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Tools to keep brands on the market*

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Abstract

Brand purpose is to increase shareholders' wealth and making profit. Considering the organizations economic environment changes and the fall of the most markets, the paper is focused on the general forces impeding the brand development and on finding some tools to strengthen the brands.

JEL Classification: M31, M19

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1. Introduction

Developing a brand is maybe the most important issue of a company's strategy and the most difficult step within a marketing plan process, but it worth because it causes to any businesses the biggest challenge and it creates the company identity.

The American Marketing Association (AMA) defines a brand as a "name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers. "Brands are about trust. Have I mentioned that before? Let me mention it again. Brands equal trust. Brands are promises, a guarantee of expectation fulfilled. Consumers instantly recognize a host of significances in any given brand. They buy into them as they do into their own beliefs. At least, that's what happens when you can align your needs with the signals the brand sends you. That's the challenge for brand-builders" [6].

A good brand will achieve if it includes at least the following attributes:

- Delivers the message clearly;
- Confirms the credibility;
- Connects the target prospects emotionally;
- Motivates the buyer;
- Concretes user loyalty.

"To succeed in branding you must understand the needs and wants of your customers and prospects. You do this by integrating your brand strategies through your company at every point of public contact. Your brand resides within the hearts and minds of customers, clients, and prospects. It is the sum total of their experiences and perceptions, some of which you can influence, and some that you cannot. A strong brand is invaluable as the battle for customers intensifies day by day. It's important to spend time investing in researching, defining, and building your brand. After your entire brand is the source of a promise to your consumer. It's a foundational piece in your marketing communication and one you do not want to be without" [5].

The following seven factors continue to rule the day for building leading brands (insider):

- Organization Support;
- CEO leadership & support;

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- Distinctive corporate culture that supports brand promise;
- Ability to obtain support from a broad spectrum of employees;
- Alignment of brand messages across functions.

To succeed a brand needs a vision to give a sense of direction having in view three of the brand components: values, future environment and brand purpose [4].

2. Brand vision's components

Values

Considering brands the values are the inherent beliefs about desirable types of behaviour or states of existence. In brand context values represents:

- Guiding principles for behaviours. In this respect the values help the staff to understand how should behave and help customers to better appreciate the brand promise. They also help the staff to reinforce the brand.
- Believes and the thinking of how the business will be conducted. They offer opportunities for brand differentiation and for attracting consumers and customers that will feel proud of using the brand. A set of brand values are usually based on priorities, such as: "we give top priorities to the interest of our staff; second priority to those of our customers; third to shareholders" [6]. This statement means: if the staff are committed to the values, their behaviour will delight the market and in long-term enhance wealth for shareholders.
- A way to enable organizations to stretch virgin brands into the market.

Brand value plays an important role in building and sustaining brands from the point of view of customers/consumers, management and the organization's staff.

- Customers/consumers: they better appreciate the differences of the brand comparing with others.
- Management: for management the values means opportunities to motivate the staff and in matching activities to support the brand as communication, pricing, dealership and others.
- Organization's staff: they appreciate their role to support brand.

"Branding works because it gives the mind something to hang on to. Several aspects of cognitive behaviour explain why branding has become a key component of marketing strategy. In an uncertain world, we value consistency over quality, predictability over risk. Most of us are satisfied if we avoid making a bad choice. Branding builds confidence that, among many offerings that appear "good enough", yours will meet the criteria with fewest problems and greatest satisfaction. The brand purveys a promise of reliability. It says, in effect, 'We stand behind our product'." [15]. A good example is Mercedes that offer 24 hours services, apart of the recognized reliability.

The future environment

The envisioned future is to stretch a vision about the future environment in which a brand will exist at least 10 years ahead and to consider the environment changes not the actual constraints.

The future environment relates to the opportunity to identify future consumer needs to be satisfied.

Brand purpose

The purpose of a brand is not just to be profitable, that is a necessary condition for firm existence, but by making a positive contribution to improving people's lives.

The purpose of a brand has to inspire and guide the staff to the best satisfy the consumers and customers needs. It has to answer the question: how is the world going to be a better place as a consequence of the brand?

The purpose of a brand is to associate the brand, product or service to an emotional payoff, to enhance a positive sense of self-esteem, because people buy benefits rather than features (for example IKEA, iPod, Mercedes, Godiva, Tiffany, and so on).

3. Forces impeding the brand development

When creating a brand for a product or service it is important to perform a careful analysis to determine principal barriers that may come in contact with. These barriers are also known as market conditions that can keep the product or service from achieving success. For example they could include the following [5]:

- Competition;
- Timing;
- Financing ;
- Location;
- Lack of Demand.

Lake [5] stresses that in order to be prepared to face these obstacles or barriers it is important to be done a careful analysis of the product or service. This analyze will assist the marketers in answering the following questions:

- Do you have a niche market?
- What problem does your product or service solve or need?
- How should you determine the price of your product or service?
- Who are your potential customers and where can you find them?
- Who are your biggest competitors?
- What can you do better than them?
- How should you advertise?
- Where will you find your target market?
- Will you use new media or traditional media?
- Is a great demand for your product or service on the market?
- Who are your competitors?
- Who makes up your target market?
- What are their statistics and economic position?
- Where are they located?

Some of the answers could be obtained by professional analyze and by viewing industry surveys and research documents.

A declining market in a financial crisis environment creates suspicions and the trust in brands decrease. This feeling is much increased by confuses created by wrong messages that brands want to transmit, so that the clients/customers put themselves questions, like those suggested by Lindstrom [6]:

- What is this company really trying to say?
- Have I missed something here?

And conclude with: "What a waste of time. I give up."

In a declining market there are four forces that impede the brand development: staff, beneficiaries including clients, consumers and customers, financing and management (figure 1) that are characterized by the following mistakes:

- Marketing staff:
 - Lack of creativity, of a dynamic mix of imagination and understanding of how the world might work. Marketing people spend 95 percent of their time on brand maintenance when the real opportunities lie in brand creation;

- Lack of implication in brand values and essence; to keep the staff motivated with the brand values in maybe the most important target of any company.
- Failure to create the brand emotional connection;
- Confusion about brand architecture and naming. “Legal contracts need to use legal names, but other than that, brands and other outward facing entities need only to make sense to customers and, the simpler the architecture is, the more advantageous it tends to be”.

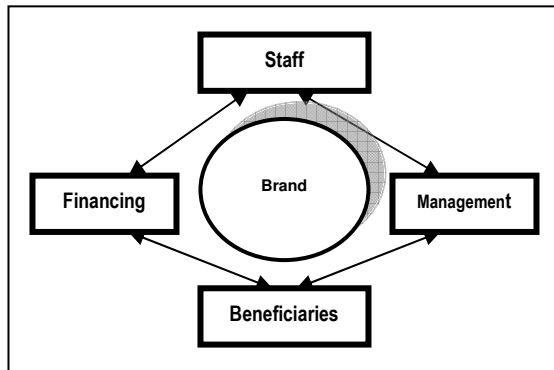


Figure 1 Forces impeding the brand development

- Clients/consumers/customers (beneficiaries):
 - Missing the major shift in the way customers perceive information and make purchases. Consumers today are much more sophisticated in their buying processes than they were 10 years ago.
 - Giving potential customers what the company wants not what they want;
 - Missing of updating and enhancements the beneficiaries needs. A powerful brand should never be abandoned. Successful companies update their brands, enhance their products and services, and create new interest through innovative marketing. For example, Microsoft and Google seem to present new products, offers, services and programs every week.
 - Tolerance towards illegitimate products sold on the gray and black market as imitations.
- Financing:
 - Wrong balanced budget for keeping brand alive and for research and design. A reduced research budget forces executives to re-think their long term and tactical strategy and to prioritize initiatives in this downturn. The key is to prioritize and to “get the most from your reduced research budget” so the company will not fall behind in the next few years [2].
 - Much expense by using not experienced advertisers;
 - A media vehicle paid up front;
 - Ignoring the real cost of Web advertising.
- Brand management:
 - Hitting the wrong target with branding messages;
 - Collateral damage of negative branding caused by not managing the use of certain exclusive messages to certain targets;
 - Avoiding negative feedback on the results of a campaign;
 - Communications are not directed at the ‘feelings’ level, and thus are not anchored as a core belief;
 - Lack of or wrong higher-level management oversight on firing mechanism of the marketing campaign, even the advertising budgets have been parcelled out to the product managers [11];
 - Near incapacity to conceive bold strategies and innovations.
 - Abdicating decision-making responsibility.

The most difficult brands to be kept alive are the global brands. Global brands are brands that are recognized throughout much of the world (for example: Google, Yahoo, Microsoft, IBM, Xerox, Kodak, Gillette, Avon, Coca-Cola, Pepsi, McDonalds, Pizza Hut, Marlboro, Duracell, Caterpillar and others). Companies intending to create global brands need to do the following [3].

- Identifying the relative attractiveness of each market for your brand.
- Conducting attitude and usage studies in each country in which you are considering entering.
- Identifying the sequence of brand launch by country/region of the world.
- Knowing the category and brand indices in each country in which your brand operates.
- Establishing a branding scorecard that can be applied country by country.
- Agreeing to which decisions are made centrally and which ones are made locally.
- Through research, understanding if there is any parts of the brand's identity that won't work in a given country or for a give language and considering the name itself, the symbols, the colours, the tagline, etc.

To some small degree, with the pervasiveness of the Internet, all brands that are in cyberspace have the potential to become global brands; however being on the Internet does not guarantee top-of-mind awareness or distribution ease. A comprehensive, well-funded and well-executed global marketing plan is required for successful global brands.

4. Tools to strengthen the brand

A complete analysis offers brand management an appreciation of the core elements of the brand. "Decisions regarding brand extensions, harmonization, rejuvenation, portfolio rationalization, alliances and acquisitions depend on a thorough understanding of a brand and its environment" [14]. The entire process requires some specific tools that better fit the branding, such as:

- Providing a SWOT analysis based on marketing profile of primary products and services: brand elements and marketing strategies (4P's) associated with each product or service. These should be reviewed, catalogued and evaluated for consistency and impact:
 - Product strengths and weaknesses;
 - Pricing strategy and competitive position;
 - Distribution strategy;
 - Promotion strategy and spending relative to competitors;
 - Brand Elements such as names, logos, symbols, URL's or trademarks, Characters, "packages", slogans, or other design elements (colours, sounds, etc.);
 - Brand personality, characteristics and attributes [12];
- Forecasting and anticipating the STEEP (social, technological, economic, environmental and political) factors from the far environment of the organization;
- Using a Delphi method technique to reach out a consensus on the brand envisioned future;
- Using workshop sessions to producing insight about brand values [1];
- Using the laddering technique [9], based on Gutman's theory: "the attributes that exist in a product (the means) have consequences for the person and these reinforce that individual's personal values (the ends)" i.e. the process "attribute-consequence-value";
- Using communication modes, such as: "having members of your team speak at Trade Shows, schedule lectures at professional group gatherings within your industry and write and publish articles in newspapers, magazines, or online media" [5];
- Using the power of questionnaires and reported opinions by acquisition of summaries from external sources. "Such documents can lead managers along a particular line of thought" [10].

Any brand needs to be included into the company's strategy, because it contributes to the company personality, image, core competencies and characteristics, builds credibility, gets more influence on your market, and motivates customers and clients to chose and purchase company's products and

services. In this respect the first action has to be the definition and design of the brand objectives in the context of the company's strategy.

5. Conclusion

It is no doubt that brands already launched on the market need to be reinforced in a period of financial crisis and market declining. Some of the recommended actions that come out of the above analyze and could help the managers of any company are the followings:

- Defining and redefining the market target to strengthen the brand effectiveness because the power of a brand relies on the ability to focus.
- Performing a careful analysis to determine principal barriers that may come in contact with. These barriers are also known as market conditions that can keep the product or service from achieving success.
- Clear definition of the brand's audience and the objectives that the brand needs to achieve.
- Recreate the brand by planning step-by-step process. This process needs a transitional change focusing on the brand, not the product and ensures that the loyal consumers are not lost in the process.
- Keeping informed on current market conditions and trends by subscribing to trade publications, news alerts, and electronic newsletters.
- Using all resources to analyze the market to discover any brand barriers might come up against.
- Developing a plan to move forward towards success in marketing the business.
- Refresh an old brand by brewing a modern experience that combines the power of history with the allure of contemporary design.
- Avoid mistakes regarding advertising that could compromise the products or services brands for ever;
- Measure the brand performance.

To increasing the shareholders wealth and making profit is taken for granted essential for all managers. Adopting a welcoming attitude is appreciated by new and old customers alike and contributes to building and rebuilding trust in brands.

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