A CONCEPTUAL APPROACH TO BRAND BUILDING: A PARADIGM SHIFT

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ABSTRACT

This paper aims to find the answer to the questions, how to build a strong brand and the reason why an organization needs to build a strong brand. The study identifies the factors which can affect the process of strong brand building which includes, brand name selection, brand positioning, brand equity, brand identity, brand sponsorship, brand development. Apart from this, the paper also suggests a conceptual model that shows the factors building a strong brand. Lastly, the benefits and effectiveness of the factors, which helps the organization for developing a strong brand, have been discussed.

Keywords: Brand Building, Brand Name Selection, Brand Equity, Brand Identity, Brand Sponsorship, Brand Development

INTRODUCTION

In today's era, the main task of the marketing managers is to increase their base of consumers and to increase their profit with a sense to gain trust from the consumers in long term (Jing et al., 2015).

A strong brand name is necessary for huge profit and trust. However, creating a brand is a well-defined difficult job. Building a brand culture is a long-lasting commitment that takes time, commitment and planning for the intangible outputs like customer satisfaction, reduced price sensitivity, great share of customer's wallet and referrals and high percentage of repeat purchase (Knapp, 2000).

One of the most common strategy to develop a brand with various factors which directly affects the brand building so it was argued that the goal of any brand is to attract and retain customers to get success in the market (Zavattaro et al., 2015) and it is observed that consumers always looks some specific features (Garsvaite &Caruana, 2014; Londoño et al., 2016), therefore brand equity is an important tool to increase market productivity (Cai et al., 2014).

As per (Aaker and Joachimsthaler, 2002,Brand identity is based on understanding of firm's customers, competitors and environment which reflects the business strategy and the firm's willingness to live up to its promise to the customers.

Brand identity is somehow related to brand name selection so developing an effective brand name is a challenging task because it helps the consumers to identify the products but it is important to take one's own name with different logo and color that are embodied by the product (Levy, 1978).

Once a product is launched it should be positioned in the market with the tool of brand positioning strategy as indicated by Sridhar (2006). Brand name is always remembered and recalled by the customers as it creates an imagination and credible values in the minds of the customers. In these days as we are witnessing brand sponsorships and brand development is also considered as a strategic tool for the development and publicity of a brand.

CONCEPT OF BRAND

Brand is a distinct name, logo, trade-mark, color which differentiate it with the other brands or makes it unique in the mind of the consumers. In the words of Kall (2001) brand is "a combination of a physical product, brand name, packaging, advertising and accompanying activities within the field of distribution and price, a combination which, distinguishing a combination of a given marketer from competitive offers, provides consumers with distinctive functional or symbolic benefits, owing to which it forms a loyal circle of buyers and, as it follows, allows reaching a leading position on the market".

According to Kotler (2004), brand is, "The name, term or their combination created in order to identify the seller's assets or services or their group and distinguish them from the competition."

Brand Building is creating the image of the brand in the mind of the consumers in a positive way to retain them. Brand Building is a strategy and a tactic which generates awareness, establishing and promoting company. Brand building is a process it goes on with the passage of time. It is very important for an organization because it gives huge financial benefit to the organization. In brand building an organization first must think that for whom it is producing the goods and services i.e. the category of consumers. Secondly what is to be produced by a company i.e. the product of a company and lastly that how an organization is producing the goods and services.

REVIEW OF LITERATURE

To build a brand it's not only necessary to know about you but one should know the customers too. Various authors like Karbaspour &Yardel (2010) argued that brand equity has direct and positive impact on brand loyalty. Anaraki et al. (2013) proposed the conceptual model of brand equity dimensions on customer's reactions therefore brand equity has its importance in branding. De Chernatony (1999) suggests that more emphasis should be placed on brand identity: Identity, he mentions, "is about ethos, aims and values that present a sense of individuality differentiating the brand". "Brand literature has tended to define brand identity as an internal construct that emanates unilaterally from the organization-what managers want the brand to be…this understanding has evolved" (Aaker 1996; Kapferer 2008, as cited in Silveira et al. 2013:28). According to the examples in marketing management by Philip Kotler, value has a positive correlation with brand positioning and due to globalization, Dana.L.Alden (1999) explored that brands are going globally with an aim to create cosmopolitan, knowledgeable and good image in the eyes of the buyers which makes the

customers to aware about the products. Positioning happens after a certain brand name selection. (Ailawadi et al., 2003) argued that marketing effects of a brand is related to its name which is at consumer-level on the basis of attitudes, awareness, image and knowledge or at firm's level such as price, market share, revenue etc. (K. Armstrong, 2007)" in his study said that brand sponsorship and brand development plays a key role in the development of strong brand.

OBJECTIVES OF THE STUDY

The present study seeks the answer of the questions that how an organization can build a strong brand. The objectives of the study are,

- To identify the factors which help in building a strong brand in the organization?
- To suggest a conceptual model that shows the factors building a strong brand.
- To discuss the benefits and effectiveness of the factors, this helps the organization for developing a strong brand.

RESEARCH METHODOLOGY

The present paper is an attempt to explore the effective factors which may help an organization to build a strong brand in the market. The study is based on critical analysis of the earlier studies conducted and theoretical literature available on brand building. This secondary information was collected from various sources like websites, journals, research papers, case studies and business. The study closely observed various variables like brand positioning, brand development, sponsorship, brand identity, brand equity and brand name selection, with their practical impact on brand creation.

IMPORTANT FACTORS AFFECTING BRAND BUILDING IN THE ORGANIZATION

A number of factors are identified with the help of reviewing available theoretical and empirical literature; some of the most important variables have been discussed below.

➤ *Brand Name Selection*

There must be a perfect name for a brand or a product which helps in success of it in the long run. The company should select a brand name in such a way that it should be different, distinct, unique, simple, easy to pronounce and gives some information about the product. From the market point of view, profit point of view, future strategy making process marketers must do some research before adopting any brand name (Fennis & Pruyn, 2007).

According to Nan Feng (2014), a perfect brand name should have following 5 points.

1) The first one is while hearing a brand name a customer gets some information and knowledge about the product.

2) Second, the brand name could be simple to say, easy to remember.

3) Third, option to expand and extend the brand name.

4) Fourth, brand name for the new product could be easily translated easily into different languages and globally acceptable.

5) Fifth, the name should be distinct that it should be legally protected and accepted.

The example of Apple Company fulfills the above features of a good brand name selection. The company took the brand name "Apple" because this word is known all over the world as a fruit and that is why it is easy for everyone to remember (Nan Feng, 2014).

➢ *Brand Positioning*

Positioning a brand name in the mind of the consumers is a big job for marketers to do. Marketers must develop a better plan, strong thinking to capture the minds of the consumers. Marketers may develop the image of a brand by telling the attributes, features and benefits of a brand to the customers. Once, a brand image wins the minds of the consumers, it gives long-term benefit to the company. For example, "VOLVO" a Swedish auto-brand, there marketers positioned it as the safest cars in the world (Sujjan & Bettman 1989).

➢ *Brand Equity*

Farquhar (1989) defined brand equity as "it is the added value with which a given brand endows a product". Brand equity is the stored values of a brand, which has a differential impact of brand knowledge on consumers. This occurs when a consumer is going to buy a brand and he/she remembers the various different values associated with a particular brand among the various brands of a similar product. This gives a positive word-of mouth in the market. With the help of brand equity differential effect of a brand creates in the market which gives large number of consumer response leads to high performance both for a financial purpose and customer's perspective (Keller, 2003). Consumers once experience the brand then perception is created in the mind of the consumers or we it can also be defined as: "A consumer perceives a brand's equity as the value added to the functional product or service by associating it with the brand name" (Aaker & Biel, 1993 p. 2). A study done by Shadi Razavi Satvati et. al. (2016) concluded that brand equity plays an important role in brand building as consumers is willing to pay extra costs, brand preference and creates purchase intention

➢ *Brand Identity*

Brand identity means what are the objectives of the brand as the brand must shows the vision of the brand. Brand identity should be permanent in nature as it provides long lasting serving purpose to the consumers. One of the common definitions of brand identity is that it is, "a set of associations the brand strategist seeks to create or maintain" (Aaker & Joachimsthaler, 2002, p. 43). Associations mean the attributes and characteristics associated with the brand which should strike in the mind of the consumers when they purchase.

Shiva (2005) argued that the brand is an intangible form of asset and it cannot be possible to have a value of a brand in the accounting books of the firm. Therefore, there must be non-physical evaluation system of brand identity for the guidance. For example, BOROLINE, a Kolkata based Indian Company registered in 1929, the name of the brand *Boroline* is derived "BORO" from its ingredients boric powder, which has antiseptic properties and "OLINE" as a variant from the Latin word "Oleum" which means oil. This brand is succeeded because of its established brand as the Logo of Boroline is the Elephant known for steadiness and a synonym for success for the urban conditions in India but in urban areas it is still known as "Hathiwala cream" (cream with elephant logo) which helps illiterate people to recall the brand in urban areas.

➢ *Brand Sponsorship*

Sponsor means to promote the brand in association with any event, sport activity, person or an organization. We are witnessing in today's world of marketing the promotion of the brand in the field of sports, music festivals, awards shows etc. Brands become partners to them. For a marketer, generally it has four different choices and options to take an advantage for sponsorship of brand. "A product may be launched as a manufacturer's brand (Gwinner & Eaton, 1999). Like the supposed sponsor-property fit affects brand evaluations (Gwinner & Eaton, 1999). For the developing countries it is a difficult task to make a brand as a well renowned brand.
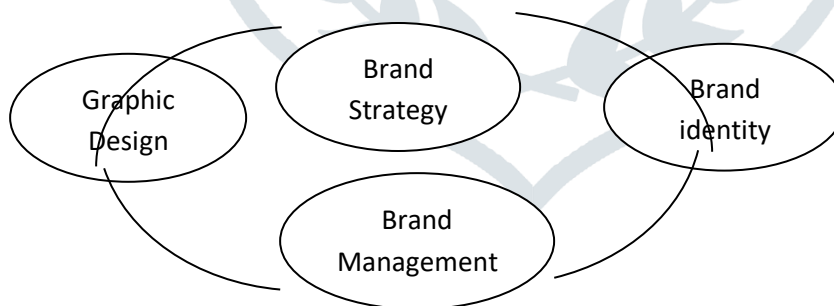
➢ *Brand Development*

In today's world of competition brand development is a major form of developing a strong branding in the market. It is maintaining of quality, value and trust in the mind if the consumers. Brand development is a perception in the mind of the consumers. Brand development is a continuous process and it is maintained and developed by the following four phases.

1. **Brand Strategy:** How to take your brand in the market.
2. **Brand Identity:** Communication of company's vision and mission through brand.
3. **Graphic Design:** Company's distinct logo, color, image etc.
4. **Brand Management:** Management of entire life of a brand.

So, when a company wants to develop a brand there are four choices available before it. They could be "line-extension, brand extension, multi-brand and a new brand (Craig &Douglas, 2000)".

According to the plan mode, a company starts with a strong brand on the basis of development and progress: former market capacity, the former international, the international brand and market the climax of the inheritance and local (Cheng, et. at 2005).

Source: Accessed from https://www.mbaskool.com/business-concepts/marketing-and-strategy-terms/130 60-brand-development.html on 27th March, 2019

➢ *Line Extension:*

It is an extension of a brand in their own brand. When a company wants to expand their business then company does line extension with various products. They basically extends brand's name to sizes, factors, forms and colors to their new products with the same brand name. For example; ITC is an Indian FMCG brand established in the year 1910 in Calcutta as Imperial Tobacco Company but now it is renamed as Indian Tobacco Company, the company has various range of products in the market like if we see personal care

product of ITC we have various products like Essenza Di Wills, Fiama, Vivel, Engage, Superia, Savlon, Shower to shower, Charmis etc.

> ### *Brand Extension:*

In brand extension a company may do slight changes in their existing products for their customers. As per (Craig &Douglas, 2000) people accept the new product very quickly so a brand is generally upgraded to attract the customers. For example, Bajaj Auto Limited is a global two-wheeler and three-wheeler manufacturing company based in India. It is a part of Bajaj Group. They have their Bajaj pulsar bike launched in the year 2001 and this bike is still there in the market with various changes done time to time or we can say an up gradation is done by the company according to the need of the consumers.

> ### *Multi-Brands:*

It is a strategy where company extends its brand with new brands in the market. The two major features of multi-brand strategy are different brands sell for different markets and different brands are competing with each other as we know a well-known brand P&G is one of the renowned international company which produces commodities like soap, shampoo, body washes etc. but the company has several various brand operated in around 160 countries with 300 different brands which includes fabric, home care, hair beauty, baby products etc. in order to succeed in the market with various other brands(Fok & Franses, 2004).

> ### *New Brand*

If a company wants to give more strength to its existing brand then a "new brand name may take by a company (Pham & Muthukrishnan, 2002)". Many companies develop a new brand and they still like using the original brand because the marketers believe power in their existing brands. So creating a new brand name is the key to develop a new brand (Fennis & Pruyn, 2007).

A CONCEPTUAL MODEL FOR BRAND BUILDING:

Based on the critical review of theoretical and empirical literature, conceptual model of brand building for the marketers has been developed. Below are the **six** key factors of the model.

1. Brand Name Selection
2. Brand Positioning
3. Brand Equity
4. Brand Identity
5. Brand Sponsorship
6. Brand Development
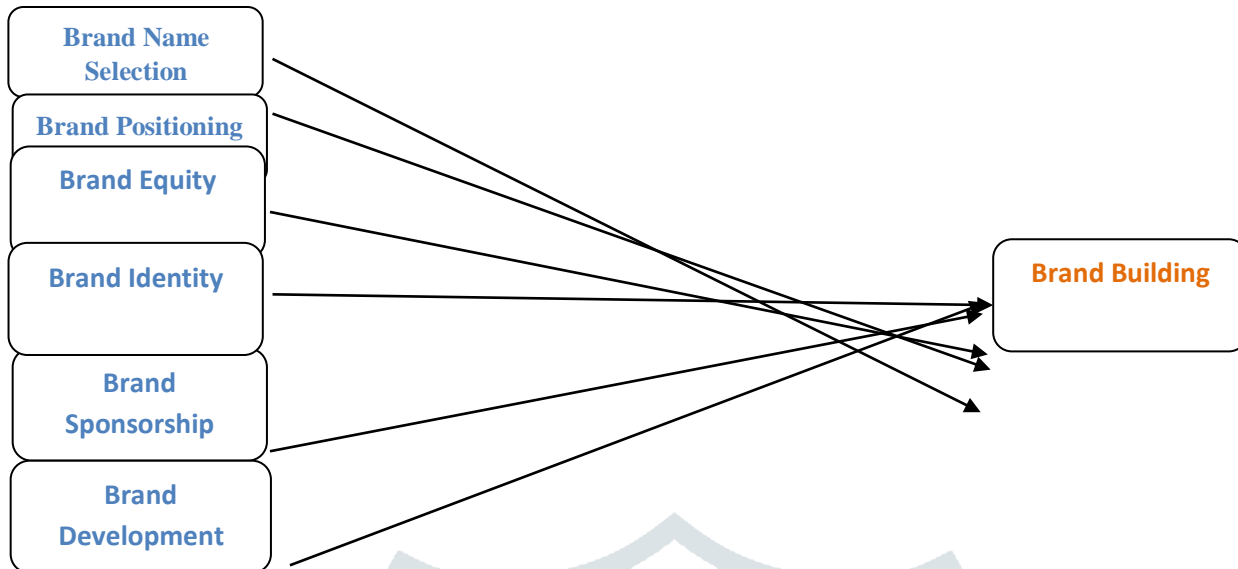
Brand Building is not always an easy task for the marketers; it will definitely take a long time to make your brand strong in the market. So after reviewing many articles and studies we came up with a conceptual model of brand building, which could play a major tool for the development of brand building.

Several authors suggested various key factors and well tested models for the strategy of the brand but what we reviewed and suggests that a company should choose a different brand name, brand positioning as how a company positioned its brand in the mind of the consumers, importance of brand equity and brand identity, relevance and existence of association of a brand which is well known as brand sponsorship, last but not least how a company develops its brand which is known as brand development. These six key factors have direct and positive impact on brand building which could also be witnessed with some of the top companies of the world.

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