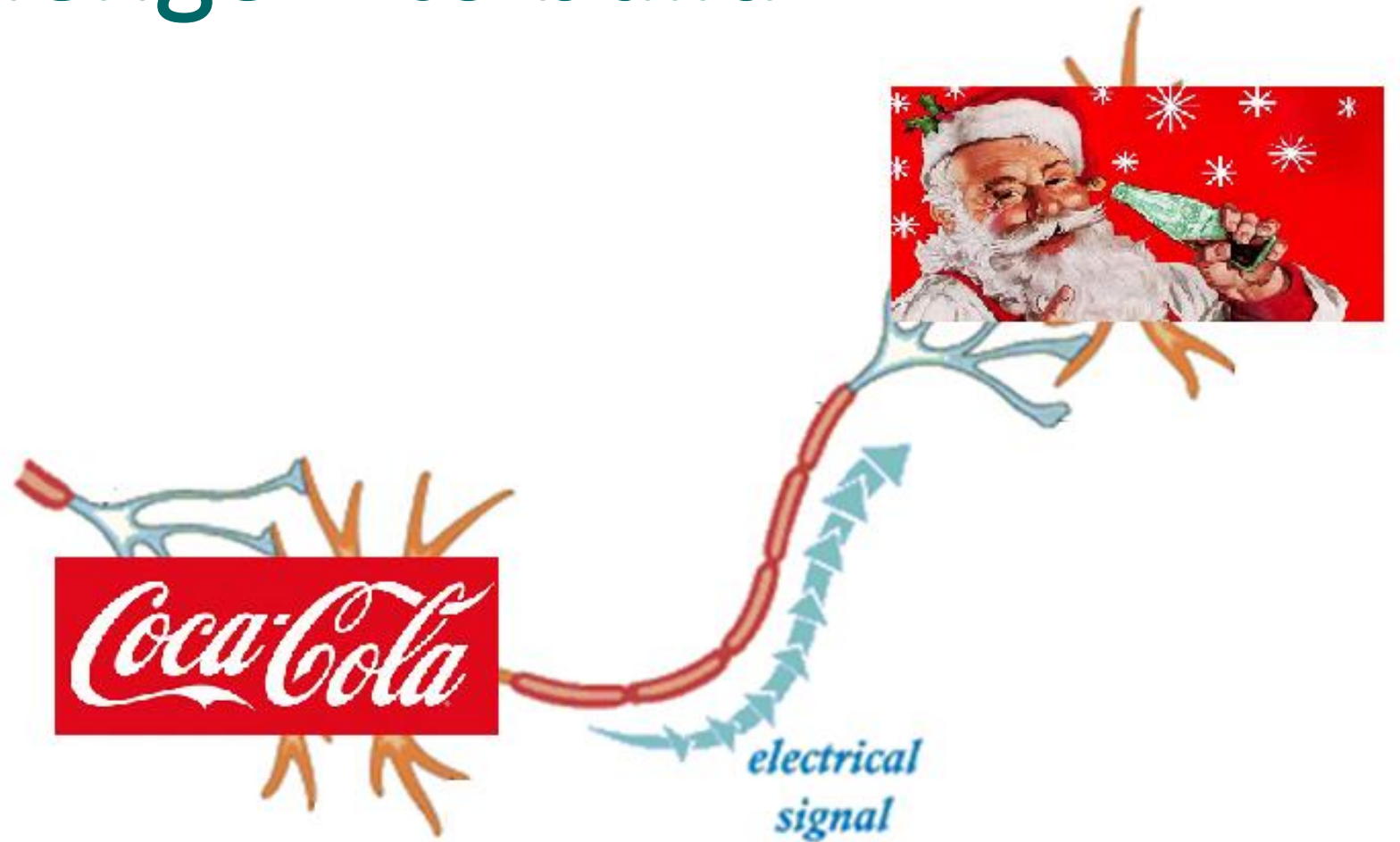
- neocortex - rational decisions, logical thinking
- limbic system - abstract perception, psychosomatics, feelings, emotions
- consistency - feelings, then mind
- if a person (consumer) shares a belief, a strong emotional bond develops



How do patterns arise and become stronger?



Branding Challenge – to build strong belief



to create and strengthen patterns

To make it clearer

Consumers

Company

needs



proposition



Rational choice. Possible while beneficial to both.

Emotional connection only about benefits

Profit

values



values



Passion

That kind of connection won't last long.

A feeling that will quickly pass

To make it clearer

Consumers

needs



values



Company

proposition



values



brand

To make it clearer

Consumers

Company

needs

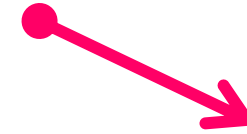


proposition

values



values



**love or hate 😊
between
consumers and
company**

So how to build the brand ?

HUMAN

needs

values

+

+

BUSINESS

proposition

value

=

=

BRAND

BENEFITS

ATTITUDE

Thus, one more time, what is brand?

Image in the “**head and heart**” of the audience

Feeling and knowing associated with a company
and its products

- Hello, I'm a mac
- And I'm a PC



Brand Strategy

You guess ...

Company's or person's plan of action created to promote an image (American Marketing Association)

Business's overall game's rule for reaching prospective consumers and turning them into customers

Long term planning of marketing objectives that the company wants to achieve, for example to increase the reputation (Tools Hero)

All of a company's marketing goals and objectives combined into a single comprehensive plan (Market Business News)

Source: <https://www.ama.org/topics/marketing-strategy/>
<https://www.investopedia.com/terms/m/marketing-strategy.asp>
<https://www.toolshero.com/marketing/marketing-strategy/>
<https://marketbusinessnews.com/financial-glossary/marketing-strategy/>

Branding Strategy

what

Is the explanation of the objectives to be achieved with a company's marketing efforts (what). These strategies are determined by the company's objectives. Goals and strategy must go hand in hand.

The strategies must allow needs, desires, problem solving or take advantage of habits and customs that the target audience has.

VS

Branding Plan

how

This is how you're going to achieve those marketing goals (how). It is the map that will guide you from one point to another of the desired situation (objectives).

Objective: To achieve a higher market share.

Branding Strategy: Create a new market segment.

Market Plan: Develop a marketing campaign that reaches, identifies and focuses on the specific segment.

Branding Strategy → Branding Plan → Implementation = new market segment

Types of branding strategies

In the classical theory, there are 5 marketing strategic directions.

A company can choose one of these areas and, accordingly, a strategy in it, but it is also possible to develop its own combined strategy.

- global strategies
- basic strategies
- growth strategies
- competitive strategies
- functional strategies

Purposes, conditions, functions and features of the 5 directions may partially or completely overlap