

# Brand Management Notes

## Lecture 1

A customer-driven marketing strategy is determined based on segmentation, targeting, and positioning. To design a winning marketing strategy, must answer: What customers will we serve? How can we serve these customers best?

Value proposition is a promise of a set of benefits or values that it will deliver to customers, and should differentiate brands and products from competitors.

Branding is a form of product differentiation that holds a concept of brand values and product qualities / differentiation.

A brand has dimensions that differentiate from competitors.

Products can be categorized into five levels; core benefit (what we are actually buying), generic product level (basic version of the product), expected product level (what buyers want), augmented product level (value-added services that differentiate from competitors), potential product level (augmentations and transformations that might happen in the future).

Consumer perspective – Identify the source or maker of the product. Symbol of quality. Simplify product decisions (less cognitive processing), lower the search costs for products internally (how much they have to think), and externally (research), helps set reasonable expectations about what consumers may not know about the brand, symbolic and emotional attachment. Buying brands can reduce risks in product choice decision. These risks can be categorised as; functional, physical, financial, social (social image, etc.), psychological (mental well-being), time.

Firm perspective – Brands provide valuable functions. – Simplify product handling and tracing, help organising inventory and accounting records, offer the firm legal protection for unique features or aspects of the product, provide predictability and security of demand for the firm and creates barriers of entry for competitors, provide a powerful means to secure competitive advantage.

A brand is a mental image of what the product / company is. Reflects values and differences of product. Allows consumers to perceive differences amongst brands.

A personal brand is similar to a company's brand, however, it differentiates in that it applies to one's self.

Factors responsible for branding challenges; savvy customers, economic downturns, brand proliferation, media transformation, increased competition, increased costs, greater accountability.

Product + investment in brand marketing to create differentiating qualities = brand equity.

Brand equity is; marketing effects uniquely attributable to a brand.

Customer-based brand equity – What customers learn, feel, and see about the product.

Brand equity is comprised of; brand awareness, brand recognition, brand trial, brand preference, and brand loyalty.