

What is a brand?

- A **brand** is a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers and to differentiate them from those of competition (American Marketing Association, 2011)
- Resides in consumers minds
- Provides a label and meaning to a product
- Optimal role in consumer choice situation

Why Brands differ from products

- Product is anything offered in the market for attention, use, consumption etc that may satisfy a need or want (i.e core benefit, generic product, expected product, augmented product & potential product)
- Brand is more than a product as it has dimensions that differentiate it from other products meant to satisfy the same need
- Many practitioners refer to a brand as creating certain levels of awareness, reputation and prominence in the marketplace
- Brands add 'other dimensions' that differentiate them in some way from other products/services designed to satisfy the same need

Why do we have brands? (for buyers)

1. Reduce search costs
2. Reduce perceived risk
3. Provide psychological and social reward
4. Act as identity symbols
5. Signal quality

Vs. strategies based on firms resources (brand assets)

- "One approach to introducing a strategic orientation is to change the primary focus from managing short-term financials to the development and maintenance of assets and skills.
- An asset is something a firm possesses, such as brand name or retail location, which is superior to that of the competition. A skill is something a firm does better than its competitors do, such as advertising or efficient manufacturing.
- Assets and skills provide the basis of a competitive advantage that is sustainable."
- The central proposition of the 'competing on assets and skills' thesis is that **superior customer value** is gained by seeking, developing, and exploiting the organisation's unique **(brand) skills and assets**.

Brand equity

Equity = A brands set of assets (and liabilities)

- Company/customer value of brand name and symbol of product
- It stresses the importance of the **brand's role** in marketing strategies
- Provides a **common denominator** to interpret marketing strategies and assess the value of a brand
- ***No common viewpoint on how it should be conceptualised and measured***