



# BRANDING

# **TEXTBOOK**

# BY

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After studying the stock of knowledge offered by this textbook, you will

- understand why a brand represents value for a company and for a consumer,
- know how a product, service, or even a country and person can branded,
- learn about what makes a good brand,
- understand the reasons of consumers' attachment and adherence to brands.



Szegedi Tudományegyetem Cím: 6720 Szeged, Dugonics tér 13. www.u-szeged.hu www.palyazat.gov.hu I WOULD LIKE TO EXPRESS HEARTFELT THANKS TO MS. ZSUZSA ADAM, INTERNATIONAL MARKETING EXPERT, WHO HAVE BEEN A REAL MOTIVATION AND KEY IN ESTABLISHING THIS TEXTBOOK. HER CONTRIBUTION TO THE CASE STUDIES MADE THIS TEXTBOOK A PRACTICALLY MORE APPLICABLE RESOURCE FOR STUDENTS.

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### 1. What is a brand?

#### 1.1. The definition of brand

The concept of "brand" and "branding" derives from the process of branding cattle, i.e. burning the symbol of the owners into the skin of the animals, thereby distinguishing the animals from each other and making them identifiable. This duality permeates the entire concept of brand: making something distinct and identifiable. Sellers would like to distinct their goods from the competition, therefore they brand it, while customers would like to identify the goods they are looking for among several similar products, and therefore they rely on the brand. The duality is also present in the definition of brand.

# The dictionary of the American Marketing Association also includes two definitions related to brand:

"Brand: Name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers."

Brand and branding: "A brand is a customer experience represented by a collection of images and ideas; often, it refers to a symbol such as a name, logo, slogan, and design scheme."<sup>1</sup>

#### 1.2. The elements of a brand

The above definition shows that brand is a comprehensive semantic content, which has various forms:

 Brand name: The most important element of the brand since it is the base of distinction, as the name is the base of differentiation among people, the brand name is the basic unit of identification in the sea of products. We could mention countless examples of a brand name: Heineken, Nike, Mercedes, Samsung, etc. A brand name is the writeable and utterable part of a brand, which may be problematic exactly due to being utterable, as illustrated by the following example.

#### EXAMPLE



In international marketing there are several "urban legends" concerning how the brand names of large companies failed in foreign markets because they had some sort of strange meaning. For instance, in Chinese Coca-Cola (phonetically: kəʊkəˈkəʊlə; in Chinese: 骒马口蠟) means "female horse stuffed with wax", so the company needed to change the brand name of the product to Ke-kou-kele (可口可 <u>乐</u>), meaning "let your mouth rejoice".

http://en.wikipedia.org/wiki/Brand\_blunder. Downloaded: 20/07/2015

 Logo: The logo is a graphic sign or set of graphic signs related to the brand name. What the brand name expresses in writing, the logo expresses it in image. The advantage of a

<sup>&</sup>lt;sup>1</sup> <u>https://www.ama.org</u>,

logo as opposed to a brand name is that it can be identified more easily, recognised faster and can be used effectively across country borders. The logos of certain brands have become the world's best-known symbols, like the following ones, for instance:



As the above logos show, the brand name and the logo often blend (e.g. Adidas, Samsung), or the brand name itself is the logo, written with an appropriate font (e.g. Coca-Cola, Dolce & Gabbana).

A specific feature of the logo is its colour. Certain brands have almost completely "monopolised" colours, so a particular colour makes consumers associate it with a particular brand. Think of the magenta of T-Mobile, the purple of Milka, the blue of Facebook, or the red of a Coca-Cola, for instance. Although we cannot severally attribute meaning to colours, there are still some typical associations (e.g. green=environmentally friendly, blue=clean, professional, yellow=cheerful). *Figure 8.1* (even in grey-scale image) illustrates how brands are linked to certain colours through their logo.

A logo suggests permanency, however, over time the change of trending fashion requires the logo to change. This change can be a total transformation, but it is usually manifested in refinements hardly noticeable for consumers and still keeping the brand in fashion.

Slogan: The brand name and the logo make the brand clearly identifiable; however, these are too concise symbols to give an extensive meaning to the brand. A slogan is some words or sentence which, although briefly, details the main message of the brand. We can find slogans which will forever be linked to a particular brand (e.g. Nike – Just do it; LG – Life is Good), but it also often happens that, as we saw it in the case of logos, continuous change is reflected in a slogan. For example, in Hungary, the Coca-Cola has used the following slogans since 1993:

1993–1999	Mindig Coca-Cola (Always Coca-Cola)
2000	Coca-Cola. Érezd (Coca-Cola. Feel it.)
2001–2005	Élni jó (It's good to live)
2006–2008	Az élet Coke oldalán (On the Coke side of life)
2009–	Nyiss a boldogságra (Open to happiness)

 Brand identity and design: In order for a brand to be unique and identifiable, it is essential to have a characteristic and easily recognisable appearance, provided by unified brand identity and design. It often happens that a leading brand slightly differs from another brand in its content and functionality, only its appearance is different.

One of the most important values of well-known brands is often their appearance, therefore careful design makes it sure that they can be recognised even without a band name based on their characteristic design: the bottle of Coca-Cola, the typical form of

VW Beetle, the clean-cut appearance of iPhone make them stand out from the rival brands.

The essence of proper brand identity design is uniformity and inclusive application. The identity of the brand does not merely mean the form and design of the product itself, but it also includes the logo, the label, the packaging, moreover, the elements of communication (prints, website, newsletter, etc.) and even the company outfit and gifts.

## **1.3.** The legal protection of brands

A brand name, logo or slogan may represent substantial value, thus it is in the interest of a company to protect this value, i.e. ensure exclusivity regarding its use. If anyone could write the brand name of Coca-Cola on the soft drink they produce or put the universally known tick on their shoes, it would reduce the value of the brands in question, while the "usurper" would gain unjust benefits. Most countries' legal system provides protection for the brand elements so that they can be used only by the rightful owner, or he/she can transfer or sell their right of use in the form of a so-called "licence". Such protection of a brand is ensured by several legal instruments:

- Trade mark: A trade mark is the part of the brand which is legally protected. This can be merely the brand name, and also the logo, the slogan or a part or all of them. A trade mark can be a word, compound, slogan, image, colour or even a sound. The trade mark can only be used by its owner, or the one who has been given a right to use (licence) by the owner. In order for the brand to become a trade mark in a particular country, it needs to be notified to the authorised office of the country (in Hungary it is the Hungarian Intellectual Property Office). The <sup>®</sup> sign next to the brands with trade mark protection refers to a registered trade mark.
- Geographical indication: There are some areas which themselves qualify as a brand since the products originating from there have special added value. One only needs to think of Tokaj wine, Cuban cigar or Parma ham. These names are called geographical indication, which can only be used for products that actually originate from a particular area. A geographical indication is the name of a region, settlement and, in an exceptional case, a country, which is used for labelling a product – grown, processed and produced in a defined geographical area – whose special quality, reputation or other feature can be essentially attributed to its geographical origin.

## 2. The brand as value

Branding is undoubtedly expensive: from brand identity design through consistent application to the development and maintenance of a complex brand image, a company needs to devote lots of time, energy and financial source to a brand. Nevertheless, this investment returns if it can build and manage a truly successful brand.

Branding can provide the following benefits for a company:

- The consumer is willing to pay a higher price for branded products and services.
- Brand loyalty develops in the consumer, i.e. they adhere to the brand, and are willing to make efforts in the process of purchase to be able to choose their favourite brand.
- Besides functional benefits, branded products and services are associated with symbolic benefits which cannot be copied by the competition.
- The new products and innovations of the brand can expect better reception and bigger trust.
- Fewer resources need to be devoted to the promotion of the product or service thanks to the consumers' word of mouth and general awareness.

In the view of the above, a properly built and managed brand represents value for the company. Within the company it is the task of the *brand managers* to continuously manage the brands, control their communication, position them fitting the target group and conduct occasional repositioning. Brand managers watch over the value of the brand. It is still a question, however, how this value can be quantified.

#### 2.1. Brand equity

Brand equity is the intangible value of the brand, i.e. added value for the company, resulting from launching its products and services under a given brand name on the market. Brand equity can be quantified in a very complex way.

#### 2.2. Brand and positioning

Today most markets are characterised by strong competition, and quite a lot of offers fight for the consumer's attention and wallet. The companies which are not able to be distinct in this competition can hardly expect success. In marketing, one of the basic forms of being distinguished is positioning, which have already been mentioned in the previous chapters of the book. We need to discuss this issue in terms of brands because brand is a principle element of positioning as the brand provides uniqueness for the product or service and the features of the brand makes a company distinct from its competitors. One of the main values of the brand for the company is ensuring a clear position for the product on the market. If a Nike logo is put on a shoe, a fragrance is launched as an Armani perfume, or a "Tibi Atya" label is put on a wine, it becomes obvious which target group it is intended for, what value it represents and in what price category it can be sold.

### **3.** The relationship of the brand and the consumer

The general goal of branding is to be distinct from competitors and endowing the product and service with unique features, but it is all ultimately done by the company to develop a relationship between the product and its consumer.

Brands have today become a part of consumers' life. They are connected with them from morning to night, in every area of life. It becomes evident from Table 1, in which we can see the brands related to the periods of an average day.

Table 1 An average day described with brands			
7:00 a.m.	1:30 p.m.		
Apple	Dell, Microsoft Office, Excel, Mozilla, Google,		
	Facebook		
7:15 a.m.	4:30 p.m.		
Colgate, OralB, L'Oreal, Dove, Gillette	Vokswagen, Petőfi Radio, Apple		
7:30 a.m.	5:30 p.m.		
Nescafé, Tropicana, Kellog's, Mizo, Index	Nike, Scitec Nutrition, Gatorade		
8:00 a.m.	7:00 p.m.		
Volkswagen, Petőfi Radio	Panasonic, T-Home, Don Pepe, Heineken,		
8:30 a.m.	8:00 p.m.		
Dell, Microsoft Office, Excel, Mozilla	HBO, T-Home, Dell, Imbd, Apple, Facebook		
10:30 a.m.	11:00 p.m.		
Facebook, Google	Johnson&Johnson, OralB, Colgate, Dove, Durex		
12:30 p.m.			
Subway, Visa, Starbucks, Coca-Cola, Orbit			

In each case the brands must be coherent with the needs of the consumer, the company seeks to realise the embodiment of their dreams through the brand. In the following we review what kind of relationship can be formed between a consumer and a brand and how it is developed.

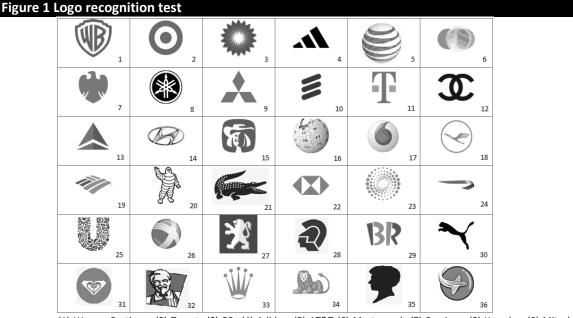
#### 3.1. Brand awareness

In order for a brand to have any effect on the consumer, the first step is to make the consumer get to know and remember the brand. Brand awareness is a feature of the brand referring to how well-known it is and to what extent it is in the general knowledge of the target group. It is usually measured in two ways:

- by brand recall, when the consumers are told a product category and it is examined whether a certain brand is included in the range of brands listed by the consumers.

Manufacturers aim to place the brand in the mind of the target group in a way it can be easily remembered, i.e. to be categorised in the list of so-called top-of-mind brands;

- by brand recognition, when a part of the brand is shown (e.g. its logo or a slice of its logo, its packaging, form, etc.) and it is studied whether the consumers can identify the brand based on it. While brand recall measures how widely the brand is known, brand recognition measures how well the brand is known. Figure 1 presents logos, while the brand name is found only in the list below the picture.



(1) Warner Brothers (2) Target (3) BP (4) Adidas (5) AT&T (6) Mastercard (7) Barclays (8) Yamaha (9) Mitsubishi (10) Ericsson (11) T-mobile (12) Chanel (13) Delta Airlines (14) Hyundai (15) Quaker Oats (16) Wikipedia (17) Vodafone (18) Lufthansa (19) Bank of America (20) Michelin (21) Lacoste (22) HSBC (23) Reuters (24) British Airways (25) Unilever (26) Xerox (27) Peugeot (28) Staedtler (29) Baskin Robbins (30) Puma (31) Roxy (32) KFC (33) Rolex (34) ING (35) Schwarzkopf (36) Expedia

Source: http://addict.blog.hu/2009/09/28/hany\_logot\_ismersz

#### 3.2. Brand image and brand personality

One of the most important characteristics of a brand is the image in the consumer's mind related to the brand, and the set of emotions that link the consumer to the brand, i.e. *brand image*. It is important to establish that the image in the consumer's mind, i.e. brand image is not necessarily identical with the concept the manufacturer seeks to develop about the brand. For instance, when the Fila sold its bags at a discount price in a joint promotion with Tesco, and it resulted in the "Fila bag effect", flooding the country with young people carrying Fila bags. The brand image of the Fila became inseparable with the concepts of mass character and small fry, to the sorrow of brand managers.

Perceptual maps are commonly used to survey brand image, which provide a spectacular summary of the brand images on a particular market based on the survey of consumers' opinion about the brands.

#### Figure 2 Perceptual map about the car market



The brand image may differ among individuals since each consumer may have a different opinion about the same brand, still for the majority of brands an overall image can be defined about the general idea of a brand in the consumers' mind. Most consumers consider the Mercedes elegant, the BMW sporty, and the Audi business-like, although functionally they slightly differ.

Source: own edition based on lucythebusybee.wordpress.com

Forming a brand image is complex as the image in the consumer's mind is not only influenced by the company itself but also the other consumers of the brand, public opinion, the press and the cultural and social climate in general. The company can use the following tools to influence brand image:

- Brand name, logo A well-defined brand name (e.g. Lexus) or an apt logo (e.g. WWF) unifies and controls the ideas of a consumer related to the brand.
- Design, packaging We have already referred to that design can transform an average product into an elegant brand
- Brand history The credibility of the brand image is largely contributed by an interesting story behind the brand.
- Price The clearest method to increase the exclusivity of a brand image is setting a high price. The reverse is also true, a significant reduction in price may lead to the destruction of the brand image.
- Communication It offers a wide range of possibilities for the company to influence the image formed by the consumers about the brand, from defining the message of the brand to advertising.

One of the most effective ways to define brand image is the personification of the brand, i.e. developing a *brand personality*. There are several ways to develop a brand personality, as it is illustrated by Figure 3.



We can conclude that the personification of a brand is effective because consumers can be attached to a person more easily than to an object, and it makes it much simpler and clear to communicate the values of the brand.

## 3.3. Word of mouth and evangelists

It is often the consumers of the brand who contribute the most to the promotion of the brand with the opinion they form about the it and share with others. It is called *word of mouth* (WOM). The efficiency of word of mouth is based on that it is much more credible than corporate communication as the users of the brand give their opinion about the brand honestly and without an interest in profit.

Some users of the brand stand out because they are so committed to the brand that they regularly and widely promote the brand; they are called evangelists. The spread of the web 2.0 opened up a great opportunity since with the help of blogs and social media portals they can share their opinion about the brand with a wide range of people. Simultaneously, companies have also recognised the potential they have and they have started to support them – although strictly remaining within a framework which does not violate their independence, thus does not question their honesty, voluntariness and credibility. A special case of evangelists is popular figures (celebrities) who represent a brand with their face and name, as it is shown by the following example.

## 3.4. Lovemarks

The added value provided by a brand can make a product suitable for emotional attachment. There are brands which their consumers are particularly adherent to not only because of functional and quality but also symbolic and emotional aspects. Brands which the consumers have strong emotional ties with are called *lovemarks*. The concept of lovemark was introduced by Kevin Roberts.

Lovemarks stand out from well-known brands since they do not provide only functional and quality-based benefits but they are also surrounded by love and appreciation. Think, for instance, of Converse, Starbucs coffee or Oreo biscuit, and from domestic brands the Pöttyös Túró Rudi or Tisza shoes. We can find many similar products on the market, we could not say that functionally they considerably outdo their competitors, yet large numbers of consumers adhere to these products "without a rational reason".

Figure 4 shows how lovemarks are distinct from simple products (e.g. screwdriver, herb), Which brand will become a lovemark depends on the decision of consumers, but in order for a brand to become a lovemark, it definitely needs to have the following four features:

- Respect: Although consumers adhere to a lovemark not only because of its quality, but it is essential for a lovemark and its quality to be generally respected and acknowledged.
- Mystery: People are attracted to what they cannot really understand, what is mysterious. Lovemarks have an intriguing and mysterious history, they are associated with strong symbolism and present and past are connected in their existence.
- Sensuality: For a brand to trigger emotions, it is important to affect the most possible organs of sense. Aesthetic visuals, interesting touch, characteristic odour and unique taste, they make lovemarks special. These effects can be achieved not only by the product but also the brand shop.
- Intimacy: In developing emotional attachment mutuality is important, i.e. the passionate commitment of the brand to customers, a close relationship with them and the empathy towards them.

Consumers today encounter loads of brands; they can easily replace one with the other. In order for a brand to actually achieve strong adherence, even loyalty beyond rational reasons, it is essential to trigger emotions from the consumer. In other words, maybe large brands own the present but lovemarks own the future.

## 3.5. Brand communities

We have already described the relationship between the brand and the consumer; however, it is also important to note that a relationship can be formed not only between a loyal consumer and a brand but also between a loyal consumer and another loyal consumer.

A way to interpret it is that for a loyal consumer to become a member of a brand community, it is not necessary to be located geographically in the same place with the other members, it is sufficient if they have a kind of social relationship. For example, they attend brand meetings, post on the blog related to the brand or on the Facebook site of the brand.

The sense of community strengthens the adherence to the brand since the consumer also becomes the part of a group.

The members of a brand community are connected by believing in the same brand. Generally they are the most committed followers of the brand, loyal to the brand, they promote it, and moreover, they represent an important and fast feedback for brand managers following a brand decision. It is an advantage for the brand if a brand community is formed around it, and it is also a responsibility as consumers organised into a group represent a greater force, thus their opinion cannot be ignored before an important decision.

### 4. What can be branded?

So far, when we have discussed brands we have considered well-known products and services. It is important to note, however, that there are several ways and several things to brand. In the following we review what can be branded and how.

It is a common disbelief that we identify a brand with the manufacturer, as if branding was merely naming a product by the manufacturer. Let us suppose, for example, that Rama margarine is produced by the Rama Company, the Axe deodorant is produced by the Axe Company and the Dove soap is made by the Dove Company. We will see that branding is possible in a much broader sense, such as the above mentioned three brands are produced by the same company (Unilever).

### 4.1. Manufacturer and producer brands

The most evident case of branding is when a manufacturer or service provider makes its product or service unique by building a brand. However, it does not necessarily mean that one single manufacturer produces one single product, i.e. the manufacturer puts all its brands on the market under the same brand name. Figure 4, for example, illustrates that the world's best-known brands are owned by some large, global manufacturers.



source: http://imgur.com/nSwjs6c

The essence of a manufacturer brand is that the manufacturer itself develops a brand for its products autonomously, and it is then managed by the related brand managers. Manufacturer brands can have several subtypes according to the manufacturer's aim with the brand:

- Unique brand name: When a manufacturer has several products to which it gives separate brand names because it wants to make them distinguished. Thus it can build a different brand image around each brand, reaching different target groups. *Figure 5* includes several unique brand names. In Hungary, for instance, Nők Lapja, Cosmopolitan, Elle, and Marie Claire are owned by the same company (Central Media Group), yet under separate brand names, having similar content but targeted at different target groups.
- Corporate brand name: The manufacturer uses the name of its own company for each product, suggesting general reliability and uniformity. The name Samsung, Philips or Sony guarantee that a TV, telephone, refrigerator or microwave oven have the same high-quality standard. In case of electronic devices it is useful to apply the same corporate brand name to indicate compatibility.
- Umbrella brand: The combination of the unique and corporate brand name, which simultaneously indicates the name of company suggesting guarantee, and ensures uniqueness, thereby distinctive positioning. A Volkswagen Polo is for cruising in the city, a Volkswagen Passat is for businessmen, while a Volkswagen Beetle is the car of real character, but all three models are characterised by traditional German precision and reliability.
- Co-brand: It happens that manufacturers join forces and launch a product or service under a co-brand name. It is mainly efficient if two companies having different profiles provide guarantee with their own corporate brands for the different features of the co-banded product. The Braun-OralB electric toothbrush suggests a strong brand image in terms of electronic functioning (Braun) and dental expertise (OralB). The OTP-Mastercard debit card indicates both safe and large-scale use (Mastercard) and the reliability of the underlying bank service (OTP).

In the case of manufacturer brands, a well-established brand name is often used again for new markets and products. This activity is called *brand extension*. Its main idea is to extent an already known and liked brand image to products which functionally are slightly different from their competitors, yet they gain added value due to the well-known brand name. A peculiar example of brand extension in Hungary is Fradi (the best-known Hungarian soccer team), which was transformed to a brand from a sport club and this brand have already extended to quite a lot of products, as it is illustrated by *Figure 5*.

#### Figure 5 Extension of the Fradi brand



Source: fradi.hu

#### 4.2. Organisations, institutions, events

Not only a product or service can be branded, but also an institution (e.g. museum, university), organisation (e.g. sport association, music band), as well as an event (e.g. Formula1, Sziget), since these actors would also like to make themselves unique and distinct from their competitors and seek to form a unified image about them in their clients, visitors, fans, students, etc.

As the institutions can be diverse, so are the ways to brand them, but a unified identity, an effort to have a clear brand image and the thought-out and comprehensive application of design are universal aspects. First and foremost, however, the most important thing is that the institution or organisation considers itself to be a brand, i.e. it actually wants to form, unify the image developed in the consumers and make it unique.

One of the aims of branding is representing a product as an individuality, often a personality. This process can also be interpreted reversely: brands often develop from personalities. We can distinguish its two special cases:

- Popular people as brands: Some popular figures (celebrities) practically function as a brand since they embody a feeling, a generally known image about them develops in the consumers, thus their name can be connected to products and services through merchandising. It can be about well-known personalities of the recent past (e.g. Che Guevarra, Bob Marley), but also about today's stars (e.g. David Beckham, Sophia Loren, Eminem).
- Personal branding: Even as an average person, other people's opinion about us has an increasingly great role, as we express ourselves to our environment in several ways – with our appearance, outfit, social media personality (avatar), and style. Building personal branding means that an individual consciously forms the impressions about them, so to say creating a unique brand image.

## 4.3. Regional and country brand

In terms of geographical indication we have already discussed that a special association can be formed in the consumer's mind related to a region. It was earlier grasped with the concept of country image, however, the term *country brand* referring to a conscious activity is becoming more commonly used.

Branding countries means the conscious formation of the image developed about them in order to achieve the following aims:

- Encouraging tourism Building, developing and promoting attractive landscapes and interesting attractions for both foreign and domestic target groups.
- Strengthening investments Emphasising the potential in a particular country, building and communicating a safe and appealing investment environment.
- Developing export It includes the activities influencing the so-called "made in", or "country of origin" effect, which enhance the foreign sales of the products and services originating from a given country.
- Larger role in international organisations It includes the activities improving the general foreign assessment of the country.

Country branding is usually carried out by a public organisation (in our country it is the Hungarian National Tourist Office), where, similarly to a company brand, they create the logo, and slogan of the country and try to form a clear brand image around it. Their activities are illustrated by the country logos in Figure 6.



Source: Own edition based on the websites of countries

As a result of successful country branding, the region in question becomes attractive for both tourists, investors and every involved party in general. The Forbes regularly analyses

the most valuable country brands, which ranking is led by Switzerland, followed by Canada, Japan and Sweden.

#### 5. Case studies

#### CASE 1: Brand repositioning and the coulisse of a TV commercial

It's hard to imagine, what a significant preproduction and post-production work is needed even for a 30 seconds long TV commercial. My first big project was the coordination of a TV advertisement shooting which supported the repositioning campaign of a grocery store chain in Hungary. A lot of production specialists, our agency and many actors cooperated in a synchronized work to realize the commercial, which process was a really exciting and useful experience.

Our task was the repositioning of a well-known and nationally widespread chain of grocery stores with the help of partial brand name detachment. The aim was to differentiate certain stores with a single brand name as shops providing higher quality service than the others. We created a new identity for the separated brand. The logo remained the same - except that the name stayed now by itself – but the slogan was remade according to the new ideology. In this case the meaning of quality were the following: crispy, locally baked pastries, fresh vegetables and fruits from reliable producers and a wide range of wine assortments, which we were supposed to communicate in the campaign. According to this, our concept was to create three instead of one TV commercial, focusing on only one highlighted advantage in each spot. We wanted to make the key message more clear – and as the music, the story and the voiceover structure were the same for the ad series - they managed to strengthen each other by the brand recognition. The consumer research was really useful this time as well, as according to the results, we managed to compose the new slogan, highlighting new advantages like the easy accessibility of the stores and the exceptional attention for the customers.

After creating the concept, we needed to come up with a story and work out the action of the advertisement. First we made a synopsis, which demonstrated the idea only written, without any photos. According to this, our graphic designer drew the storyboard, where each still presented about 3 seconds long happening, showing our idea this time visually. The storyboard was completed with the voiceover, displaying the background texts at the certain scenes. It was our copywriter's duty to make out short, but expressive scripts, perfectly matching to each sketch. During the shooting, we were working together with a production agency, which provided the film crew for the commercial. We needed a lot of meetings and a

synchronized work to be able to present and deliver our concept and ideas for the production team as good as possible.

In the next step, the film-director, the copywriter and the art-director created the director treatment, which was a more detailed, professional material, placing the manageability in the center. Our idea was actually just the beginning, in certain parts the director advised some amendments, in according to his experience of the workability or how spectacular or risky the scene could be. In the description the perspectives of the cuts, the station-points of the cameras and the most important technical informations were also included.

We had many discussions until we created the final script, so the pre-production took actually longer time then the shooting itself. After finding the most appropriate venue and after the casting of the actors, actresses and procession men matching for the characters, we started the shooting process. It was taking place during the nights as the owner of the store didn't want to change the regular opening hours. The PPM, called preproduction meeting was a final coordination check-up before the action, where we went through the booklet. This was a summary about all the important informations of the shooting, like the actors, venues, styling, accessories, design etc. Right before the shooting day, every participants received the dispo or shooting-plan, which was a daily schedule with exact timetable. We could get informed about which set when and where was going to be shot and check the scene changes. It was also written down which participant when and where should be in a certain time, how the breaks were planned as well as all the neccessary reach-out infos, if someone was needed. This was a huge help for the film crew to keep the time schedule, to avoid the longer delays and to inform all the staff members about their tasks and responsibilities. The team was working during many days to set the shooting for all the three ads, followed by a long post-production process. It was also really important to find an emotionally matching music, for what we had more options. We could have use a hit song or we could buy a background melody from different music platforms (like AudioJungle). Applying a famous song is very expensive because of the copyrights, so searching in the music collections was a more affordable decision. (It's also an option to ask for the help of a song-writer who creates the melody specifically according to the advertisement's action and mood).

It was a great experience to see how the imagined ideas came true, especially, when I first saw the spots in the TV on air. Each advertisement was finished with the image of the logo and the voiceover of the slogan, strengthening each other in the recognizability of the brand and the unity of the concepts. Our main aim was to raise positive emotions by the customers with the help of the kind stories and the nice music. Presenting the logo and the slogan after this, supported us to make the consumers attach these emotions to the brand.

#### CASE 2: The Bible of the brand: the brand book

It's essential for every brand to a have a summarised booklet, which contains not only the basic attributes but also the general rules of how to use the brand in the communication. This material helps to maintain the uniformity and supports the work of the advertisement agencies. The brand book can be called as the Bible of the brand, as it shows an ultimate guideline to create a globally identical brand image.

I've seen many different kind of brand books during my projects, differentiating them according to products and services. As for a product, it's important to detail the rules of the packaging design, but as for one of our clients - providing health care service with many stores – it was also necessary to set the principles for the store image, including the tiniest item in the shop. The greatest advantage of the brand book is clarifying and determining everything, so we can not only see the dos but also the don'ts (so-called bad examples), what the agency can't use in the communication of the brand.

We can differentiate many brand book types. The biggest global brands, such as Heineken, create a more complex one, which includes the introduction, the personality and the target audience of the brand, plus some strategic guidelines in a brand pyramid as well. They can be delivered easily for the agencies all around the world, helping them to create an internationally integrated brand profile.

At the advertisement agency where I used to work as an account manager, I participated in a project, where our task was to "lokalize" a general, international brand book. The client provided optical services and products in many countries, so we had to amend and modify their existing global brand book according to the Hungarian market requirements. We were working on the adaptation closely with the company being responsible for the national sales. The brand book was created in digital and printed versions as well, but the electronic one was more useful by handling the modifications quickly and using the searching function easily.

There are some shorter, all together 10-15 pages long versions, including only the rules of the logo usage and the most basic POS opportunities. These are useful mainly for smaller, only national brands. The local adaptation in case of a store is really essential, as the location of the

shops can be variable from country to country. There are different set of rules for the branding of a store opened in a shopping mall, and for those which have street fronts. So in case of a new brand, the booklet can be created from scratch by the agency, who designed the whole concept, or in case of an existing global brand, a local adaptation can be made aligned to the national circumstances.

The brand book includes not only the unique elements of a brand, such as the logo, the colors, the typeface or the slogan, but also a more detailed guideline representing all the possible surfaces and tools coming up in the communication of the brand. It shows an example for all the possible publications from the point of sales devices, through the working uniform till the merchandising, devoting a whole chapter for the online communications (design and structure of the webpage, commercial banners, social media platforms etc.).

In case of our client, changing its' image, the brand book provided us a guideline for the whole store design construction, detailing a set of rules, like the exact parameters of the location of the counter, the illuminating boards and the placement of the products. We can see in many franchise stores (like the Low Carb shops – previously know as Norbi Update) and franchise restaurants (e.g.: McDonald's, KFC) that the arrangement and the design is the same, which can be realized globally only with the help of unified rules.

We also created the first flagship or so called banchmark store according to the brand book, which provided a model for all the other newly opened or transformed shops. It was located in one of the most crowded shopping mall in the center of the capital city, with the aim of presenting the new look for as many customers as possible. The Hungarian image change was approved in the flagship store as well as the welcome event for the international representatives of the brand was taking place there. The proper realisation of this store was impossible without the brand book, so the creation of it - specifying all the surfaces and devices - was a great job with huge responsibility.

#### CASE 3: Brand harmony

The ideal branding is the harmony of many different elements, such as the logo, the slogan, the key message, the packaging, the design and the marketing communication specified for the brand. During my work at the advertisement agency, the most exciting projects were the ones, when we created a brand from scratch. We needed a lot of creativity, research and strategic thinking to make the concept successful and acceptable among the consumers. There are a lot of tender projects in the agency work, which means that a company "invite" more agencies at the same time for a campaign, which can be a promotion, a rebranding or to create a new brand concept according to their requirements. All the attendants receive the same informations and deadlines, and the one, which presents the best idea, will win the work to make it real. One of these tender works was to create the branding concept for an innovative shipping device. The project was a great challenge for many reasons, as the product was a special technological innovation, which they were about to introduce into the logistic industrial sector. The target audience was also not the average consumer at this time, but the transportation and shipping companies as well as the representatives of these areas of multinational firms. In the first step, we received a brief from the client, where all the essential informations were summarized. The detailed technical description of the product, the target group, the key unique selling points as well as the time schedule and the budget of the campaign were also specifyed in the brief. Most importantly we were informed about all the requirements, what the company wanted to communicate about the product. Our task was to find out a brand name, and to create a matching logo and a slogan representing all those innovative benefits which differentiated the product from the competitors. After clarifying all the details with the client and fulfiling a basic market research, we could start the brainstorming process, where the rule is, that there is no rule: all the attendees should share their ideas, as sometimes the most weird thoughts can lead to the best solutions.

In the first round, we worked out three different concepts, where we highlighted each elements of the most important competitive edge one by one. There was a symbolic line, where we took the idea from the mitology, and there were two other lines, where we represented the product and its' advantages in the logo design. We were focusing on composing the harmony of the elements in each concept. So our main aim was to create the unity of the brand name and the logo graphics, so as the slogan with its' message to supplement them. That's the way how a strong brand is compiled, by all the elements strengthen each other, delivering the same message towards the consumers.

In the second phase, we started the fine-tuning of the direction chosen by the client, continuing the work only on one line, producing more versions of it. We adapted the communication according to the type of the product and its' special target group, considering all the possible devices, which can be useful in the selling process of this not-an-average product (informative handouts, catalogues, pendrive, pen etc.). We presented the logo and the matching design on different surfaces, and to express our creativity, we created a mock-up

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symbolising some certain elements of the product in a form of a folder. It's useful to show as many visual methods as possible for the presentation of the brand image in order to support the decision making of the client in a more practical way.

I've also participated in many projects, where we didn't have to create the whole brand concept from scratch, but our task was refining certain elements. If we examine the Coca Cola, we can see that the logo has been modified since its' born, but the changes were always minimal. The modernization of the logo was necessary, but all the fine-tunings were made in small steps and very slowly during the years. On the contrary, the Pepsi made much bigger modifications on the logo, affecting the typeface and the logo symbols as well. The most important aim is to keep the recognizability and the harmony. The Breeze air freshener achived its' name change during more years in small steps, first as Glade by Breeze, then only with the name Glade. In this case, it was relevant for the customers to be able to find their favourite brand despite the name change, so by synchronising the two brand names, in time the difference was not even prominent.

#### CASE 4 : The relationship between the brand and the person(ality)

The emotional linkage towards the brand creates a very important base for the brand loyalty. The consumer can only feel the product really as her own, if she can identify herself with it, which means that she finds the same attributes of her own personality, taste and preferences in the communication of the brand. This includes the celebrities who represent the certain brand as well, so the sympathy or the antipathy towards them can influence the purchasing of the product. I've also worked with several celebrities during my projects and it was surprising how great impact they could make on the try-out of the brand, not to mention the boost of their trade.

The beauty care brands – mainly focusing on women – quite often use famous people and popular faces for selling their products (one of the best examples is L'Oréal, winning already a lot of beautiful actresses for its' campaigns). In case of a premium quality, high price category brand, it is particularly important that the person who is delegated as the face of the product, should represent the same values as the brand itself. A wrongly chosen "ambassador" can often harm the fame of the brand. (Think about a sportman getting into a doping scandal. The sponsors withdraw the sponsorship from him immediately, as they don't want the brand

to be linked to a disreputed person, making anyone associate negative feelings towards the brand).

She is a highly educated woman, between 25 and 50, living in a city, who likes new things, has a sophisticated taste and keens on high quality, especially when it comes to taking care of her own beauty. She has an open-minded, optimistic personality, she lives an active social life and she knows exactly what she wants to achive in life. A luxury cosmetic product can be personalized roughly with these attributes, whose limited purchasing opportunities express a unique, not-an-average product impression by itself. As a marketing manager, I had to find celebrities, who could be a worthy representative for an excellent quality haircare brand. My searching criterias were the following: she shouldn't be involved in any scandals, she should have a deserved fame and a loveable personality, and someone who could be linked to the product as well (having a neat and tidy hair, with a preference for healthy hair). All these attributes were important to represent the brand trustworthy.

According to the influence of the social media I also had to take other perspectives into consideration, such as the number of her followers or the content and the frequency of her posts. It was also relevant, whether she had ever been the representative of other competitor brands (this is usually regulated by strict agreements, especially because of the maintenance of trustworthiness mentioned before). An agreement with a celebrity can be long-term, or it can also be periodical, supporting the launch of a new product or linked to a promotion. It's also a common tactic, that companies choose an acutely hyped person, just to create a buzz around the product and to achive a sudden, temporary increase in the turnover. They can make a sensation for the product, but they often can't meet all the value requirements of the brand. It's always a controversial decision, whether a short-time selling boom is worth it to loose part of the loyal customers or not.

In the beauty industry, it's a well-known method to reach out for bloggers and other fashion influencers. The main aim is to raise the attention for the brand, so according to the blogger's experience with the product, more and more of the followers can be reached as potential customers. The surprise products presented in the unboxing videos, then sharing the personal opinion of them can support the publicity of the brand. According to this, the face of a brand can not only be a classic celebrity, but anyone, who has a great number of followers and sharing her experience about the product honestly. I've also participated in many campaigns targeting influencers, for example organising small events to introduce the brand, or sending out beauty boxes including new products and the most popular sortiments. All these methods

can help to reach a wider audience, and open the door for those, who prefers to make the purchasing decision according to try-outs.

The personal attributes of the brand are also often represented by the modell photos using in the communication. A character or a returning face helps to recognise, identify and differentiate the brand, so it's not just a famous person (e.g.: Nóra Ördög Tv show presenter and Spar) but also a loveable drawing (Mr. Proper, Coccolino) can represent a brand. These brand ambassadors are attractive for the consumers or on the contrary, they are irritating (for example the annoying but friendly Kasszás Erzsi from the CBA supermarket chain commercials). The strategy is always chosen by the company, but the aim is the same: to make the brand unique and easy to remember.

#### CASE 5: Rebranding

If a brand has been on the market for a longer period, sometimes it needs a refreshment, not just in its' visual elements but as well as in its' key messaging. In certain cases the product of the brand is so popular among the customers that it generates its' own sales, so as long as the turnover is stable, the manifacturer doesn't invest money into the marketing of the brand. But as soon as the numbers decrease, the brand should be refreshed to boost the interest for product again.

One of my favourite projects was the rebranding of a well-known cereal brand, having a real tradition in the Hungarian market for many years. After an owner change, the main aim was to revive the brand by rethinking its' concept. The rebranding can be proceeded along two main criterias. For us, the most important requirement was to keep the basic identity, so to preserve the initial logo, colors and visual elements. What we did was basically a refinement with small modifications. Breaking away from the original brand elements, applying bigger changes and creating something new, is the other way of the rebranding. The modernization can bring along portfolio cleaning, which means that the products, providing lower selling numbers will be taken out, and the remaining assortment will be structured. No matter which strategic direction is chosen by the brand owner, the main concept is to rethink the brand, which was also an interesting challenge for us.

We started with a competition analysis, when we examined the packaging and the shelf-image of the competitors. It's a common problem, that the supply of the same brand family is not integrated visually, the labels look different, so the assortment is really unstructured. Our task was the modernise the logo according to the current trends, including the kerning of the fonts, which meant the adjustment of the gap between the letters by increasing or decresing the space, as well as correcting the typeface. We created an overall umbrella-brand, which meant the consequent usage of the new logo with other design elements (such as an orange band) on every single product from the brand family. As there was a gluten-free version among the items, we changed the previously mentioned orange color to dark green, but we retained the basic graphic visual and the structure of the packaging. According to the "family principle" we could bracket the whole assortment, improve the shelf-image, and make the products easier to identify and be linked to the brand. As the products were available in many different kind of flavours, our target was also to create a more lickerish and trendy taste-illustration. The applied colour codes helped to differentiate the flavours, and supported the consumers by their selection as well. It's interesting, that while abroad more and more packaging are distributed without any flavour photo or symbol, in Hungary it is a requirement from the customers to use some kind of picture or graphics, symbolising the taste of the product.

The package refreshing went along with the rebranding, which lasted for months in the case of this brand with such a wide range of product portfolio. First we created the master version for all type of products, which were tested among the customers. As soon as the most prefered design was chosen by the consumers, we started to work on the different flavour versions, as well as on the sugar, lactose and gluten-free types, strictly following the guidelines of the master graphics. As for the process of the new package launch, we started with the ones which were running out the shelves the fastest, providing the biggest selling. According to the priority list from the distributor, the package changing procedure from the old to the fresh one went step-by-step, so the customers could also get used to the new appearance easier.

The rebranding was followed by a supportive marketing campaign, with the aim of presenting the fresh image and the new packaging for the public. As new products and limited flavours were also launched at the same time, the focus was also on the communication of the novelties. The campaign was running online and offline as well. As for the printed media, the billboards and the citylights with their huge surfaces provided a great opportunity to show the new image for a wider audience. The initial launch campaign was followed by promotions with valuable prize offers, which gave an extra hint for the brand communication even after couple of months, keeping the interest for the brand and for the new products.

#### CASE 6: Private labelled products

Nowdays almost all the biggest chains of stores have their own branded products, which are getting more and more popular among the customers. What's the reason for this? First, their price is more affordable, but their quality is also good, sometimes even better than their ,,big" brand competitors. They are available in almost every category, from the cosmetics, through the snacks till the milk and meat products, so if the customer is not brand loyal, these products can also satisfy his needs.

If the shopper trusts in the store, making his daily purchasing at the same place, he is going to trust in the products presented with the same name as the shop, which is the main concept behind the private labelled products. So in this case the brand is actually the store itself. They usually provide a good, not especially outstanding, but strong basic quality with an ideal value for money price. Their main customers are those, who don't have an engagement for a certain brand, or in some product categories - like dairy product or cleaning supplies - the brand name is not important for them. Their other target group is the price hunters or promotion seekers, who are chasing the special offers all the time. As the trader have more freedom in the sales schedule of their private labelled brands, the customers can find these products more often in the discount magazines. In order to keep their reputation, it's also essential for the stores to provide good quality, so they can preserve their trustworthiness with their products as well. This is also a guarantee for the customers. These brands don't want to exceed the great names, their aim is to give "good" for an affordable price, which is also clear for the customers.

The brand image of the private-labelled products is usually moderate with basic design, but the traders pay even more attention to have a nice packaging for them, so they lag behind their competitors neither in their appearance nor their quality.

The Tesco for example differentiated its' own brands based on their quality. In the beginning, there was the Budget brand, representing a very cheap and low quality category, then came the Value family expressing a better quality segment even with the name. Finally they introduced the Finest products with outstanding quality and high prices, which can often exceed the prices of the upper-class manufacturer brands. The packaging also reflected the quality level, as the Budget used only blue-white and red colors with really basic graphics, the Value products were more colorful with a lively design. As for the Finest, the combination of black and gold in hand with the refined taste illustrations reflect a luxurious impression, symbolising a premium category (see Figure 7)



Especially the discount stores like Aldi or Lidl providing those kinds of private labelled brands, which are different in their names from the store. There are many variable brand names in almost all product categories, for example in case of Lidl there are the followings: Cien for cosmetics, Dulano for meat products, Milbona for dairy products or Doussy for the washing and cleaning supplies. These kind of brands are often produced by the same manufacturers as the other brands, ensuring that their quality it not lower then the others' have. However, we can buy them in more affordable price, as the customers are not bothered with high advertisement costs, and the trade network purchases a bigger ammount from these products, so the supply costs are much lower as well. Both Aldi and Lidl are proud of their private labelled brands, which they try to make popular among their customers, highlighting the good quality and the really affordable prices, motivating them to choose these ones, instead of the more expensive brands. Most of the chains of stores can't afford to distribute only the own brands because of the brand loyal customers, but the supply is growing, convincing more and more consumers with their great value for money price.

Source: <u>https://24.hu/fn/gazdasag/2017/01/24/lerantjuk-a-leplet-az-olcso-sajatmarkas-</u> termekekrol/

# **KEY CONCEPTS**:

Brand name Logo Slogan Brand identity and guidelines Trade mark Geographical indication Brand equity Brand recall Brand personality Evangelist Lovemark Brand community Manufacturer brand Co-brand Brand extension Commercial brand Brand recognition Brand image Personal branding Country brand

# **CONTROL QUESTIONS**

List the elements of brand.

What is protected by a trade mark, and what is protected by geographical indication?
List the benefits a brand can provide for a company.
Based on what factors can you define brand equity?
What is the difference between brand recall and brand recognition?
What tools can a company use to influence brand image?
What features are required for a brand to become a lovemark?
List the types of manufacturer brand.
Why is a commercial brand worthwhile for the manufacturer and why for the trader?
List the types of private labels
What is the objective of country branding?

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