Unit 1

INTRODUCTION TO ADVERTISING

(20% weightage)

Syllabus Topics

Definition, Objectives, Functions and Classification of Advertising, The role of advertising in Marketing, The role of advertising agencies

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DEFINITIONS OF ADVERTISING

According to American Marketing Association *"Advertising is any paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor"*
According to William J. Stanton, *"Advertising consists of all the activities involved in presenting to an audience a non-personal, sponsor-identified, paid-for message about a product or organization"*

FEATURES OF ADVERTISING

1. **Communication:** Advertising is means of mass communication reaching the masses. It is a non-personal communication because it is addressed to masses (all people together).

2. **Information:** Advertising informs the buyers about the benefits they would get when they purchase a particular product. For this it is necessary that the information given is complete and true.

3. **Persuasion:** The advertiser expects to create a favourableattitude among the potential buyers which will lead to favourable actions. Any advertising process attempts at converting the prospects into customers. Hence, advertising is an indirect salesmanship. It attempts to persuade the potential buyers

4. **Profit Maximisation:** True advertising does not attempt at maximising profits by increasing the cost. It maximizes profits by promoting the sales. This way it does not lead to increase in the price of the product. Thus, it has a higher sales approach rather than the higher-cost approach.

5. **Non-Personal Presentation:** Salesmanship is personal selling whereas advertising is non-personal. Advertising is not meant for any one individual but for all. There is absence of personal appeal in advertising.

6. **Identified Sponsor:** A sponsor may be an individual or a firm who pays for the advertisement. The name of reputed companymay increase sale or products. The product gets good market because of its identity with the reputed corporate body.

7. **Consumer Choice:** Advertising helps the consumers in making choice. It enables consumers to purchase goods as per their budget requirement and choice. Right choice makes consumer happy and satisfied.

8. **Art, Science and Profession:** Advertising is an art because it represents a field of creativity. Advertising is a science because it has a body of organised knowledge. Advertising is now treated as a profession with its professional bodies and code of conduct for members.

9. **Element of Promotion Mix:** Advertising is an important element ofpromotion mix. Advertising has proved to be of great utility to sell goods and services. Large manufactures spend crores of rupees on advertisements.

10. **Element of Creativity:** A good advertising campaign involves lot of creativity and imagination. When the message of the advertiser matches the expectations of consumers, such creativity makes a successful campaign.

OBJECTIVES OF ADVERTISING

1. **Informative advertising** –
   This type of advertising aims to create awareness and information of new products or new features of existing products. These ads include informing the market about price changes, explaining the customers how the product works, describing available services, correcting false impressions, reducing buyers' fears, building a company image etc.

2. **Persuasive advertising** –
   It aims to create liking, preference, conviction, and purchase of a product or service. These types of ads will persuade the customers to purchase now, building brand preferences, encouraging switching to their brands, changing customer perceptions of product attributes.

3. **Reminder advertising** –
   Reminding customers that the product may be needed in the near future, reminding customers where to buy the product, keeping the product in customers' minds during off seasons, maintaining top-of-mind product awareness are some of the objectives of reminder advertising. For example – Pepsi and Coca-Cola ads on television are designed mainly to remind people about their brands.

4. **Reinforcement advertising** –
   It aims to convince current purchasers that they made the right choice. These ads will reduce post purchase dissonance in the minds of customers. Hero Honda has recently issued ads in newspapers that its Hero Honda CD Dawn vehicles sold 1, 00,000 in 100 days. This will reinforce the existing owners as well as prospective customers.

The various objectives of advertising can be described in the following points;

 # 1. Introduce New Product:

- Advertisements are used for presenting a new product in the market. New product needs introduction as potential customers do not have any awareness about it.

- Mass media is used for promoting the product so that its knowledge reaches wide markets.

 # 2. Creation of Demand:

- Advertisements often try to match the product qualities with the customer's requirements so that they realize the need of the product.
- Advertisement creates a favourable climate for maintaining or improving sales.

 # 3. To Face the Competition:

- In modern days advertising is undertaken not only to inform the people about a product, but also to maintain and increase the demand of the product by weaning people away from competitor's products in the market.
- Under competitive conditions, advertisement helps to build up brand image and brand loyalty.

 # 4. Creation of Goodwill:

- Large scale advertising is often undertaken with the objective of creating or increasing the goodwill of the company. This increases the market receptiveness of the company's product and strengthens its market position.

 # 5. Communicate with the Customers:

- Advertising is a means to communicate to the customer details like changes in prices, improvement in quality, introduction of a new product line, sales promotion schemes, etc.
- Regular advertising is necessary to remind the customer about the brand and ensure that the brand name remains fresh in his mind.

 # 6. Neutralize Competitor's Marketing Strategies:

- It is important to neutralise the effects of competitor's advertising before they are successful in pulling away the customers of the organization.
- Advertisements are used to create product differentiation in order to distinguish a company's product from those of its competitor's.

 # 7. Discourage New Entrants:

- Advertising builds up a bigger market share for the company. This will make life difficult for the new entrants. New entrants would find difficult to penetrate the market.

 # 8. Link between Producer and Consumer:

- Advertising is the link which connects the producer and the consumer.
- It informs and educates the target audience about the products, its benefits, and the utilities and value it can provide to the customer.
- It complements other promotional tools like personal selling and sales promotion in achieving the marketing objectives of the firm.

FUNCTIONS OF ADVERTISING

PRIMARY FUNCTIONS OF ADVERTISING -

1. Advertisements increase sales

The main function of advertising is to increase the sales of the product of the company by securing greater consumption, by attracting new buyers and by introducing new uses for a commodity.

2. Advertising Persuades dealers to stock

Advertising persuades dealers to stock more advertised goods. It ensures wider distribution of goods, even to remote places. Where a product is not in demand, the advertisers directly contact their dealers to stock the goods and persuade the consumers to buy their goods through advertisements.

3. Advertising helps dealers to liquidate stock

Advertising not only assists the producer or advertiser, but also helps dealers (wholesalers and retailers) to sell the advertised goods. Thus, wholesalers and retailers are able to clear their shelves speedily resulting in higher profits. This is all possible due to effective advertising.

4. Advertising increases per-capita use

Advertising may increase the per capita use of commodity by repeating the product features and its uses constantly. Advertising is effectively used to increase the per capita consumption by describing new uses of articles that may never have been thought of by the general user.

5. Advertising recognizes quality

Advertising brings goodwill for the producer. If a producer has been recognized for bringing out quality products, his new product will be well received by the public.

6. Advertising protects manufacturers' interests

Through the advertising, goodwill of the manufacturer is established over time and a kind of insurance is created for the manufacturers. This makes the manufacturer feel more confident and be independent of wholesalers and retailers.

7. Advertisements eliminate seasonal fluctuations

One of the primary functions of the advertisements is to eliminate or lessen the seasonal fluctuations for the seasonal products by describing their various uses during off season. For example, by advertising, the use of refrigerators all the year round has been highlighted to people.

8. Advertising creates demand for products

It creates demand for the product and not merely for a particular brand. For example, a laptop computer is widely recommended through advertisements, highlighting its advantages. This helps in creating not just the demand for brands but also for the product (laptop in this case).

9. Advertisements raises standard of living

Advertising also helps in raising the standard of living of the consumers by persuading them to use newer and better products at competitive rates. It is partly because of advertising, it has become possible that goods that are enjoyed by rich people once, are being enjoyed by common man now.

SECONDARY FUNCTIONS OF ADVERTISING

There are many other functions which have gained importance during the course of time and such functions may be classified as Secondary functions -

1. Advertising lend moral support to salesmen
Advertising helps salesmen a lot. Occasionally, a salesman feels insecured and lacks confidence in himself, in his company's products. On such occasions, advertisement boosts his morale. It makes it easier for him to sell advertised goods, for part of the selling has already been done for him.

2. Advertisements provides correct information
Advertisements provide the correct information about the product, producer, stockists and salesmen. Salesmen and dealers are benefited by the use of information given in the advertisement.

3. Advertising ensures Product improvement
Advertisements create a feeling among the executives and the administrative staff that they are responsible to the public in a way. In many ways, they become more enthusiastic when they see advertisements of their own company. They are likely to strive to improve the product further.

4. Advertising creates a sense of security
The workers of an organization of well-advertised goods will feel that their jobs are more secured and that their future prospects with the organization are bright as the business grows.

5. Advertisements helps to recruit Efficient Employees
Advertising makes it possible for the manufacturers to appoint well equipped employees, in terms of quantification, experience and skill. As a company gains much popularity through its advertisements and is identified as a widely known company, any eligible applicant will feel pride to apply for the job.

CLASSIFICATION OF ADVERTISING

Management scientists have classified advertising on different criteria as follows;

Area Coverage	Audience	Media	Function	Stage
1) Local	1) Consumer	1) Print Media	1) Direct Action and Indirect Action.	1) Pioneering stage
2) Regional	2) Industrial	2) Electronic	2) Primary & Selective	2) Competitive Stage
3) National	3) Trade	3) Outdoor	3) Product & Institutional	
4) International	4) Professional	4) Other		

I) CLASSIFICATION ON THE BASIS OF AREA COVERAGE

1. **Local Advertising:** It is also known as retail advertising. It is undertaken by local retail stores, departmental stores, co-operative stores, and other consumer goods. It is directed at local customers. Media, used for local advertising, are shop decorations, local newspapers, magazines, posters, pamphlets, hoarding, new signs, local cinema houses, etc.
2. **Regional Advertising:** It has wider coverage, as compared to local advertising. It covers a particular region, which may be one state, or, more than one state. It is undertaken by manufacture, or, regional distributor of a product. Media, used for regional advertising,

include regional newspapers, magazines, radio, regional T.V., outdoor media, etc. It is ideally used for launching a new product in a specific region.

3. **National Advertising:** It is generally undertaken by manufacturers of branded goods. The advertising messages iscommunicated to consumers all over the country. Almost allpossible mass media, including national newspapers, radio and television network, are used for national advertising. Product services, and ideas, which have demand all over the country, are suitable for national advertising. In India, Indian Airline Hindustan UniLever Ltd., Godrej, Bajaj etc. are a few leading advertisers at national level. Likewise, detergents, soaps, toothpastes, cosmetics, scooters, cars, and bicycles, are some of the products, which are advertised all over the country.

4. **International Advertising:** This type of advertising is undertaken by those companies, which operate in more than one country, known as multi-national companies. For example, Coca-Cola and Pepsi are advertised globally, as thesales are almost all over the world.

II. CLASSIFICATION ON THE BASIS OF AUDIENCE

1. **Consumer Advertising:** This type of advertising is directed to the final consumers i.e., the individuals, who buy, or, use the consumer products, or services, for example, soap, toothpaste, toothbrush, tea, textiles, etc., for themselves and for their families.

2. **Industrial Advertising:** This type of advertising is used by manufacturers and distributors of industrial goods such as, machinery, plants, equipments, spare parts and components etc. They are directed at industrial users or customers. Such advertisements usually appear in trade journals, trade dictionaries, business magazines and so on.

3. **Trade Advertising:** This kind of advertising is employed by manufactures and/or distributors to influence and persuade wholesalers and dealers (retailers) to stock and sell the goods of the advertiser by offering incentive schemes to them, or, by inviting dealership for their particular products.

4. **Professional Advertising :** It is directed at professional like doctors, professors, engineers and others, who are expected to recommend, prescribe, or, specify the advertised products to ultimate consumers. This is done through professional journals and representative of the advertisers.

III. CLASSIFICATION ON THE BASIS OF MEDIA

1. **Print Media Advertising:** The print media consists of newspapers, magazines, journals, handbills, etc. No newspaper or, journal, today, can survive without advertising revenue. Print media advertising, even today, is the most popular form of advertising.

2. **Electronic or Broadcast Media Advertising :** Electronic, or, broadcast media consists of (i) radio, (ii) television, (iii) motion pictures, (iv) video, and (v) the internet. The radio is audio in nature, appealing only to the sense of sound (ears). Radio advertising is more effective in rural areas, as compared to urban regions. Television, as an advertising medium, is more attractive and effective because it is an audio-visual medium appealing to both the senses of sight

sound (eyes and ears). Different methods, such as, spot announcements, sponsored programmes, etc., are used for broadcasting advertising messages.

3) **Outdoor Media :**
This include posters, neon signs, transit, point of purchase(POP), etc. Outdoor advertising can be a good supporting media to other forms of advertising. It is a good form of reminder advertising, especially, the POP advertising.

4) **Other Media :**
This includes direct mail, handbills, calendars, diaries, cinema advertising, internet and so on. These miscellaneous media can play an important supporting role to the major media such as television, and newspapers.

IV. CLASSIFICATION ON THE BASIS OF FUNCTION

1. **Direct Action and Indirect Action Advertising:** Direct action advertising is undertaken to obtain immediate response or action on the part of target audience. Examples include discount sales advertising, sale along with free gift offers, and mail-order coupon sales, etc. The media used is mostly newspapers, and television. Indirect action advertising is undertaken to influence the audiencein respect of advertiser's brand. The advertiser expects the target audience to prefer his brand as compared to competitors whenever a buying decision arises in future.

2. **Primary and Selective Advertising:** Primary Advertising is undertaken by trade association or by cooperative groups. It isundertaken to create generic den1 and for products and services. For example, the Coffee Board may advertise to consume more coffee. Selective Advertising is undertaken by marketers of branded products. The advertiser intends to create selective demand for his brand. Examples include Pepsi Cola, Coca Cola.

3. **Product and Institutional Advertising:** Product or Service advertising is undertaken to promote the sale of products and services-branded or unbranded. Institutional advertising is undertaken to build name and goodwill of the organisation. It is also known as corporate advertising or image advertising. It is mostly undertaken by large firms.

V. CLASSIFICATION ON THE BASIS OF ADVERTISING STAGES

1. **Advertising at Pioneering Stage :** Advertising at pioneering stage is undertaken to make the audience fully aware of the new brand of product and to inform, influence, and persuade them to buy, or, use it by highlighting its unique features.
2. **Advertising at Competitive Stages:** Once the brand survives the introductory stage, it has, soon to face a stiff competition with other well established brands in the market. At this stage,competitive advertising is undertaken to promote sales effectively.

3. **Advertising at Retentive Stage or Reminder Advertising:** When the product has captured a large share of the market, retentive advertising is undertaken to maintain, or retain the stable position in the market as long as possible. Moreover, if the same product is passing through the declining stage in the market, this type of advertising is used to remind the buyers about the product hence, it is also known as reminder advertising.

ROLE / SIGNIFICANCE OF ADVERTISING IN MARKETING

Role and Significance of Advertisements in Marketing can be divided into following parts;

1. Advertising and Consumers
2. Advertising and Promotion
3. Advertising and Price
4. Advertising and Distribution Channel
5. Advertising and Sales force

1. ADVERTISING AND CONSUMERS:

1. It helps in decision-making:

- The present-day industry has been able to provide with the largest possible varieties of products to such an extent that the consumers find it difficult to decide. Further, each producer claims that his own products are the best.
- In such situation, it is advertising that helps the consumer to select the best by providing him with comparison of features, prices, utility, quality, durability, convenience etc.

2. It ensures better quality products at reasonable prices:

- Advertising stimulates the sales of a good product and accelerates the destruction of bad product by creating the image of the product in the minds of the consumers.

3. It saves good deal of time:

- The modern living is changed as compared to past. In the past, the things were cheaper and the requirements were limited. Hence, it was enough for a single member to earn for the entire family. Today this is very difficult. Each member of the family tries to earn. This gives them less time.
- Advertising saves time in the sense that it sells the goods and services well in advance. That is, through the ads, people know about products and services they are to only contact the selling outlets to get them.

2. ADVERTISING AND PROMOTION

1. Awareness:

- One of the important roles of advertising is to create awareness of the product or services such as brand name and price.
- The awareness of the product or services can be created through highlighting the unique features of the brand. Nowadays, due to intense competition, top of mind awareness is needed.

2. Information:

- Advertising helps to inform the target audience about the product. Providing information is closely related to creating awareness of the product. Potential customers must know about a product, such as product features and uses.

3. Persuasion:

- When business firms offer similar products, the firm must not only inform the customers about the product's availability, but also persuade them to buy it.

- Persuasion can be undertaken through creative advertising messages, product demonstration at trade fairs, offering free gifts, premium offers and organizing contests etc.

4. Attitudes:

- Promotion is required to build or reinforce attitudes in the minds of target audience. The marketers expect the target audience to develop a favourable attitude towards their brands. Positive attitude towards the brand helps to increase its sales.

5. Reminder:

- If target customers already have a positive attitude towards a firm's product or service, then a reminder may be necessary.
- Well-established brands need to remind the customers about their presence in the market. For eg., 'Raymond – the complete man' campaign is designed to remind the customers.

6. Brand Loyalty:

- Advertising helps to develop brand loyalty. Brand loyalty results in repeat purchases and favourable recommendations to others by existing customers.
- Sales promotion, effective personal selling, timely and efficient direct marketing, and other techniques help to develop brand loyalty.

7. Brand Image:

- An advertiser helps to develop a good image of the brand in the minds of target audience. A good image helps to increase sales, meet competition etc.

8. Expansion of Markets:

- Successful advertisements results in expansion of the markets. A marketer may intend to expand markets from the local level to the regional level, from the regional level to the national level, and from the national level to the international level.

3. ADVERTISING AND PRICE

- Through advertising, it is possible to control the product prices with profit, particularly the retail prices.
- Very often the greedy retailers exploit the needy consumers by charging higher prices. If this consumer exploitation is not controlled, both the producers and consumers are to suffer without their faults. The manufacturer can help himself and consumers by printing the consumer prices on the product packages. Today, product package protects not only the contents of it but also the consumer interest.
- Advertisements creating awareness about the price helps control exploitation of consumers.

4. ADVERTISING AND DISTRIBUTION CHANNEL

1. It guarantees quick sales:

- Every retailer holding the stocks of different producers is interested in quick turnover.
- Advertising, by bringing these whole range of products to the notice of consumers, quickens the pace of sales.
- Faster sales gives specific advantages such as reduced capital lock-up, loss of stock, and

increased profits. Advertising gives him freedom to better serve the needs of consumers. Therefore, he earns better by serving better.

2. It acts as salesman:

- Advertising has been rightly described as salesmanship in print.
- Most retail organizations do not employ large number of salesmen. They are willing to spend on advertising which attracts consumers to the stores.

5. ADVERTISING AND SALES FORCE

The benefits of salesforce due to advertising are;

1. It creates colourful background:

- A good salesman wins the hearts of consumers and sells the company products and services.
- He may be active, tactful and confident salesman but the extent of his success depends heavily on the colourful back-ground created by the advertising.
- Salesmanship without advertising is like a song without music. Advertising creates stage for him for his acting (performance).

2. It reduces his burden of job:

- In case salesman alone is called upon for selling, it goes much difficult. In absence of advertising, he is forced to play a double role of advertising as well as salesmanship.
- Advertising provokes public interest, wins the confidence, and promotes conviction. Hence, the job of the salesman becomes easier.

3. It instils self-confidence:

- A sales-force that is self-confident is an asset to the marketing department. Advertising helps the salesforce by building confidence in them.
- Advertising, by educating sales-force, acts a creative force as it instills self-confidence, initiative and drive in them.

ROLE OF ADVERTISING AGENCIES

Introduction to Advertising Agencies:

- An advertising agency is an independent company. It is set up to provide specialized services in advertising in particular and in marketing in general.
- These firms are not agents in the legal sense, but are independent companies. Advertising agencies started by handling of the advertisements in newspapers. Through the years, the function of the agencies has changed.
- It acts as a consultant of the advertiser who is a manufacturer, wholesaler, or retailer.

Following are the roles of ad agencies;

1. **Creating an Advertisement:**
   The advertising agency has a lot of work in the process of creating an advertisement that satisfies the brand marketer (advertiser). The responsibilities of ad agencies range from graphic design to copywriting and printing.

2. **Market Research:**
   Market demand and supply are ever-changing in today's rapidly evolving digital economy. An advertising agency has to undergo extensive market research on the product and to better understand changing customer needs in order to create better advertisements and brand messages. The ads must be relevant and contemporary.

3. **Ad Media Considerations:**
   Ad agencies need to be mindful of their target audience and determine the relevant media for ad creation and outreach. Developing, designing and launching print ads (newspaper, magazine, brochures, pamphlets), audio ads (radio) and video (TV, YouTube, etc.) ads, including billboards and posters campaigning are all a part of the ad creation for brands.

4. **Content Creation:**
   No advertisement is complete without appropriate content – be it a slogan or a tagline, content for promotion or branding, or content for websites and other media. Developing effective content strategies for advertising plays a very important role. Ad agencies need to be very much creative in presenting the content of advertisement.

5. **Branding & Social Media:**
   Social media promotion and digital marketing are very important for advertisers because of their closeness with the targeted ad audience. Advertisements for banner ads and other targeted promotions across Instagram, Twitter, Facebook, LinkedIn and other social media channels therefore, become an extensive and highly focused operation.

6. **Direct Marketing:**
   Direct marketing inculcates the channels of email marketing, telephone marketing, mail order, rather than through retailers. A direct marketing campaign helps in inducing a degree of personalization and connection. This also includes campaigning through mailer coupons, gift vouchers, loyalty rewards etc.

7. **Public Relations:**
   Public Relation is a key aspect looked after by ad agencies to ensure optimum publicity and the strength of the client's (advertiser) brand image. Public relations uses - press releases, talk shows, fairs, exhibitions, events, and even writing columns and articles in trade publications. The fundamental objective of this department of an ad agency is to build and maintain goodwill with various sections of the public.
   The tools used in communicating with these publics are institutional or corporate advertising and publicity. The main job of this department is to build stronger relations between clients and the various sections of the public customers, employees, middlemen, shareholders. A minor job is to do a public relations job for the agency itself with prospective, and present clients.

8. **Revenue Generation:**
   Ad agencies are responsible for revenue generation for clients. Agencies need to ensure that the ads designed by them are relevant to their target audience and generate quality revenue for their clients.

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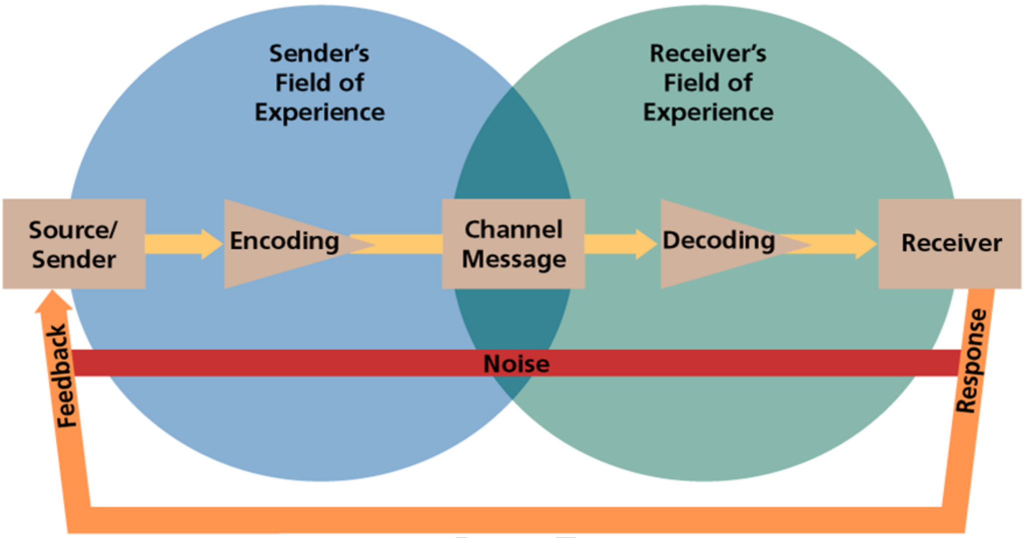
UNIT – 2

UNDERSTANDING COMMUNCIATION PROCESS

COMMUNICATION PROCESS

Over the several years, the basic model of communications has evolved that represents the various elements of the communications process.



Source: Advertising & Promotion by Belch & Belch

The elements of the model include:

1. Source/Encoding—

- The sender or **source** of a communication is the person or organization that has information to share with another person or group.
- The receivers' perception of the source influences the manner in which the communication is received, interpreted and responded to.
- **Encoding** is the process of putting together thoughts, ideas, and information in a symbolic form to communicate a message.
- The sender's goal is to encode the message in such a manner so that it will be understood by the receiver.
- *Forms of Encoding*
  - **Graphics**
    - Pictures
    - Drawings
    - Charts
  - **Musical**
    - Arrangements
    - Instrumentation
  - **Verbal**
    - Spoken Words
    - Written Words
    - Song Lyrics
  - **Animation**
    - Action/Motion
    - Pace/Speed
    - Shape/Form

2. **Message**—
- The encoding process leads to the creation of a message that contains the information or meaning the source or sender hopes to convey.
- Messages can take multiple forms and may include symbolic forms or signs. The message must be put into a communicable form that is suitable for the channel of communication being used.

3. **Channel**—
- The channel is the method/medium by which the communication travels from source or sender to receiver. Broadly, channels of communication are of two types:
- **Personal Channels** which involve direct interpersonal contact with target individuals or groups. For example, a salesperson serves as a personal channel of communication when delivering a sales presentation.
- It is important to note that **word-of-mouth** can be a very powerful form of communication and has been used by markets for many years.
- **Non-personal channels** are those which carry a message without involving interpersonal contact between sender and receiver.
- These channels are often referred to as the **mass media** as messages transmitted through them are sent to many individuals at one time.
- The two major categories of non-personal channels are print and broadcast media.

4. **Receiver/Decoding**—
- The receiver is the person(s) with whom the sender shares thoughts or information.
- Receivers are generally viewed as the consumers in the target audience targeted by the firm's marketing and promotional program.
- **Decoding** is the process of transforming and interpreting the sender's message back into thought and is heavily influenced by the receiver's frame of reference or field of experience.
- Effective communication is more likely when **common ground** or shared meaning or understanding exists or has been established between the sender and receiver.

5. **Noise**—
- Throughout the communications process the message is subject to **noise** which refers to factors that can distort or interfere with adequate reception or comprehension.
- Noise can occur during the encoding, transmission, or decoding of a message. Noise can also occur because of a lack of common ground or understanding between the sender and receiver.

6. **Response/Feedback**—
- Response refers to the reaction the receiver has after seeing, hearing and/or reading the message.
- **Feedback** is the part of the receiver's response that is communicated back to the sender and takes a variety of forms.
- This chapter analyses the major controllable variables in the communications process – Source, Message and Channel/Medium.
- Characteristics of SOURCE are examined along with how they impact cognitive processing.
- Attention is also focussed on the MESSAGE also – including how structure and type of appeal influence communication effectiveness
- Focus is also made on CHANNEL/MEDIUM by which the message is communication.

PROMOTIONAL PLANNING THROUGH THE PERSUASION MATRIX

- For an effective promotional campaign, the right spokesperson must be selected to deliver a compelling message through appropriate channels or media.
- Source, message, and channel factors are controllable elements in the communications model.
- The persuasion matrix helps marketers see how each controllable element interacts with the consumer's response process.
- The matrix has two sets of variables. Independent variables are the controllable components of the communication process, whereas, dependent variables are the steps a receiver goes through in being persuaded.
- The following are the examples, which correspond to the numbers in the persuasion matrix, illustrate decisions that can be evaluated with the persuasion matrix.
    - Receiver/comprehension: Can the receiver comprehend the ad?
    - Channel/presentation: Which media will increase presentation?
    - Message/yielding: What type of message will create favourable attitudes or feelings?
    - Source/attention: Who will be effective in getting consumers' attention?

The Persuasion Matrix

	Independent variables: The communication components				
Dependent variables: Steps in being persuaded	Source	Message	Channel	Receiver	Destination
Message presentation			(2)		
Attention	(4)				
Comprehension				(1)	
Yielding		(3)			
Retention					
Behavior					

SOURCE FACTORS

- The term source means the person involved in communicating a marketing message, either directly or indirectly.
- A direct source is a spokesperson that delivers a message and/or demonstrates a product or service. For e.g. the following video displays the effect of using a direct source in an advertisement
- An indirect source, say, a model in a car ad, doesn't actually deliver a message but draws attention to and/or enhances the appearance of the ad. Marketers try to select individuals whose traits will maximize message influence.
- The source may be knowledgeable, popular, and/or physically attractive; typify the target audience; or have the power to reward or punish the receiver in some manner.

- Herbert Kelman developed three basic categories of source attributes: credibility, attractiveness, and power. Each influences the recipient's attitude or behaviour through a different process.

A. SOURCE CREDIBILITY

- Credibility is the extent to which the recipient sees the source as having relevant knowledge, skill, or experience and trusts the source to give unbiased, objective information. There are two important dimensions to credibility, expertise and trustworthiness.
- Information from a credible source influences beliefs, opinions, attitudes, and/or behaviour through internalization, which occurs when the receiver adopts the opinion of the credible communicator since he or she believes information from this source is accurate.
- Several studies have shown that a high-credibility source is not always an asset, nor is a low-credibility source always a liability. High- and low-credibility sources are equally effective often. One of the reasons a low-credibility source may be as effective as a high-credibility source is the **sleeper effect**, whereby the persuasiveness of a message increases with the passage of time.

1. **Expertise & Trustworthiness** - There are two important dimensions to credibility – expertise and trustworthiness. Sometimes some celebrities do not endorse products in advertisements so that they can protect their credibility. However, the same celebrity might endorse the companies or brands in foreign countries.
2. **Corporate Leaders as spokespersons** – Many companies believe that their CEOs or Presidents are the best people to express company's commitment to quality and customer service. Examples – Dell Computer founder and CEO Michael Dell, Gateway CEO Ted Wait. Owners of small companies often appear in advertisements as a spokesperson.
3. **Limitations of Credible Sources** – Marketers generally use credible sources to deliver their promotional messages. But in some situations a high credibility source may be less effective as compared to medium or low credibility source. When the receiver already has a favourable attitude or opinion towards company's products, then it is better to use low credible source because if high credible source is used then the receiver will attribute his/her opinion towards the source and not to the message being communicated.

B. SOURCE ATTRACTIVENESS

- Source (sender) must be attractive. Attractiveness includes similarity, familiarity, and likability.
- Similarity means the resemblance between the source and the receiver of the message. Familiarity refers to knowledge of the source through exposure. Likability is affection (liking) for the source as a result of physical appearance, behaviour, or other personal traits.
- Source attractiveness helps in persuading the receiver. Persuasion is possible because of the process of **identification**. In Identification process, the receiver is motivated to search for some type of relationship. Hence, the receiver tries to adopt similar beliefs, attitudes, preferences and behaviour similar to the source.

Applying similarity

- Using salespeople with same characteristics like the customer
- Using former (retired) athletes to sell sports products

Applying likeability –

- Using celebrities

Marketers think celebrities have stopping power so they spend huge sums to have them in their ads.

Issues in Using Celebrities:

- A number of factors must be considered when a company decides to use a celebrity spokesperson. They are:
  1. **Overshadowing the product**- Consumers may focus their attention on the celebrity and fail to notice the brand.
  2. **Overexposure**- Consumers are often skeptical of endorsements because they know the celebrities are being paid.
  3. **Target Audiences' Receptivity**- One of the most important considerations in choosing a celebrity endorser is how well the individual matches with and is received by the advertiser's target audience.
  4. **Risk to the advertiser**- A celebrity's behaviour may pose a risk to a company. A number of entertainers and athletes have been involved in activities that could embarrass the companies whose products they endorsed.

Applying Likeability – Decorative Models

- Attention can be drawn to an advertisement by using physically attractive person as a decorative model.
- A research conducted shows that the attractive communicators are able to create positive impact and generate more favourable responses.
- Example - For products like cosmetics, attractive models can create a benefit.
- But, care must be taken because it may happen that people get attracted to model and not the message shown in the advertisement.

C. SOURCE POWER

- A source has power when he or she can administer rewards and punishments to the receiver, which is the reason why the source is able to induce favourable response from the receiver.
- The source must be perceived as being able to administer positive or negative sanctions to the receiver (perceived control) and the receiver must think the source cares about whether or not the receiver conforms (perceived concern).
- The receiver's estimate of the source's ability to observe conformity is also important (perceived scrutiny).
- When a receiver perceives a source as having power, the influence process occurs through a process known as **compliance**.

MESSAGE FACTORS

- The way of communication of a message determines its effectiveness.
- It is necessary not just to determine the content of the message, but also the kind of appeal, like humour, fear, etc. that is used to convey the message. Following points must be considered while deciding message related factors

A. MESSAGE STRUCTURE

It is an important aspect of a communicating an advertising message. The advertiser has to know the best way to communicate, as well as overcome any opposing viewpoints already there in the minds of the audience. Following points must be considered while deciding message structure;

1. **Order of Presentation**
   The items presented first and last are remembered better. So, the ad should either assume a **primacy effect** (the strongest arguments are presented at the beginning of the message) or

a **recency effect** (the last arguments presented are the most persuasive). Strong arguments work best in the beginning when there is a need to draw attention, whereas they can be saved for the end if interest already exists about the issue or the product amongst the audience.

2. **Conclusion Drawing**
For conclusion drawing, there are 2 ways in which an advertisement can be structured. One is to draw a strong conclusion within the message itself, and the other is to allow the receiver to draw their own conclusions. The choice of the method should depend on the targeted audience and the sensitivity and complexity of the issue. Highly educated target audience prefers to form their own conclusions. Similarly, it is better not to make strong conclusions on a sensitive issue.

3. **Message Sidedness**
This is another message structure decision. A one-sided message conveys just the positive benefits of the product/service, whereas, a two-sided message presents both, the good and the bad points. For a less educated audience or the one already holding favourable opinion on the product/service, one-sided message works best. For a highly educated audience or the target audience holding an opposing opinion, a two-sided message would work best.

4. **Refutation**
It is a special kind of two-sided message, where a communicator presents both the good and the bad points, and then refutes the opposing viewpoint. Refutational messages may be useful when marketers wish to build attitudes that resist change and must defend against attacks or criticism of their products or the company.

5. **Verbal versus Visual Messages**
The visual message is as important as the verbal message, or the information presented in the ad, as the consumers may develop images or impressions based on visual elements.

B. MESSAGE APPEALS

- There are various types of advertising appeals and the decision about which appeal to use should be based on a review of the creative brief, the objective of the advertisement etc. factors. Each appeal has been successfully used in some ads but failed in the others.
- Two approaches are commonly used in advertisements. One is Rational Approach and the other is Emotional approach. In Rational approach the benefits and features are highlighted in a logical way. In Emotional approach, emotions are used to influence the viewer.
- The major advertising appeals are discussed below.

1. **Comparative Advertising**

- It is the practice of naming competitors in an ad, either directly or indirectly and comparing one or more specific attributes. These kinds of ads are not common in India.
- Example - A very famous example is the ad of Rin which compares with Tide. This has been banned in India.

2. **Fear Appeals**

- Advertisers use fear more often than a casual observer realizes. Fear appeal works because it increases the viewers' interest in the ad, as well as its persuasiveness. A moderate level of fear is the most effective. The goal for a fear ad should be to make it powerful enough to capture a viewer's attention and to influence his/her thinking, but not so scary that the person avoids seeing the advertisement.

- Example – Close-up Toothpaste uses the fear appeal by showing how a person may lose close relationship if there is any foul breath found in a person.

3. **Humour Appeals**

- Due to the clutter in almost all the advertising mediums, it is very difficult to capture the viewer's attention and keeping that attention. So, humour is used, as it can be very effective to cut through clutter, increase the likeability of the ad and make the consumers remember it.
- Humour should tie together the product features, the advantage to the consumers and the personal values.
- Example: Fevicol is a very famous brand that often uses humour appeal in its advertisement. The main feature of fevicol (as an adhesive) is the highlight of advertisement while presenting it with a humour appeal

CHANNEL FACTORS

- While a variety of methods are available to transmit marketing communications, they can be classified into two broad categories, **personal and non-personal media**.
- Information received from personal influence channels is generally more persuasive than information received via the mass media.

Effects of Alternative Mass Media

- The various mass media used by the advertisers differ in terms of number and type of people they reach, costs, information processing requirements, and other qualitative factors.
- There are also differences in how communications are influenced by the environment.
- Information from ads in print media, such as newspapers, magazines, or direct mail, is self-paced; readers process the ad at their own rate and can study it as long as they desire. In contrast, information from the broadcast media of radio and television is externally-paced.

Effects of Context and Environment

- Interpretation of the advertisement can be influenced by the context or the environment in which it appears. This is known as the **qualitative media effec**t.
- For example, airlines, resorts and travel-related services advertise in *Travel and Leisure*, cosmetics targeted at women advertise in magazines like *Femina*, etc.

Clutter

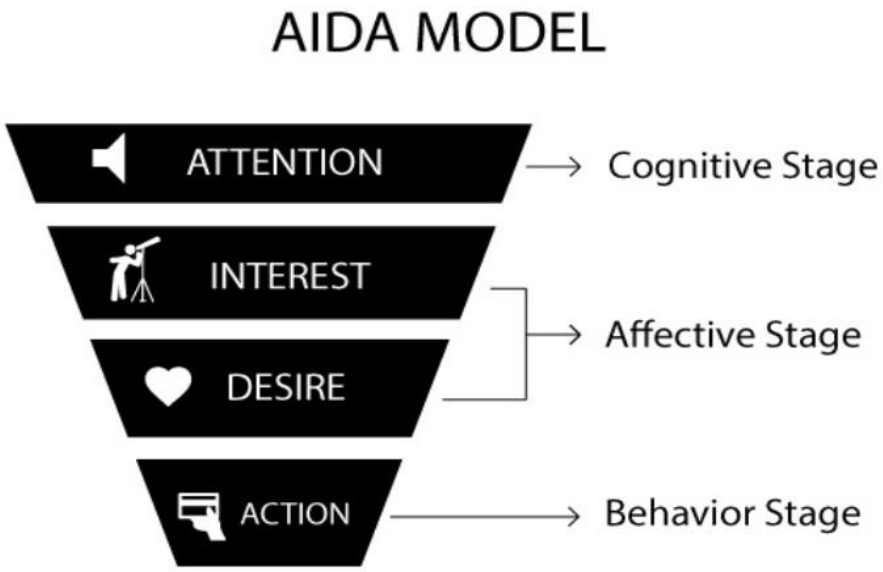
- The amount of advertising in medium is known as clutter.
- Advertisers are concerned as there are many messages in various media competing for the consumer's attention, which makes it difficult for them to capture the consumer's mind-share.
- Short commercials results into more number of advertisements. This is the cause of clutter in media.
- For example, there will be 10 ads in 5 minutes if the average ad is of 30 seconds. But if the average time is 10 seconds, then there shall be 30 ads in 10 minutes. Thus it becomes the source of clutter.

RESPONSE HIERARCHY MODELS

- The Response Hierarchy Models explains the consumer responses and behaviour to the advertising process.
- The Models provide a complete understanding of the responses of a customer through all stages of his path from unaware of the product to the purchase action.
- The following Models of Response Hierarchy tries to explain the consumer behaviour across three awareness stages- Cognitive Stage, Affective Stage and Behavioural Stage.
    1. AIDA Model
    2. Hierarchy-of-Effects Model
    3. Innovation-Adoption Model
    4. Elaboration Likelihood model

1. AIDA MODEL

- The phrase **AIDA** stands for **A**ttention, **I**nterest, **D**esire, and **A**ction.
- The AIDA model is used in advertising to define the stages that exist from the time when the consumer first becomes aware of the product or the brand to when the consumer purchases a product.
- The AIDA model is one of the most established models amongst all the Response Hierarchy Models.
- The organisations use the AIDA Model to obtain the necessary response from the targeted consumers through advertisements.
- This model can be operated successfully to stimulate the different emotions of the customers.



The AIDA Model is a 4 Stage process that explains How Customers perceive Products.

- It Describes the Evolution of the Customer-Product relationship.

These Perception Stages are important to design the Advertising or Marketing campaigns that could be more effective.

Four Stages of the AIDA Model

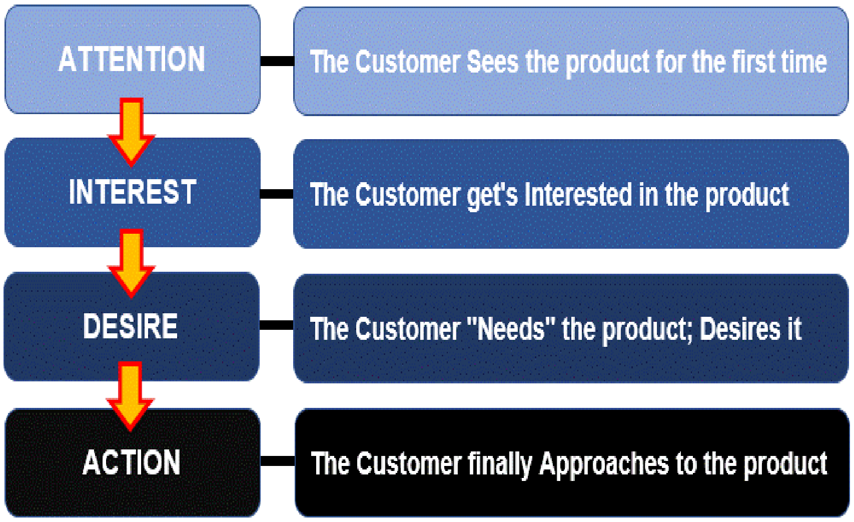
1. **Attention**: The First Interaction between the Customer and the Product.

- The first moment the Customer sees the product.

2. **Interest**: The Client then gets Interested in the Product.
   - Once the Client has learned more about the Product.

3. **Desire**: Once the Client has confirmed the characteristics of the Product, he desires it.
   - Interest becomes a “need.”

4. **Action**: Finally, the Customer Approaches the product.
   - Tries it and, eventually, buys it.



EXAMPLE: ADIDAS

Adidas, the famous sportswear company, uses the AIDA model like many other large companies.

Their Marketing Campaigns have changed over the years but, let’s try to summarize them:

Attention
In many of their commercials, **famous people** appear, whether they are athletes or not.
- **This makes people pay attention** to the commercial.

Interest
These **celebrities** often **do or say something Interesting**: Something motivational, funny, etc.
- If they are promoting a new product Adidas highlights its characteristics

Desire
The Client is immediately motivated by the athlete’s motivational message: **The Client** feels and **wants that passion**.
- If it is a casual wear Ad, **Adidas uses “handsome” people**: The **Client Desires to look like them**.

Action
Finally, Adidas highlights either its **Brand-name or the Product** it is advertising.
- **What you have to do** to be like your idols is to **buy Adidas products**.

ADVANTAGES OF AIDA MODEL

1. **In-depth knowledge of the market**
   The AIDA model identifies the steps of the process. It studies their nature. From this, marketers can know lots of things. It provides in-depth knowledge of the market.

2. **Improved relationship with customers**
   AIDA model focuses on the stages of customers. It provides knowledge of customers' behaviour. From this, marketers can know their customers more. Marketers can fulfil their demands. This improves their relationship with customers.

3. **Market updates**
   From the AIDA model, marketers know about the needs of customers. Marketers can also know what changes are prevailing. So, they are always up-to-date. This is very important. From the updates, marketers can make changes in their strategies. This satisfies the customers. It also helps with customer retention.

4. **Engaged customers**
   AIDA model also makes the process engaging. Marketers know their customers well. They can satisfy their needs. This improves the relationship. Then customers also share their opinions. They feel comfortable. So the process becomes engaging.

5. **Saves time**
   Using the AIDA model, marketers can save time too. The AIDA model identifies the steps. Marketers can easily follow the guides. It is effective and quick. This saves time. Also, in business, time is money. When you save time, you can use the time in other work. This increases the marketing. The sales go up too.

LIMITATIONS OF THE AIDA MODEL

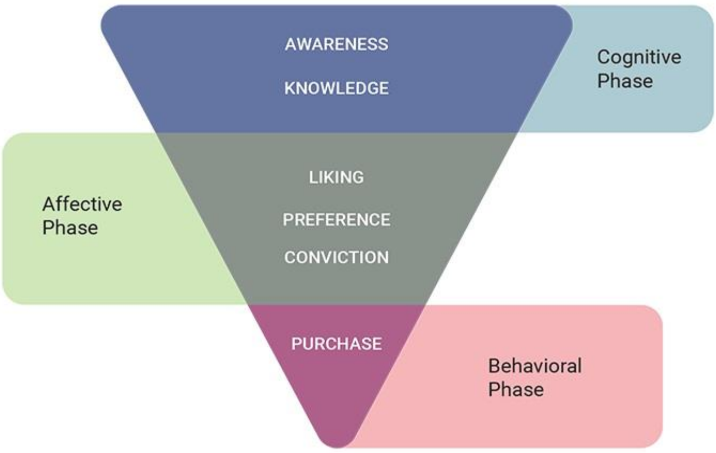
1. **The AIDA model is outdated**
   The AIDA model was developed 100 years ago. From that time to now, marketing has evolved a lot. There are many changes. The market is updated. So, the AIDA model cannot meet many marketing tactics.
   For example, earlier there was no internet. Now, most of the things are digitized.

2. **The AIDA model misses many components**
   The AIDA model is very simple. It only focuses on the four components. Marketing includes many other processes. AIDA model does not talk about customer satisfaction. It does not focus on customer retention.

3. **Does not cover branding**
   A brand name is very important for every company. The AIDA model ignores brand royalty. It does not cover the reputation part

2. HIERARCHY-OF-EFFECTS MODEL

- Hierarchy of effects model was designed by Robert J Lavidge and Gary A Steiner in 1961.
- This advertising communication model describes that there are 6 phases from the phase where the customer views the product to the purchase phase.
- The job of an advertisement is to prompt the customer to endure all the six stages of the Hierarchy-of-Effects Model



1. **Awareness:**
    - If most of the target audience is unaware of the object, the communicator's task is to build awareness. Awareness can in terms of just name recognition, with simple messages repeating the product name.
    - Consumers must become aware of the brand. This is not easy. Capturing someone's attention does not mean they will notice the brand name. Thus, the brand name needs to be brought to the focus of consumers so that they become aware.
    - Magazines are full of ads that will capture your attention, but there can be a problem that brand name may not be seen by consumers.

2. **Knowledge:**
    - The target audience might have product awareness but not know much more; hence this stage involves creating brand knowledge.
    - This is where comprehension of the brand name and what it stands for become important.
    - What are the brand's specific appeals, its benefits? In what way is it different than competitor's brands? Who is the target market? These are the types of questions that must be answered if consumers are to achieve the step of brand knowledge.

3. **Liking:**
    - If target consumers know the product, how do they feel about it? If the audience looks unfavourably towards the product then the communicator has to find out why.
    - If the unfavourable view is based on real problems, a communication campaigns alone cannot do the job. For product problem it is necessary to first fix the problem and only then can you communicate its renewed quality.

4. **Preference:**
    - The target audience might like the product but not prefer it to others. In this case, the communicator must try to build consumer preference by promoting quality, value, performance and other features.

- The communicator can check the campaigns success by measuring audience preference before and after the campaign.

5. **Conviction:**
   - A target audience might prefer a particular product but not develop a conviction about buying it. The communicator's job is to build conviction among the target audience.

6. **Purchase:**
   - Finally, some members of the target audience might have conviction but not quite get around to making the purchase. They may wait for more information or plan to act later.
   - The communicator must need these consumers to take the final step, perhaps by offering the product at a low price, offering a premium, or letting consumers tried out. This is where consumers make a move to actually search out information or purchase.

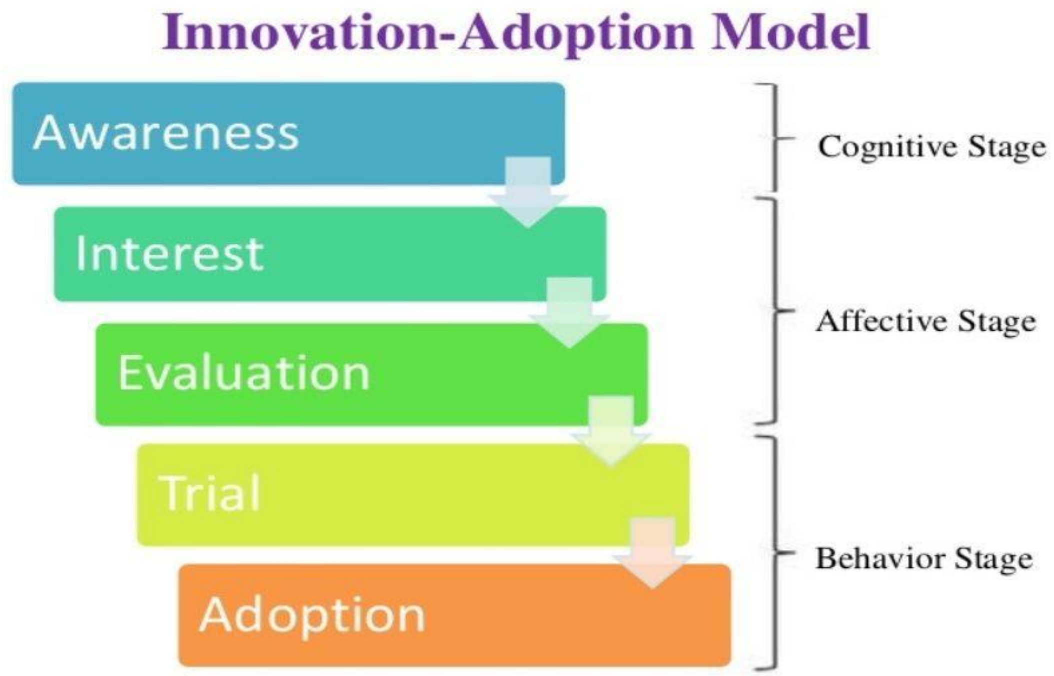
Table 12.1 Hierarchy of Effect Model

Model Steps— Adoption Process (Basically the Lavidge-Steiner Model)	*Description of Buyers*	*Advertising that Might be Related at Various Stages*
UNAWARENESS ↓	At some point in time, potential customers are unaware of the product/service.	Mass Media.
AWARENESS ↓	These people must become aware of the product's existence before a sale takes place.	Slogans, classified ads, announcement.
KNOWLEDGE ↓	Generally, potential customers want to know what the product will do for them.	Informative or Descriptive ads.
LIKING ↓	Gaining product knowledge leads to forming attitudes showing whether a product is liked or disliked.	Status or glamour appeals, image ads.
PREFERENCE ↓	Potential customers develop preferences for some products over others, consistent with how well each product is liked.	Competitive ads, pursuasive copy.
CONVICTION ↓	Prior to purchase, potential customers become convinced that the preferred product is a good buy and there is a desire to buy.	Testimonials, Price deal offers, Lost "Chance" offers, "Direct Action", retail ads.
PURCHASE ↓	This is the act of actually buying the product.	Point-of-Purchase ads.
CONFIRMATION	This is the act of reminding the customers.	Informative "Why" ads, "Reminder" ads.

Thus Hierarchy of effects Model is thought to work and follow a certain sequence whereby the prospect is moved through a series of stages in succession from unawareness to the purchase of the product.

3. INNOVATION-ADOPTION MODEL

- Innovation-Adoption Model was developed by Rogers in 1995.
- He designed various stages in which a target customer passes through from the stage of incognizance to purchase.
- The 5 stages of the Innovation-Adoption Model are - **A**wareness, **I**nterest, **E**valuation, **T**rial, and **A**doption.



1. **AWARENESS**
   This is the primary stage of Innovation-Adoption Model. In this stage consumer becomes aware of a brand or a product mostly through advertisements.

2. **INTEREST**
   This is the second phase of the Innovation-Adoption Model. This is a stage in which the information about the brand or a product multiplies in the market and generates the interest of the potential buyers of the product to gain more knowledge and information about the product.

3. **EVALUATION**
   Evaluation is the third stage of the Innovation-Adoption Model. It adds the necessary information regarding the product to the consumers. In this stage, the consumers evaluate and try to gain a deeper understanding of the product that stimulated interest in them.

4. **TRIAL**
   In this stage, the customers try the product before making the final choice to purchase the product.

5. **ADOPTION**
   Adoption is the final stage of the Innovation-Evaluation Model. In this stage, the customer accepts the product, makes a purchase decision and finally purchases the product.

   In the Innovation-Evaluation Model, the Awareness happens at the Cognitive Stage, developing an interest and evaluation phases fall under the conviction phase, and the trial of the product and the actual adoption fall in the Behavioural phase.

4. ELABORATION LIKELIHOOD MODEL

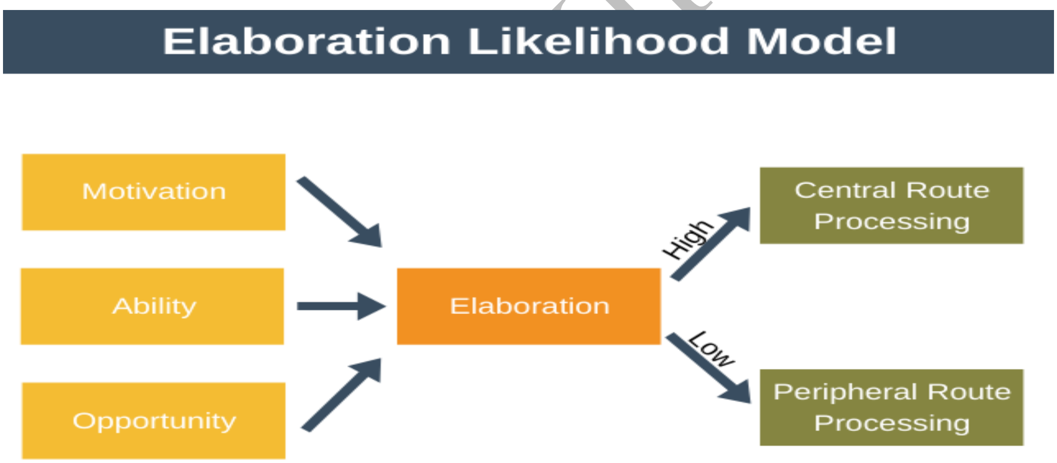
Concept:

- The elaboration likelihood model (ELM) is a theory of persuasion or attitude change that proposes that people can be persuaded in one of two ways.
- What does elaboration mean in this model? Elaboration is referring to how much conscious thought you put into making a decision. If you elaborate on something, then it means you are really thinking about it.
- If you're highly interested in a topic and have the ability to think about your decision, then you will elaborate on your decision. In this case, persuasion will occur using central route processing. You will examine and weigh up the information carefully before making your decision.
- Conversely, if the decision is less important to you or you have little time available to think about it, you won't invest much time elaborating on your decision. In this case, persuasion will occur using peripheral route processing. You'll be influenced by associating the decision with positive or negative cues or by using cognitive cues.

Background:

- The elaboration likelihood model was developed by Richard E. Petty and John Cacioppo in 1980.
- They noticed that previous persuasion theories gave conflicting results. They developed this model to explain better how people are persuaded.

Elaboration Likelihood Model



- As we can see, if elaboration is high, then we will process the decision through our central route. If elaboration is low, we will process the decision through our peripheral route.

LIKELIHOOD OF ELABORATION

To determine which route to use, the model says that three factors determine whether your elaboration is likely to be high. These are:

1. Motivation

If you have a high desire to process the message you're receiving, then your motivation will be high.

For example, imagine the government announced new tax reliefs for recently married couples. If you think your finances might be affected by this tax change, then you're going to be more motivated to think about this issue than someone who is not personally affected.

2. **Ability**
   Even if we want to elaborate, it can be difficult if we don't have the ability. This can happen when, for example, you're in a noisy environment, or when you don't have enough knowledge about a subject to be able to think deeply about it.
3. **Opportunity**
   Having the opportunity means you have the time available to receive the message, process it, and then make your decision.

ROUTES

1. Central Route Processing

- Central route processing happens when elaboration is higher. Using central route processing, you'll listen carefully to the message and evaluate the pros and cons before making your decision.
- Central route processing requires your conscious thought and critical thinking. To be able to process in this way, you must be motivated, have the ability, and the opportunity.
- Through central route processing, you can form attitudes and even beliefs. Views formed through central route processing tend to be long-lasting. When you create an attitude or view in this way, you're less likely to change your mind about it later and more likely to behave in ways that match your new position.

2. Peripheral Route Processing

- When one or more of motivation, ability, or opportunity is missing or low, then you're more likely to process information via the peripheral route.
- Using the peripheral route you are not consciously examining information, and you will often make your decision based on:
  - Positive or negative cues you've picked up.
  - Rules of thumb.
  - What you've seen others do.
- Peripheral route processing is necessary because you simply don't have time to consider every decision you make carefully.
- By making the minor decisions through peripheral processing, you free up more time to think about the more significant decisions you need to make.

Example

- Imagine that you are a marketing executive with a task of selling a new brand of shampoo.
- You decide to use the elaboration likelihood model to develop a marketing campaign that uses both the central and peripheral processing routes.
- First, you decide to create an ad targeting central route processors. People who are considering a shampoo via the central route might be particularly conscious of their image or whether there are any artificial ingredients contained within the shampoo. To appeal to these people, you decide to create ads and online pages highlighting both the unique formula of the shampoo, which makes your hair appear shiny, and its all-natural ingredients.
- To target the peripheral processors, you do something different. You work with celebrities and social media influencers to create a set of ads and social media, showing these people enjoying and being satisfied with the product.

Advantages and Disadvantages

Advantages

- The model gives you a framework by which you can assess how best to persuade someone.
- It is possible to use both the central route and peripheral route persuasion at the same time.

Disadvantages / Criticism / Limitations

- The model does not state when to use a particular form of persuasion.
- The model is based on the assumption that attitudes formed through central route processing will be stronger and harder to change.
- When wishing to persuade a low elaborator, there is no indication of what is the best way to do this. In our shampoo example, seeing your favourite celebrity might take you towards buying, but perhaps if you dislike the music in the ad it might take you away from buying.

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VEER NARMAD SOUTH GUJARAT UNIVERSITY

COURSE: B.B.A

Subject : Advertising and Brand Management

Unit 3 :Planning for Marketing Communication

Q 1) Introduction Of IMC

The process of **integrated marketing communications (IMC),** which involves coordinating the various promotional elements and other marketing activities that communicate with a firm's customers.

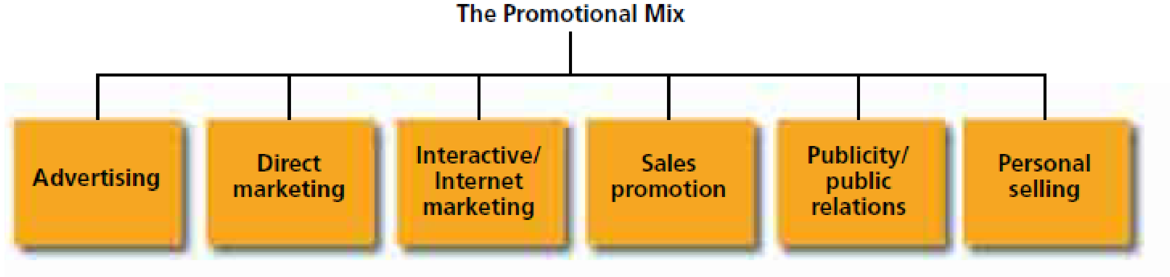
A task force from the American Association of Advertising Agencies (the "4As") developed one of the first definitions of integrated marketing communications: a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines— for example, general advertising, direct response, sales promotion, and public relations—and combines these disciplines to provide clarity, consistency, and maximum communications impact.

IMC concept, such as Don Schultz of Northwestern University, argue for an even broader perspective that considers *all sources of brand or company contact* that a customer or prospect has with a product or service.13 Schultz and others note that the process of integrated marketing communications calls for a "big-picture" approach to planning marketing and promotion programs and coordinating the various communication functions. It requires that firms develop a total marketing communications strategy that recognizes how all of a firm's marketing activities, not just promotion, communicate with its customers.

The IMC approach helps companies identify the most appropriate and effective methods for communicating and building relationships with their customers as well as other stakeholders such as employees, suppliers, investors, interest groups, and the general public.

Q 2 The Tools for IMC

Figure 1-1 Elements of the promotional mix



a) Advertising

Advertising is defined as any paid form of nonpersonal communication about an organization product, service, or idea by an identified sponsor. Advertising is an important and integral part of business; it helps in communicating business information to the present and potential customers. The advertisement is useful in providing information about the company‛s product, its quality, features, price, usage, promotional offers, etc., to the customers. Advertisement is most visible form of all promotional activities, which has a direct effect on the minds of the target customers. It is important for both buyers and sellers.. Advertising supplements all other form of promotional activities like personal selling, sales promotion, direct marketing. Without advertisement, sales promotional activities cannot reach out to the masses on time, rendering the sales promotional activities ineffective for producers.

There are several reasons why advertising is such an important part of many marketers' promotional mixes. First, it can be a very cost-effective method for communicating with large audiences. For example, the average 30-second spot on the four major networks during prime-time network television reaches nearly 10 million households. The cost per thousand households reached is around 14.

Advertising can be used to create brand images and symbolic appeals for a company or brand, a very important capability for companies selling products and services that are difficult to differentiate on functional attributes. For example, since 1980 Absolut has used creative advertising to position its vodka as an upscale, fashionable, sophisticated drink and differentiate it from other brands. The advertising strategy has been to focus attention on two unique aspects of the product: the Absolut name and the distinctive shape of the bottle.

Another advantage of advertising is its ability to strike a responsive chord with consumers when differentiation across other elements of the marketing mix is difficult to achieve. Popular advertising campaigns attract consumers' attention and can help generate sales. These popular campaigns can also sometimes be leveraged into successful integrated marketing communications programs.

However, it is more important for sellers, as it is an indispensible tool to reach the target users in this modern age of large-scale production, intense competition in wide, distant and diverse market.

b) Direct Marketing

Direct marketing, in which organizations communicate directly with target customers to enerate a response and/or a transaction. It has become such an integral part of the IMC program of many organizations and often involves separate objectives, budgets, and strategies, we view direct marketing as a component of the promotional mix.

Direct Marketing includes
1. Direct Mail – here, the newsletters, data sheets, and the brochures of the company are directly mailed to the customers‘ postal address.
2. Telephonic Advertising - the advertising is done by calling up the customers on their telephones, giving messages on mobile phones, etc.
3. Online Advertising - includes companies sending e-mails to the customers or other companies enclosing information about their products and services, putting online banners, providing e-shopping options, etc.

Direct marketing plays a big role in the integrated marketing communications programs of consumer-product companies and business-to-business marketers. These companies spend large amounts of money each year developing and maintaining databases containing the addresses and/or phone numbers of present and prospective customers. They use telemarketing to call customers directly and attempt to sell them
products and services or qualify them as sales leads.

c) Interactive/Internet Marketing

These changes are being driven by advances in technology and developments that have led to dramatic growth of communication through interactive media, particularly the Internet. **Interactive media** allow for a back-and-forth flow of information whereby users can participate in and modify the form and content of the information they receive in real time.

Internet is changing the ways companies design and implement their entire business and marketing strategies, it is also affecting their marketing communications programs. Thousands of companies, ranging from large multinational corporations to small local firms, have developed websites to promote their products and services, by providing current and potential customers with information, as well as to entertain and interact with consumers.

Actually, the Internet is a medium that can be used to execute all the elements of the promotional mix. In addition to advertising on the Web, marketers offer sales promotion incentives such as coupons, contests, and sweepstakes online, and they use the Internet to conduct direct marketing, personal selling, and public relations activities more effectively and efficiently.

An excellent example of this is the award-winning "Whatever" campaign developed by Nike and its advertising agency, Weiden & Kennedy, to introduce the Air Cross Trainer II shoes. The ads featured star athletes such as sprinter Marion Jones in dramatic situations, and as each spot ended, the words "Continue at Whatever.Nike.com" appeared on the screen When viewers visited the site, they could select from six or seven possible endings to the commercial, read information on the sports and athletes featured in the ads, or purchase the shoes. The integrated campaign was very effective in driving traffic to both Nike's main website and the whatever.nike.com site created specifically for the campaign. The "Whatever" campaign was also very effective in terms of sales as it helped make the Air Cross Trainer II Nike's best-selling shoe soon after the ads debuted.

c) Sales Promotion

sales promotion,

which is generally defined as those marketing activities that provide extra value or incentives to the sales force, the distributors, or the ultimate consumer and can stimulate immediate sales. Sales promotion is generally broken into two major categories: consumer-oriented and trade-oriented activities. *Consumer-oriented sales promotion* is targeted to the ultimate user of a product or service and includes couponing, sampling, premiums, rebates, contests, and various point-of-purchase material. These promotional tools encourage consumers to make an immediate purchase and thus can stimulate short term sales. *Trade-oriented sales promotion* is targeted toward marketing intermediaries such as wholesalers, distributors, and retailers. Promotional and merchandising allowances, price deals, sales contests, and trade shows are some of the promotional tools used to encourage the trade to stock and promote a company's products.

e)Publicity

Publicity refers to nonpersonal communications regarding an organization, product, service, or idea not directly paid for or run under identified sponsorship. It usually comes in the form of a news story, editorial, or announcement about an organization and/or its products and services. Like advertising, publicity involves nonpersonal communication to a mass audience, but unlike advertising, publicity is not directly paid for by the company. The company or organization attempts to get the media to cover or run a favorable story on a product, service, cause, or event to affect awareness, knowledge, opinions, and/or behavior. Techniques used to gain publicity include news releases, press conferences, feature articles, photographs, films, and videotapes.
Publicity is not always under the control of an organization and is sometimes unfavorable. Negative stories about a company and/or its products can be very damaging.

f)Public relations

is defined as "the management function which evaluates public attitudes, identifies the policies and procedures of an individual or organization with the public interest, and executes a program of action to earn public understanding and acceptance. Public relations generally has a broader objective than publicity, as its purpose is to establish and maintain a positive image of the company among its various publics.

g) Personal Selling

The final element of an organization's promotional mix is **personal selling,** a form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act on an idea. Unlike advertising, personal selling involves direct contact between buyer and seller, either face-to-face or through some form of telecommunications such as telephone
sales. This interaction gives the marketer communication flexibility; the seller can see or hear the potential buyer's reactions and modify the message accordingly. The personal, individualized communication in personal selling allows the seller to tailor the message to the customer's specific needs or situation. Personal selling also involves more immediate and precise feedback because the impact of the sales presentation can generally be assessed from the customer's reactions.

Q 3 DAGMAR Approach for setting advertising objectives.

In 1961, Russell Colley prepared a report for the Association of National Advertisers titled *Defining Advertising Goals for Measured Advertising Results* (DAGMAR).13 In it, Colley developed a model for setting advertising objectives and measuring the results of an ad campaign. The major thesis of the **DAGMAR** model is that communications effects are the logical basis for advertising goals and objectives against which success or failure should be measured.

1) Under the DAGMAR approach, an advertising goal involves a communications task that is specific and measurable. A communications task, as opposed to a marketing task, can be performed by, and attributed to, advertising rather than to a combination of several marketing factors. Colley proposed that the communications task be based on a hierarchical model of the communications process with four stages

a) *Awareness*—making the consumer aware of the existence of the brand or company.
b) *Comprehension*—developing an understanding of what the product is and what it will do for the consumer.
c) *Conviction*—developing a mental disposition in the consumer to buy the product.
d) *Action*—getting the consumer to purchase the product.

2) A second major contribution of DAGMAR to the advertising planning process was its definition of what constitutes a good objective. Colley argued that advertising objectives should be stated in terms of concrete and measurable communications tasks, specify a target audience, indicate a benchmark starting point and the degree of change sought, and specify a time period for accomplishing the objective.
   Concrete, Measurable Tasks The communications task specified in the objective should be a precise statement of what appeal or message the advertiser want to communicate to the target audience. According to DAGMAR, the objective must also be measurable. There must be a way to determine whether the intended message has been communicated properly. For example Midwest Express measured its communications objective by asking airline travelers whether they thought Midwest's airfares were higher than those of competing airlines.
   Target Audience Another important characteristic of good objectives is a welldefined target audience. The primary target audience for a company's product or service is described in the situation analysis. It may be based on descriptive variables such as geography, demographics, and psychographics (on which advertising media selection decisions are based) as well as on behavioral variables such as usage rate or benefits sought.
   Benchmark and Degree of Change Sought To set objectives, one must know the target audience's present status concerning response hierarchy variables such as awareness, knowledge, image, attitudes, and intentions and then determine the degree to which consumers must be changed by the advertising campaign. Determining the target

market's present position regarding the various response stages requires **benchmark measures.** Establishing benchmark measures gives the promotional planner a basis for determining what communications tasks need to be accomplished and for specifying particular objectives.
Specified Time Period A final consideration in setting advertising objectives is specifying the time period in which they must be accomplished. Appropriate time periods can range from a few days to a year or more. Most ad campaigns specify time periods from a few months to a year, depending on the situation facing the advertiser and the type of response being sought.

3)Assessment of DAGMAR The DAGMAR approach to setting objectives has had considerable influence on the advertising planning process. Many promotional planners use this model as a basis for setting objectives and assessing the effectiveness of their promotional campaigns. DAGMAR also focused advertisers' attention on the value of using communications based rather than sales-based objectives to measure advertising effectiveness and encouraged the measurement of stages in the response hierarchy to assess a campaign's impact. Colley's work has led to improvements in the advertising and promotional planning process by providing a better understanding of the goals and objectives toward which planners' efforts should be directed. This usually results in less subjectivity and leads to better communication and relationships between client and agency.

Criticisms of DAGMAR While DAGMAR has contributed to the advertising planning process, it has not been totally accepted by everyone in the advertising field. Anumber of problems have led to questions regarding its value as a planning tool:

• *Problems with the response hierarchy.*Amajor criticism of the DAGMAR approach is its reliance on the hierarchy of effects model. The fact that consumers do not always go through this sequence of communications effects before making a purchase has been recognized, and alternative response models have been developed.

• *Sales objectives.* Another objection to DAGMAR comes from those who argue that the only relevant measure of advertising objectives is sales. They have little tolerance for ad campaigns that achieve communications objectives but fail to increase sales Advertising is seen as effective only if it induces consumers to make a purchase. The problems with this logic were addressed in our discussion of communications objectives.

• *Practicality and costs.* Another criticism of DAGMAR concerns the difficulties involved in implementing it. Money must be spent on research to establish quantitative benchmarks and measure changes in the response hierarchy. This is costly and time-consuming and can lead to considerable disagreement over method, criteria, measures, and so forth. Many critics argue that DAGMAR is practical only for large companies with big advertising and research budgets. Many firms do not want to spend the money needed to use DAGMAR effectively.

• *Inhibition of creativity.*Afinal criticism of DAGMAR is that it inhibits advertising creativity by imposing too much structure on the people responsible for developing the advertising. Many creative personnel think the DAGMAR approach is too concerned with quantitative assessment of a campaign’s impact on awareness, brandname recall, or specific persuasion measures. The emphasis is on passing the numbers test rather than developing a message that is truly creative and contributes to brand equity.

Q:4 Building the IMC program: using creative strategies in advertising , creative strategies in implementation and evaluation of marketing communication-Types of appeals and execution styles.

Many advertising and marketing practitioners, the most interesting aspect of advertising is the creative side . Good creative strategy and execution can often be central to determining the success of a product or service or reversing the fortunes of a struggling brand.

What Is Creativity?
Turn all of the information regarding product features and benefits, marketing plans, consumer research,
and communication objectives into a creative concept that will bring the advertising message to life.

Advertising creativity is the ability to generate fresh, unique, and appropriate ideas that can be used as solutions to communications problems. To be *appropriate* and effective, a creative idea must be relevant to the target audience. Many ad agencies recognize the importance of developing advertising that is creative and different yet communicates relevant information to the target audience.

Planning Creative Strategy

1) The Creative Challenge Those who work on the creative side of advertising often face a real challenge. They must take all the research, creative briefs, strategy statements, communications objectives, and other input and transform them into an advertising message. Their job is to write copy, design layouts and illustrations, or produce commercials that effectively communicate the central theme on which the campaign is based. Rather than simply stating the features or benefits of a product or service, they must put the advertising message into a form that will engage the audience’s interest and

make the ads memorable.The job of the creative team is challenging because every marketing situation is different and each campaign or advertisement may require a different creative approach.

2) Taking Creative Risks Many creative people say it is important for clients to take some risks if they want breakthrough advertising that gets noticed. One agency that has been successful in getting its clients to take risks is Wieden & Kennedy, best known for its excellent creative work for companies such as Nike, Microsoft, and ESPN. The agency's founders believe a key element in its success has been a steadfast belief in taking risks when most agencies and their clients have been retrenching and becoming more conservative. The agency can develop great advertising partly because clients like Nike are willing to take risks and go along with the agency's priority system, which places the creative work first and the client–agency relationship second.

3) Creative Personnel The image of the creative advertising person perpetuated in novels, movies, and TV shows is often one of a freewheeling, freethinking, eccentric personality. The educational background of creative personnel is often in nonbusiness areas such as art, literature, music, humanities, or journalism, so their interests and perspectives tend to differ from those of managers with a business education or background. Creative people tend to be more abstract and less structured, organized, or conventional in their approach to a problem, relying on intuition more often than logic.

<u>The Creative Process:</u>

Graham Wallas creative process

1) *Immersion.* Gathering raw material and information through background research and immersing yourself in the problem.
2) *Digestion.* Taking the information, working it over, and wrestling with it in the mind.
3) *Incubation.* Putting the problems out of your conscious mind and turning the information over to the subconscious to do the work.
4) *Illumination.* The birth of an idea—the "Eureka! I have it!" phenomenon.
5) *Reality or verification.* Studying the idea to see if it still looks good or solves the problem; then shaping the idea to practical usefulness.

Young's process of creativity is similar to a four-step approach outlined much earlier by English sociologist Graham Wallas:

1. *Preparation.* Gathering background information needed to solve the problem through research and study.
2. *Incubation.* Getting away and letting ideas develop.
3. *Illumination.* Seeing the light or solution.
4. *Verification.* Refining and polishing the idea and seeing if it is an appropriate solution.

Concepts :

Account Planning

Models of the creative process are valuable to those working in the creative area of advertising, since they offer an organized way to approach an advertising problem. **Preparation or gathering of background information is the first step in the creative process.** many agencies are now using a process called account planning to gather information and help creative specialists as they go through the creative process of developing advertising.

To facilitate the creative process, many agencies now use **account planning,** which is a process that involves conducting research and gathering all relevant information about a client's product or service, brand, and consumers in the target audience. Account planning plays an important role during creative strategy development by driving the process from the customers' point of view. Planners will work with the client as well as other agency personnel, such as the creative team and media specialists. They discuss how the knowledge and information they have gathered can be used in the development of the creative strategy as well as other aspects of the advertising campaign. Account planners are usually responsible for all the research (both qualitative and quantitative) conducted during the creative strategy development process. This information can be gathered by account planners or others whose job it is to provide input to the process.

Inputs to the Creative Process: Preparation, Incubation, Illumination

Background Research Only the most foolish creative person or team would approach an assignment without first learning as much as possible about the client's product or service, the target market, the competition, and any other relevant background information. The creative specialist should also be knowledgeable about general trends, conditions, and developments in the marketplace, as well as research on
specific advertising approaches or techniques that might be effective. The creative specialist can acquire background information in numerous ways.

.Reading anything related to the product or market—books, trade publications, general interest articles, research reports, and the like.
• Asking everyone involved with the product for information—designers, engineers, salespeople, and consumers.
• Listening to what people are talking about. Visits to stores, malls, restaurants, and even the agency cafeteria can be informative. Listening to the client can be particularly valuable, since he or she often knows the product and market best.
• Using the product or service and becoming familiar with it. The more you use a product, the more you know and can say about it.
• Working in and learning about the client's business to understand better the people you're trying to reach.

To assist in the preparation, incubation, and illumination stages, many agencies provide creative people with both general and product-specific preplanning input. **General preplanning input** can include books, periodicals, trade publications, scholarly journals, pictures, and clipping

services, which gather and organize magazine and newspaper articles on the product, the market, and the competition, including the latter's
ads. This input can also come from research studies conducted by the client, the agency, the media, or other sources.

In addition to getting general background research and preplanning input, creative people
receive **product/service-specific preplanning input.** This information generally comes in the form of specific studies conducted on the product or service, the target audience, or a combination of the two. Quantitative and qualitative consumer research such as attitude studies, market structure and positioning studies such as perceptual mapping and lifestyle research, focus group interviews, and demographic and psychographic profiles of users of a particular product, service, or brand are examples of product-specific preplanning input.

Inputs to the Creative Process: Verification, Revision

The verification and revision stage of the creative process evaluates ideas generated during the illumination stage, rejects inappropriate ones, refines and polishes those that remain, and gives them final expression. Techniques used at this stage include directed focus groups to evaluate creative concepts, ideas, or themes; message communication studies; portfolio tests; and evaluation measures such as viewer reaction profiles. At this stage of the creative process, members of the target audience may be asked to evaluate rough creative layouts and to indicate what meaning they get from the ad, what they think of its execution, or how they react to a slogan or theme.

Creative Strategy Development

Advertising Campaigns

Most ads are part of a series of messages that make up an IMC or **advertising campaign,** which is a set of interrelated and coordinated marketing communication activities that center on a single theme or idea that appears in different media across a specified time period. Determining the unifying theme around which the campaign will be built is a critical part of the creative process, as it sets the tone for the individual ads and other
forms of marketing communications that will be used. A **campaign theme** should be a strong idea, as it is the central message that will be communicated in all the advertising and other promotional activities.

Company or Brand	Campaign Theme
1. DeBeers	Diamonds are forever
2. Nike	Just do it
3. Coca-Cola	The pause that refreshes
4. Miller Lite	Tastes great, less filling
5. Avis	We try harder

Like any other area of the marketing and promotional process, the creative aspect of advertising and the development of the campaign theme is guided by specific goals and objectives. A creative strategy that focuses on what must be communicated will guide the selection of the campaign theme and the development of all messages used in the ad campaign. The creative strategy is based on several factors, including identification of the target audience; the basic problem, issue, or opportunity the advertising must address; the major selling idea or key benefit the message needs to communicate; and any supportive information that needs to be included in the ad.

Copy Platform

The written **copy platform** specifies the basic elements of the creative strategy. Different agencies may call this document a *creative platform* or *work plan*, *creative brief*, *creative blueprint*, or *creative contract.* The account representative or manager assigned to the account usually prepares the copy platform. In larger agencies, an individual from research or the strategic account planning department may write it.

People from the agency team or group assigned to the account, including creative personnel as well as representatives from media and research, have input. The advertising manager and/or the marketing and brand managers from the client side ultimately approve the copy platform. DAGMAR model and showed how the setting of advertising objectives requires specifying a well-defined target audience and developing a communication task statement that spells out what message must be communicated to this audience. Determining what problem the product or service will solve or what issue must be addressed in the ad helps in establishing communication objectives for the campaign to accomplish. Two critical components of the copy platform are the development of the major selling idea and creative strategy development.

Outline for copy platform.

1. Basic problem or issue the advertising must address.
2. Advertising and communications objectives.
3. Target audience.
4. Major selling idea or key benefits to communicate.
5. Creative strategy statement (campaign theme, appeal, and execution technique to be used).
6. Supporting information and requirements.

The Search for the Major Selling Idea

An important part of creative strategy is determining the central theme that will become the **major selling idea** of the ad campaign. As A. Jerome Jeweler states in his book *Creative Strategy in Advertising:* The major selling idea should emerge as the strongest singular thing you can say about your product or service. This should be the claim with the broadest and most meaningful appeal to your target audience. Once you determine this message, be certain you can live with it; be sure it stands strong enough to remain the central issue in every ad and commercial in the campaign.

“That flash of insight that synthesizes the purpose of the strategy, joins the product benefit with consumer desire in a fresh, involving way, brings the subject to life, and makes the reader or audience stop, look, and listen.”

It is difficult to pinpoint the inspiration for a big idea or to teach advertising people how to find one. However, several approaches can guide the creative team’s search for a major selling idea and offer solutions for developing effective advertising. Some of the best-known approaches follow:

- Using a unique selling proposition.
- Creating a brand image.
- Finding the inherent drama.
- Positioning.

Types of appeals and execution styles.

Advertising Appeals

Hundreds of different appeals can be used as the basis for advertising messages. At the broadest level, these approaches are generally broken into two categories: informational/ rational appeals and emotional appeals.

Informational/Rational Appeals Informational/rational appeals focus on the consumer’s practical, functional, or utilitarian need for the product or service and emphasize features of a product or service and/or the benefits or reasons for owning or using a particular brand. The content of these messages emphasizes facts, learning,
and the logic of persuasion.Rational-based appeals tend to be informative, and advertisers using them generally attempt to convince consumers that their product or service has a particular attribute(s) or provides a specific benefit that satisfies their needs. Their objective is to persuade the target audience to buy the brand because it is the best available or does a better job of meeting consumers’ needs.

Several types of advertising appeals that fall under the category of rational approaches, among them feature, competitive advantage, favorable price, news, and product/service popularity appeals.

Ads that use a *feature appeal* focus on the dominant traits of the product or service. These ads tend to be highly informative and present the customer with a number of important product attributes or features
that will lead to favorable attitudes and can be used as the basis for a rational purchase decision.

When a *competitive advantage appeal* is used, the advertiser makes either a direct or an indirect comparison to another brand (or brands) and usually claims superiority on one or more attributes.

A *favorable price appeal* makes the price offer the dominant point of the message. Price appeal advertising is used most often by retailers to announce sales, special offers, or low everyday prices. Price appeal ads are often used by national advertisers during recessionary times. Many fast-food chains have made price an important part of their marketing strategy through promotional deals and "value menus" or lower overall prices, and their advertising strategy is designed to communicate this.

News appeals are those in which some type of news or announcement about the product, service, or company dominates the ad. This type of appeal can be used for a new product or service or to inform consumers of significant modifications or improvements. This appeal works best when a company has important news it wants to communicate to its target market.

Product/service popularity appeals stress the popularity of a product or service by pointing out the number of consumers who use the brand, the number who have switched to it, the number of experts who recommend it, or its leadership position in the market. The main point of this advertising appeal is that the wide use of the brand proves its quality or value and other customers should consider using it.

Emotional Appeals **Emotional appeals** relate to the customers' social and/or psychological needs for purchasing a product or service. Many consumers' motives for their purchase decisions are emotional, and their feelings about a brand can be more important than knowledge of its features or attributes. These appeals are based on the psychological states or feelings directed to the self (such as pleasure or excitement), as well as those with a more social orientation (such as status or recognition). Commercials often rely on the concept of *emotional integration*, whereby they portray the characters in the ad as experiencing an emotional benefit or outcome from using a product or service. McDonald's feels the emotional ads take advantage of the chain's unique bond with consumers, which is a significant point of differentiation in the highly competitive fast-food business.

Another reason for using emotional appeals is to influence consumers' interpretations of their product usage experience. One way of doing this is through what is known as transformational advertising. A **transformational ad** is defined as "one which associates the experience of using (consuming) the advertised brand with a unique set of psychological characteristics which would not typically be associated with the brand experience to the same degree without exposure to the advertisement."

Combining Rational and Emotional Appeals In many advertising situations, the decision facing the creative specialist is not whether to choose an emotional or a rational appeal but, rather, determining how to combine the two approaches.

Few purchases of any kind are made for entirely rational reasons. Even a purely functional product such as laundry detergent may offer what is now called an emotional benefit—say, the satisfaction of seeing one's children in bright, clean clothes. In some product categories the rational element is small. These include soft drinks, beer, cosmetics, certain personal care products, and most old-fashioned products. And who hasn't experienced the surge of joy that accompanies the purchase of a new car?

Advertising Execution

Once the specific advertising appeal that will be used as the basis for the advertising message has been determined, the creative specialist or team begins its execution. *Creative execution* is the way an advertising appeal is presented. While it is obviously important for an ad to have a meaningful appeal or message to communicate to the consumer, the manner in which the ad is executed is also important.

An advertising message can be presented or executed in numerous ways:
• Straight sell or factual message
• Animation
• Scientific/technical evidence
• Personality symbol
• Demonstration
• Fantasy
• Comparison
• Dramatization
• Testimonial
• Humor
• Slice of life
• Combinations

Straight Sell or Factual Message One of the most basic types of creative executions is the straight sell or factual message. This type of ad relies on a straightforward presentation of information concerning the
product or service. This execution is often used with informational/rational appeals, where the focus of the message is the product or service and its specific attributes and/or benefits. Straight-sell executions are commonly used in print ads.

Scientific/Technical Evidence In a variation of the straight sell, scientific or technical evidence is presented in the ad. Advertisers often cite technical information, results of scientific or laboratory studies, or endorsements by scientific bodies or agencies to support their advertising claims. For example, an endorsement from the American Council on Dental Therapeutics on how fluoride helps prevent cavities was the basis of the campaign that made Crest the leading brand on the market.

Demonstration Demonstration advertising is designed to illustrate the key advantages of the product/service by showing it in actual use or in some staged situation. Demonstration executions can be very effective in convincing consumers of a product's utility or quality and of the benefits of owning or using the brand. TV is particularly well suited for demonstration executions, since the benefits or advantages of the product can be shown right on the screen.

Comparison Brand comparisons can also be the basis for the advertising execution. The comparison execution approach is increasingly popular among advertisers, since it offers a direct way of communicating a brand's particular advantage over its competitors or positioning a new or lesser known brand with industry leaders. Comparison executions are often used to execute competitive advantage appeals.
Testimonial Many advertisers prefer to have their messages presented by way of a testimonial, where a person praises the product or service on the basis of his or her personal experience with it. Testimonial executions can have ordinary satisfied customers discuss their own experiences

with the brand and the benefits of using it. This approach can be very effective when the person delivering the testimonial is someone with whom the target audience can identify or who has an interesting story to tell. The testimonial must be based on actual use of the product or service to avoid legal problems, and the spokesperson must be credible.

Slice of Life A widely used advertising format, particularly for packaged- goods products, is the slice-of-life execution, which is generally based on a problem/solution approach. This type of ad portrays a problem or conflict that consumers might face in their daily lives. The ad then shows how the advertiser's product or service can resolve the problem.

Animation An advertising execution approach that has become popular in recent years is animation. With this technique, animated scenes are drawn by artists or created on the computer, and cartoons, puppets, or other types of fictional characters may be used. Cartoon animation is especially popular for commercials targeted at children.

Personality Symbol Another type of advertising execution involves developing a central character or personality symbol that can deliver the advertising message and with which the product or service can be identified.

Fantasy An execution technique that is popular for emotional types of appeals such as image advertising is fantasy. Fantasy executions are particularly well suited for television, as the commercial can become a 30-second escape for the viewer into another lifestyle. The product or service becomes a central part of the situation created by the advertiser. Cosmetics ads often use fantasy appeals to create images and symbols that become associated with the brand.

Dramatization Another execution technique particularly well suited to television is dramatization, where the focus is on telling a short story with the product or service as the star. Dramatization is somewhat akin to slice-of-life execution in that it often relies on the problem/solution approach, but it uses more excitement and suspense in telling the story. The purpose of using drama is to draw the viewer into the action it portrays.

Humor Like comparisons, humor was discussed in Chapter 6 as a type of advertising appeal, but this technique can also be used as a way of presenting other advertising appeals. Humorous executions are particularly well suited to television or radio, although some print ads attempt to use this style. The pros and cons of using humor as an executional technique are similar to those associated with its use as an advertising appeal.

Combinations Many of the execution techniques can be combined to present the advertising message. For example, animation is often used to create personality symbols or present a fantasy. Slice-of-life ads are often used to demonstrate a product or service. Comparisons are sometimes made using a humorous approach. FedEx uses humorous executions of the slice-of-death genre depicting businesspeople experiencing dire consequences when they use another delivery service and an important document doesn't arrive on time.

------------------------------The End---------------------------------

Contents

Unit 4 Brand and Brand Management

4.1 What is Brand?

A brand is essentially an identifying feature—such as a name, term, sign, symbol, design, or a combination of these.

According to the **American Marketing Association (AMA)**, its primary purpose is to identify the goods and services of a seller (or group of sellers) and clearly differentiate them from those of competitors.

Example: Nike is a brand. Its name, the famous "Swoosh" design, and the slogan "Just Do It" are all identifying symbols that distinguish its athletic wear from competitors like Adidas or Puma.

4.2 Objectives of a Good Brand

The five key objectives a successful brand achieves. The original image includes some handwritten notes (like "security" and "Amul"), which have been incorporated into the examples below:

- **Delivers the message clearly:** A strong brand instantly communicates what the company is about.
    - *Example:* **FedEx** uses bold purple and orange colors and a hidden arrow in its logo to communicate speed, precision, and forward motion.
- **Confirms your credibility:** A recognized brand builds trust, showing customers that the business is established and reliable.
    - *Example:* **Volvo** has built its entire brand around safety. When consumers see the Volvo badge, they instantly credit the vehicle as being highly secure.
- **Connects your target prospects emotionally:** Great brands go beyond features and tap into how a product makes the user feel.
    - *Example:* **Coca-Cola** connects with prospects by associating its beverage with happiness, sharing, and family moments.
- **Motivates the buyer (Security):** A brand reassures the buyer that they are making a safe and smart choice, removing the hesitation to purchase.

- *Example:* Buying an **IBM** or **Microsoft** enterprise solution for a business feels like a "safe" choice for an IT manager because of the brand's long-standing industry dominance.

- **Concretes User Loyalty:** Strong branding turns one-time buyers into lifelong advocates.
    - *Example:* **Amul** has built immense loyalty in India through decades of consistent quality and its iconic "Amul Girl" marketing campaigns. Similarly, **Apple** creates intense loyalty, with users repeatedly buying iPhones and MacBooks to stay within the ecosystem.

4.3 Legal Protection and Trademarks

The brands are usually registered (trademarked) with a regulatory authority. Because of this legal protection, competitors cannot freely use these identifying marks.

Example: If a new coffee shop opens, they cannot call themselves "Starbucks" or use a green twin-tailed mermaid logo. The **Starbucks** brand is trademarked, making it an exclusive and essential part of their marketing.

4.4 Brand vs. Product

The document highlights a crucial distinction: brands are what consumers *buy*, while products are what companies *make*.

Feature	The Product	The Brand
Definition	What the concern/company manufactures.	What the consumer actually buys.
Nature	Tangible item or specific service.	Intangible feeling, identity, and promise.
Example	A carbonated, sweetened dark liquid in a bottle.	**Coca-Cola** (the feeling of refreshment and joy).
Example	A canvas shoe with rubber soles.	**Converse** (a symbol of youth and rebellion).

4.5 Brand Management

Brand management is defined as the "art of creating and sustaining the brand." It involves carefully controlling both the tangible (physical or measurable) and intangible (emotional or invisible) characteristics of a brand.

4.5.1 Tangible Characteristics

These are the elements you can see, touch, or directly measure.

- **For Product Brands:** This includes the physical product itself, its price point, and its packaging.
    - *Example:* For a brand like **Rolex**, the tangibles are the heavy, high-quality metal of the watch, the luxurious green presentation box, and the premium price tag.
- **For Service Brands:** The tangibles rely heavily on the customer's direct experience.
    - *Example:* For an airline like **Emirates**, the tangibles include the comfort of the seats, the quality of the in-flight meals, and the responsiveness of the flight attendants.

4.5.2 Intangible Characteristics

These revolve around the emotional connections and feelings a consumer has with the product or service.

- *Example:* **Harley-Davidson** motorcycles aren't just selling a mode of transportation (tangible); they are selling an intangible feeling of freedom, rebellion, and brotherhood.

4.6 Importance and Scope of Brand

1) Memorability

A strong brand acts as a "convenient container for a reputation and good will." It gives people material reminders that reinforce the identity of a company they want to do business with again. Memorability is often achieved by sticking with unusual color combinations or strong visual identifiers.

- **Identifiers and Colors:** Nailing an identifier to your company name cements it in the public's mind.

- *Example:* **Vodafone** uses a highly recognizable, vibrant red color and speech-mark logo.
- *Example:* **Nike** uses the iconic "Swoosh," which is instantly memorable even without the company name attached.
- *Example:* **Tiffany & Co.** has trademarked its specific "Tiffany Blue" color. Seeing that color instantly reminds people of the brand's reputation for luxury jewelry.

2) Loyalty

When consumers have a positive experience with a memorable brand, they are significantly more likely to choose that product or service over competitors.

Strong brand attachment leads to three highly valuable consumer behaviors:

- **Repurchasing:** Buying the same product again (e.g., upgrading to the newest **iPhone** every two years).
- **Cross-buying:** Purchasing related items from the same brand (e.g., an iPhone user deciding to also buy an **Apple Watch** and **AirPods** because they trust the brand ecosystem).
- **Advocacy:** Recommending the brand to others (e.g., telling a friend they absolutely *must* try a certain brand of skincare because it worked so well for them).

3) Familiarity

Psychological studies show that familiarity naturally leads to liking. If consumers are exposed to your company's identity often enough, they may develop a positive association with it. As a result, people might recommend your business even if they have never personally used your products or services.

- **Example:** You might recommend a well-known tax software like TurboTax to a friend simply because you have seen their commercials for years and recognize them as an industry standard, even if you have an accountant do your own taxes.

4) Premium Image, Premium Price

Effective branding can elevate a product from being a basic commodity to a premium good. This shifts your customer base from "price-shoppers" looking for the cheapest deal to enthusiastic buyers willing to pay more for your specific brand. The perceived value of a brand is sometimes so strong that consumers will ignore objective data that suggests a cheaper alternative is just as good.

- **Example:** Many consumers eagerly pay a premium price for a Dyson vacuum or an Apple iPhone, often overlooking cheaper competitors that have similar or even better technical specifications, because they desire the premium status and design associated with the brand.

5) Extensions

When a brand is well-established and highly respected, a company can leverage that trust to launch new products, services, or locations. The "newcomer" is accepted much more easily because it carries the trusted family name.

- **Example ():** The Tata Group has successfully extended its respected brand name across vastly different industries, such as Tata Motors, Tata Chemicals, and Voltas.
- **Further Example:** Google started primarily as a search engine but easily extended its trusted brand equity to launch an email service (Gmail), a web browser (Chrome), and hardware (Pixel phones).

6) Lower Marketing Expenses

While it takes a significant financial investment to build a brand initially, maintaining it becomes much more cost-effective over time. Once your brand is established, you no longer have to waste advertising time and money explaining who you are or what you do every time you market to consumers.

- **Example:** Nike doesn't need to explain that they make athletic shoes in their commercials. They can simply show an athlete training, flash the "Swoosh" logo, and the consumer instantly understands the message, saving the company time and marketing resources.

7) Less Risk

When consumers feel pressured to make a wise, safe, or high-stakes decision, they tend to choose a recognized brand-name supplier over a "no-name" or generic one. Familiar brands provide a sense of security.

- **Example:** A corporate IT manager tasked with buying 500 laptops for their company will likely choose an established brand like Lenovo, Dell, or HP. Even if an unknown brand offers a cheaper deal, the manager chooses the established brand to minimize professional risk in case the computers fail.

8) Makes Purchasing Easier

A strong brand accelerates the shopping process. Once a customer makes a brand decision they are satisfied with, they are highly likely to make repeat purchases without stopping to reconsider all their options.

- **Example:** When you run out of toothpaste, you likely walk into the store and grab your usual brand (e.g., Colgate or Crest) immediately. The brand trust saves you from standing in the aisle for ten minutes reading the ingredients of every available toothpaste.

9) Create a Place in the Market

A solid brand identity gives a business a clear structure, plan, and market position. By having a firm identity, the company spends less time worrying about how to position itself and more time focusing on operational aspects and scaling the business.

- **Example:** Tesla established itself early on as a premium, high-tech electric vehicle brand. Because their place in the market was clearly defined and understood by the public, their leadership could focus their energy on manufacturing challenges and battery innovation rather than constantly redefining their identity.

10) Setting an Image (and Internal Culture)

A strong brand does not just project an image outward to consumers; it also sets an image inward for the company itself. The brand establishes the internal culture of the business. By having a clear identity, everyone involved in the company—from entry-level employees to top executives—understands the core values and can easily align with and support the overarching business goals.

- **Example: Patagonia**'s brand image is heavily centered on environmental conservation and outdoor adventure. This external image actively shapes their internal company culture. Because the brand's stance is so clear, employees understand that sustainability is a core business goal. This makes it easy for the team to support initiatives like repairing old garments or prioritizing ethically sourced materials, as it aligns perfectly with the culture the brand has set.

4.7 Branding Challenges and Opportunities

1) Cost

Creating and maintaining a strong brand presence involves significant design and marketing costs. Even though a brand might be memorable, it requires extensive advertising and public relations over a long period for people to be adequately exposed to it, which is highly expensive. Furthermore, the initial costs of creating a brand image or logo, while often a one-time expense, are still quite large for most small businesses.

- **Example:** A local, independent coffee shop might struggle to compete with Starbucks because they cannot afford the thousands of dollars required for professional logo design, cohesive packaging, and widespread social media ad campaigns necessary to build strong, localized brand recognition.

2) Impersonal

A major problem for many branded businesses is the potential loss of their personal image. Small businesses often have the massive advantage of interacting with customers on a personal basis. However, poorly designed branding can give customers the false impression that the business is losing its personal touch and becoming overly corporate.

- **Example:** If a beloved, family-owned neighborhood hardware store rebrands with a sterile, highly corporate logo and uniform store layout, longtime customers might feel the store has lost its friendly, personalized charm, even if the same family still owns it.

3) Fixed Image

Brands develop a specific image in the minds of potential customers, which is heavily tied to the specific products or services they initially sell. This creates a challenge: if a brand is known exclusively for selling just one type of product, they may struggle to effectively sell a different type of product later.

- **Example:** Zippo is world-famous for its rugged, windproof lighters. When the company attempted to launch a line of women's perfume, it failed entirely because consumers could not separate the brand's "fixed image" of lighter fluid and fire from the concept of a pleasant fragrance.

4) Timescale

The entire process of creating a brand usually takes a substantial amount of time. This includes not only creating the brand concepts but also updating physical assets like signs, stationery, and vehicles to expose them to potential customers. Additionally, consumers generally need to see an advertisement at least three times before they actually absorb its message. Therefore, businesses must advertise and promote the brand for a considerable timeframe before it becomes widely recognized.

- **Example:** A new tech startup cannot expect overnight recognition simply by launching a slick website. It takes months or years of consistent content marketing, attending trade shows, and running targeted ads before the target audience recognizes them as a trustworthy player in the industry.

5) Complex

Building a brand identity is an inherently complex process, particularly for organizations that offer a wide range of multiple products and services. The process requires extensive research, including market research, competitive audits, marketing audits, and usability studies, all feeding into a clear branding strategy. A brand identity only truly succeeds when customers can closely identify with it, meaning it must cater directly to customer preferences and requirements. Marketers must keep this in mind and ensure the identity remains aligned with and relevant to the target audience.

- **Example:** When a multinational corporation like Procter & Gamble manages hundreds of distinct sub-brands (from Tide laundry detergent to Gillette razors), ensuring each brand has a unique, research-backed strategy that resonates with entirely different demographic groups is a massively complex undertaking.

6) Expensive to Design

The actual design and creation of a brand identity are both time-consuming and expensive. Companies often delegate this task to their internal marketing teams or hire outside consultants who charge hourly rates. Managers must spend many hours in close consultation to decide on crucial elements like the brand logotype, typography, color, sound, motion, and other key elements of the design. Trial applications must be run before final approval. Once approved, the identity must be trademarked and applied across various mediums such as the company website, business cards, advertising, packaging, and letterheads. Every single step of this process entails heavy funding and expenses.

- **Example:** When Pepsi rebranded in 2008, they reportedly paid a design agency $1 million just for the logo design process. This included extensive research, numerous revisions, and the creation of a massive design document explaining the new typography and visual geometry.

7) Difficult to Maintain

Maintaining a brand identity over time is not always easy due to shifting customer preferences, company expansion, or product and service diversification. Marketers are required to select their marketing channels carefully to avoid tarnishing the established brand identity. For instance, a company that manufactures top-of-the-line electronic equipment could damage its premium brand identity if it rents out shelf space in a bargain or discount store.

- **Example:** If a luxury fashion brand like Louis Vuitton started selling its new handbag line at a heavy discount in a big-box retailer like Walmart, it would immediately cheapen the brand's exclusive, high-end identity in the eyes of its core consumers.

8) Difficult and Expensive to Change

Modifying an existing brand identity is very difficult and requires extensive planning, alongside strong managerial skills. The managers in charge must possess expertise in communications, public relations, branding, marketing, production, and management. Information regarding the change must be clearly conveyed to customers and other stakeholders outside of the organization. Such changes are often met with resistance, and a brand risks losing valuable customers in the process. Furthermore, changing a brand is highly expensive because it directly affects numerous applications that must be subsequently updated, including signage, uniforms, name tags, directory listings, websites, marketing materials, forms, stationery, and business cards.

- **Example:** When Tropicana changed its iconic orange juice packaging in 2009 to a more modern, minimalist design, customers aggressively resisted the change, finding it confusing. The change was so poorly received that Tropicana lost millions of dollars in sales and had to spend millions more to revert all packaging back to the original design.

4.8 Strategic Brand Management Process

In today's highly competitive marketplace, a brand is often a company's most valuable asset. Strategic brand management involves the design and implementation of marketing programs and activities to build, measure, and manage brand equity. It is a continuous, systematic approach that ensures every marketing decision aligns with the long-term vision of the brand. Rather than relying on guesswork, successful organizations follow a structured roadmap. In this text, we define the strategic brand management process as having four main steps, which collectively guide a brand from its initial planning stages to sustainable, long-term market dominance.

1) Identifying and Developing Brand Plans

Before a company spends a single rupee on advertising, they need a roadmap. This stage uses three specific models to figure out exactly what the brand stands for.

- **The Brand Positioning Model:** This is about finding your unique parking spot in the consumer's mind. You have to figure out what makes you similar to competitors (Points of Parity) and what makes you entirely unique (Points of Difference).
    - *Example:* **Thums Up vs. Sprite.** Both are carbonated drinks owned by Coca-Cola (Similarity), but Thums Up is positioned as a strong, spicy, masculine drink ("Taste the Thunder"), while Sprite is positioned as a clear, refreshing, no-nonsense thirst quencher ("Clear Hai"). Their positioning dictates everything they do.
- **The Brand Resonance Model:** This measures how deeply customers connect with your brand. The goal is to move customers up a ladder: from simply knowing you exist (Awareness), to liking what you stand for (Meaning), to actively engaging with you (Resonance/Loyalty).
    - *Example:* **Royal Enfield** has ultimate brand resonance. Their customers don't just buy a bike; they buy riding gear, join "Bullet clubs," go on group rides to Ladakh, and defend the brand online. That intense, active loyalty is brand resonance.
- **The Brand Value Chain:** This is a tracking system to see if the money spent on marketing is actually turning into financial value for the company. It proves to the CEO that marketing isn't just an expense, but an investment.

2) Designing and Implementing Marketing Programs

This is the execution phase. How do you build the brand you just planned? You use three main tools:

- **Choosing Brand Elements:** These are the physical and visual things you can trademark—your name, logo, colors, packaging, and slogan. A good brand element should tell the consumer what to expect even if they know nothing else about the product.
    - *Example:* **Paper Boat.** Their brand elements are a masterclass in design. The unique pouch packaging feels like squeezing a real fruit, the font looks handwritten, and the name "Paper Boat" instantly triggers childhood memories. Before you even taste the *Aam Panna*, the elements have communicated the brand's core value: nostalgia.
- **Integrating Marketing Activities:** This means ensuring your product quality, pricing strategy, and advertising all tell the exact same story.
    - *Example:* **Reliance Jio.** When Jio launched, its marketing activity (massive front-page ads with the Prime Minister) matched its pricing strategy (free data) and its product strategy (a pure 4G network). The sheer scale of all activities integrated together built immediate, massive brand equity.
- **Leveraging Secondary Associations:** This is a shortcut to building trust. You "borrow" the reputation of another person, place, or brand by associating with them.
    - *Example:* **Manyavar.** By signing Virat Kohli and Anushka Sharma (and later Ranveer Singh and Alia Bhatt) as brand ambassadors, Manyavar instantly borrowed their premium, celebratory, "perfect Indian wedding" vibe. They didn't have to spend decades proving they were the go-to wedding brand; they borrowed that equity from the celebrities.

3) Measuring and Interpreting Brand Performance

Just like a person needs regular health checkups, a brand needs constant monitoring to ensure it is healthy and growing.

- **Brand Audits (The Deep-Dive Checkup):** This is a comprehensive, deep investigation done every few years. It looks at everything: how the company *wants* to be seen vs. how the consumer *actually* sees them. It uncovers hidden weaknesses or new opportunities.

  - *Example:* **Tata Motors** underwent a massive brand audit around a decade ago. They realized consumers viewed their passenger cars as durable but "boring" or looking like taxi cabs (Indica). This audit led to a total overhaul in their design strategy, resulting in highly desirable, modern cars like the Nexon, Harrier, and Safari.

- **Brand Tracking Studies (The Daily Pulse-Check):** Unlike an audit, tracking is continuous. Companies run monthly or quarterly surveys to see if awareness is going up or down, or how a recent ad campaign changed consumer sentiment.
  - *Example:* **Zomato** heavily tracks its social media sentiment. Because their marketing is very quirky and meme-based, they constantly track consumer reactions to ensure their jokes are landing well and not accidentally offending their target audience.

4) Growing and Sustaining Brand Equity

As a brand gets successful, it wants to expand. This step is about growing bigger without ruining what made the brand special in the first place.

- **Defining Brand Architecture (Portfolios & Hierarchies):** This is the organizational chart for your products. If you sell multiple things, how do they relate to each other? Do they share the same name, or do you create a new one?
  - *Example:* **Maruti Suzuki** is brilliant at this. They realized that wealthy buyers didn't want to buy a premium car from the same showroom that sold the budget Alto. So, they created a new brand architecture: **Maruti Suzuki Arena** (for budget, practical cars) and **Nexa** (a premium, luxury dealership experience for cars like the Grand Vitara and Baleno).
- **Brand Extensions:** This is when you use your famous brand name to launch a product in a completely different category.
  - *Example:* **ITC's Aashirvaad.** They built massive trust with Aashirvaad Atta (wheat flour). Because Indian housewives trusted the brand for purity, ITC

successfully extended the brand name into Aashirvaad Spices, Ghee, and Salt. The trust in the flour carried over to the new products.

- **Managing over Geographies and Cultures:** Taking the brand international or to different regions while respecting local cultures.
    - *Example:* **McDonald's in India.** To sustain its global brand equity as a family-friendly fast-food giant, McDonald's completely overhauled its menu for India. Dropping beef and pork entirely and creating the McAloo Tikki and Maharaja Mac allowed them to maintain their global brand identity while respecting local cultural boundaries.

Unit 5 Customer Based Brand Equity

Great brands do not happen by accident; they are the result of thoughtful, imaginative planning and careful execution. To guide this planning process, marketers rely on three interconnected models—much like Russian nesting dolls—that provide both micro and macro perspectives on brand building: the **brand positioning model**, the **brand resonance model**, and the **brand value chain model**.

This chapter focuses on the first of these tools by formally introducing **Customer-Based Brand Equity (CBBE)**, a concept that will serve as the organizing framework for the remainder of this text. We will explore the foundational sources of CBBE to set the stage for brand positioning. You will learn how to define ideal brand knowledge structures by establishing Points-of-Difference (PODs) that give consumers a compelling "reason why" to choose your brand, alongside Points-of-Parity (POPs) that negate competitor advantages by offering "no reason why not." Finally, we will review how to distill your positioning into a concise "brand mantra," concluding with an examination of the profound benefits of building a strong brand.

5.1 Customer-Based Brand Equity (CBBE)

At its core, **Customer-Based Brand Equity (CBBE)** evaluates a brand's strength entirely from the consumer's perspective. The fundamental premise is that a brand's true power resides in the minds and hearts of customers, shaped by everything they have learned, felt, seen, and heard about it over time. Formally, CBBE is defined as the **differential effect that brand knowledge has on consumer response to the marketing of that brand**.

5.1.1 The Three Key Ingredients

- **Differential Effect:** Consumers must react differently to your brand compared to a generic, unnamed version. If there is no difference, the product is just a commodity competing solely on price.
- **Brand Knowledge:** This difference in response is driven by what consumers know and have experienced with the brand over time.

- **Consumer Response:** This knowledge actively shapes their real-world behavior, such as their willingness to pay a premium, accept price increases, or try a new product extension.

5.1.2 Real-World Evidence

The simplest proof of CBBE is seen in product comparison tests, where consumers invariably judge identical products differently if they know the brand names.

A striking historical example involved Hitachi and General Electric (GE) manufacturing identical televisions in the same factory. Despite the TVs being exactly the same, the Hitachi brand commanded a $75 premium and sold twice as many units as GE—proving that consumer perception of a product's performance is highly dependent on the brand name attached to it.

5.2 Sources of Brand Equity

What exactly causes brand equity to exist, and how do marketers create it? Customer-based brand equity is created when a consumer has a high level of awareness of a brand and holds strong, favorable, and unique brand associations in their memory.

To build this equity, marketers must focus on two foundational pillars: **Brand Awareness** and **Brand Image**.

Pillar 1: Brand Awareness

Brand awareness is the crucial first step. It is made up of two distinct components: brand recognition and brand recall.

- **Brand Recognition:** This is a consumer's ability to confirm they have been exposed to the brand before when they see it. This is highly important when consumer decisions are made directly at the point of purchase, where the product's logo and packaging are visible.
  - *Example:* When you walk into a local *kirana* store and immediately spot the iconic yellow wrapper with the little girl, you recognize Parle-G biscuits.
- **Brand Recall:** This is a consumer's ability to retrieve the brand from their memory when they think of a product category or a specific need. This is especially critical for services and online brands where the decision is made away from a physical store.

- *Example:* If you are at home and suddenly crave a hot meal delivered to your door, your brain immediately recalls "Zomato" or "Swiggy."

The Advantages of Brand Awareness

Building a high level of brand awareness provides three major benefits to a company:

- **Learning Advantages:** Registering the brand in the consumer's memory makes it much easier for them to learn and store additional information about the brand later on.
- **Consideration Advantages:** Consumers rarely buy just one brand; they have a "consideration set" of a few brands they actively choose from. High awareness increases the chances that your brand makes it into this exclusive mental list.
- **Choice Advantages:** In "low-involvement" decisions, consumers often lack the motivation or the technical knowledge to judge a product's true quality. In these cases, they use a mental shortcut and simply choose the brand they are most familiar with.
  - *Example:* When buying bottled water at a busy railway station, most travelers won't analyze the mineral content of different waters; they will simply ask for a "Bisleri" because it is a highly familiar name.

How to Establish Brand Awareness

Marketers establish awareness by increasing brand familiarity through repeated exposure.

- Seeing, hearing, or thinking about brand elements (like logos, characters, and packaging) registers the brand strongly in the memory.
- Slogans and jingles are highly effective because they creatively pair the brand with the product category.
- While some brands try "shock advertising" with bizarre themes, this often fails to build long-term equity because it does not create strong links between the brand and the product category.
  - *Example:* Nirma's famous "Washing Powder Nirma" jingle is a masterclass in establishing awareness. Through repetitive exposure, it permanently paired the brand name (Nirma) with the product category cue (washing powder) in the minds of millions of Indians.

Pillar 2: Brand Image

Once a brand has established sufficient awareness, the focus shifts to crafting a positive brand image. A positive brand image is created by linking strong, favorable, and unique associations to the brand in the consumer's memory.

These associations can be **attributes** (descriptive features of the product) or **benefits** (the personal value the consumer gets from the product). Consumers form these associations through marketing, direct experience, online surfing, and word-of-mouth.

To build a winning brand image, associations must excel in three areas:

1. Strength of Brand Associations

- The strength of an association depends on its personal relevance to the consumer and how consistently it is presented over time.
- Direct personal experiences and word-of-mouth create the strongest associations, while company-sponsored advertising often creates the weakest.
- To overcome weak advertising links, marketers must expose consumers to communications repeatedly and use creative cues to remind them.
    - *Example:* Royal Enfield has built incredibly strong brand associations not through heavy TV advertising, but through direct rider experience and strong community word-of-mouth that positions the bike as a symbol of rugged adventure.

2. Favourability of Brand Associations

- Favourable associations are formed when consumers are convinced the brand has attributes and benefits that satisfy their specific needs and wants.
- The importance of these associations is heavily dependent on the situation or context of the purchase.
    - *Example:* When booking a cab, a consumer might favor "Ola" for a quick, low-cost daily commute, but highly favor "BluSmart" when they specifically need a clean, guaranteed, zero-emission ride to the airport.

3. Uniqueness of Brand Associations

- Uniqueness provides a sustainable competitive advantage and gives the consumer a compelling reason to buy the brand over its competitors.
- However, a brand must also share *some* associations with competitors to establish what product category it belongs to (this is known as prototypical category membership).
    - *Example:* Maggi noodles shares category associations with other brands (it is recognized as a packaged, instant noodle). However, its "2-minute" preparation time was a highly unique, favorable association that gave it a massive competitive advantage for decades.

5.3 Building a strong Brand

Building a powerful brand is not a random occurrence; it is a carefully constructed journey. To understand this journey, we use the **brand resonance model**, which views brand building as a sequence of logical steps.

Think of this process as climbing a ladder. You cannot move up to the next rung until you have successfully secured the one below it. To reach the ultimate goal—an intense, active loyalty from your customers—you must guide them through four specific stages.

These four steps perfectly mirror the fundamental, subconscious questions customers ask themselves whenever they evaluate a brand:

Step 1: Brand Identity ("Who are you?") You must first ensure that customers can identify your brand and clearly associate it with a specific product class or customer need.

Step 2: Brand Meaning ("What are you?") Once they know who you are, you must establish what your brand stands for. This involves strategically linking a variety of tangible (functional) and intangible (symbolic) associations in the customer's mind.

Step 3: Brand Responses ("What about you? What do I think or feel about you?") Based on the identity and meaning you have built, you must elicit the proper positive reactions, thoughts, and feelings from the customer.

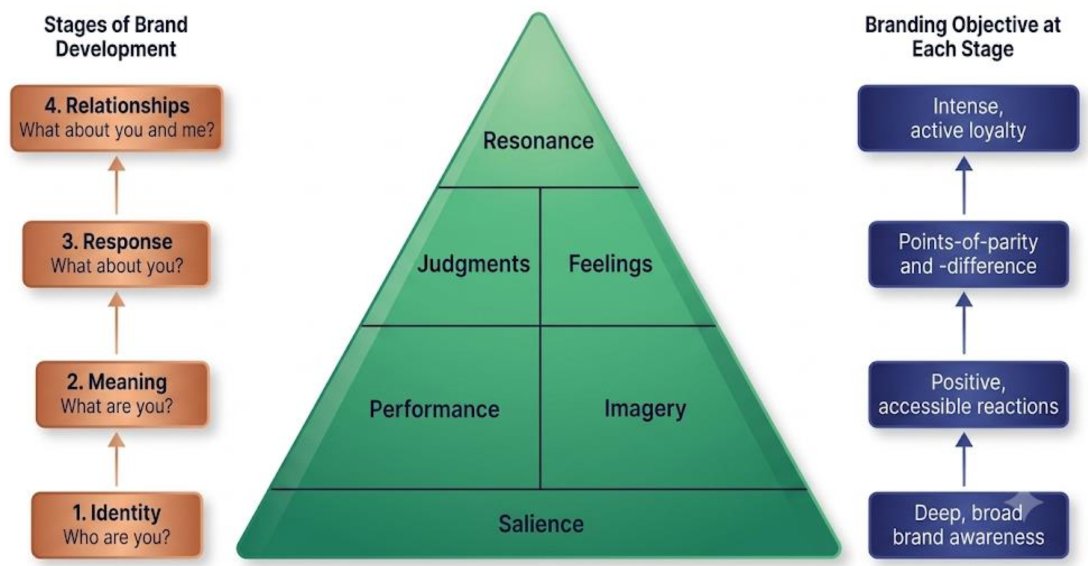
Step 4: Brand Relationships ("What about you and me?") The final step is converting those positive responses into "brand resonance"—an intense, active, and loyal relationship between the customer and the brand.

5.3.1 The Rule of the Branding Ladder

The most important rule of this model is its strict order: **Identity → Meaning → Responses → Relationships.** You cannot establish a brand's meaning if the customer doesn't even know its identity. You cannot get a positive response without first creating the right meaning. And you can never forge a loyal relationship unless you have successfully elicited the proper responses.

5.3.2 The Brand-Building Pyramid

To provide a clear structure for these four steps, we can visualize them as a pyramid made up of **six brand building blocks**. Significant brand equity is only achieved when a brand reaches the very top of this pyramid.



As we explore this pyramid, you will notice it is divided into two distinct sides:

- **The Left Side (The Rational Route):** These building blocks appeal to the customer's logic, focusing on product performance and hard facts.
- **The Right Side (The Emotional Route):** These building blocks appeal to the customer's feelings, focusing on imagery, personal connections, and emotions.

Ultimately, the strongest and most successful brands in the world are built by mastering both sides of the pyramid simultaneously.

1) Brand Salience

Creating the right brand identity is all about achieving **Brand Salience**. In simple terms, brand salience measures how easily and how often your brand pops into a customer's mind. It answers the question: Is your brand "top-of-mind"? Building this awareness helps customers instantly understand what product category you compete in and exactly what "needs" your brand satisfies. To fully understand brand salience, we need to look at two specific measurements: **Depth** and **Breadth**.

Depth of Brand Awareness

Depth measures how likely and how easily a brand comes to a customer's mind. If you can easily recall a brand from memory, that brand has a deeper level of awareness than a brand you only remember when you physically see its logo in a store.

- **Example:** If someone says "instant noodles," the very first word that pops into most Indians' minds is **Maggi**. You don't need to see the yellow packet to remember it; the recall is instant. That is massive *depth* of awareness.

Breadth of Brand Awareness

Breadth measures the variety of different purchase and usage situations in which the brand comes to mind. Does the customer only think of your brand in one specific scenario, or do they think of it in many different situations?

- **Example:** Think about **Eno**. Originally, you might only think of it when you have severe acidity after a heavy meal. But if Eno's marketing successfully makes you think of it for general stomach upsets, overeating at weddings, or morning indigestion, the brand has increased its *breadth* of awareness.

How Our Brains Organize Products (Product Category Structure)

To understand how brand recall works, we have to look at how human memory organizes products into a hierarchy. Consumers make decisions in a "top-down" fashion, narrowing down their choices step-by-step.

The Beverage Example: if you are thirsty, your brain works like a flowchart:

1. Do I want water, or a flavored beverage?
2. *(If flavored)* Do I want non-alcoholic or alcoholic?
3. *(If non-alcoholic)* Do I want a hot drink (tea/coffee) or a cold drink (soft drink/juice)?
4. Finally, you choose a specific brand.

- **Example:** You are at a highway Dhaba in the summer. Your brain goes: "I want a flavored drink -> Non-alcoholic -> Cold -> Soft Drink -> Something strong and fizzy." Because of the deep brand awareness, you immediately tell the waiter, "Give me a **Thums Up**." Soft drinks generally have great breadth of awareness because consumers consider drinking them anytime and anywhere.

The Strategic Secret: Why Breadth Matters Most

The product hierarchy shows us a critical strategic lesson: It is not enough for a brand to be famous (deep awareness); it must come to mind at the *right times and places* (broad awareness).

Often, even market leaders are forgotten during potential usage situations. For many brands, the best way to increase sales isn't to try and change how customers feel about the brand (their attitudes). Instead, it is much easier to just remind them to use the brand in *additional, appropriate situations*.

- **Example: Cadbury Dairy Milk** is a master of this strategy. Years ago, it was just a chocolate bar you bought as a casual treat. To increase its *breadth* of awareness, Cadbury launched the "Kuch Meetha Ho Jaye" (Let's have something sweet) campaign. They didn't change the chocolate; they just reminded consumers to eat it in new situations—like replacing traditional *Mithai* during Diwali and Raksha Bandhan, celebrating exam results, or marking payday. By increasing the situations in which consumers thought of Dairy Milk, their sales skyrocketed.

2) Brand Performance

At the very heart of brand equity is the product or service itself. If the product fails, the brand fails.

Brand performance is simply how well a product or service meets the customer's functional needs. It answers the question: *Does this product actually do* what *it promises?* To create true brand loyalty, your product must not just meet customer expectations—it should surpass them. Studies consistently show that high-quality brands perform better financially and yield higher returns.

Brand performance goes beyond just the basic ingredients; it includes the unique features that make the brand stand out. There are **five main categories** that determine a brand's performance:

I. Primary Ingredients and Supplementary Features

Customers judge a brand by its core components (what is necessary for it to work) and its supplementary features (extra additions that allow for customization or better usage).

- **Primary Ingredients:** The essential parts of the product.
- **Supplementary Features:** The "bonus" elements that add versatility or personalization.
- **Example:** Think of the **TVS Jupiter** scooter. The *primary ingredient* is its reliable engine and sturdy frame, which are essential for commuting. The *supplementary features* are the external fuel-filler cap, the under-seat mobile charger, and the extra leg space. These secondary features strongly boost its brand performance in the minds of daily commuters.

II. Reliability, Durability, and Serviceability

Consumers want products that last and are easy to fix if something goes wrong.

- **Reliability:** Does the product work consistently every time you use it?
- **Durability:** What is the lifespan of the product? Will it last a long time?
- **Serviceability:** If it breaks, how easy, fast, and cheap is it to repair?
- **Example: Maruti Suzuki** is the undisputed king of this category in India. Customers associate Maruti with high *reliability* (the cars rarely break down), extreme *durability* (they survive rough Indian roads for decades), and unmatched *serviceability* (you can find a Maruti mechanic and spare parts in the remotest villages of India).

III. Service Effectiveness, Efficiency, and Empathy

If your brand is a service (or has a strong customer support element), performance is judged by how you treat the customer.

- **Effectiveness:** Did the service successfully solve the customer's problem?
- **Efficiency:** Was the service fast and responsive?
- **Empathy:** Did the service provider actually care? Were they polite, trusting, and helpful?

- **Example: Taj Hotels (Tata Group)** is globally renowned for its service performance. Their *effectiveness* and *efficiency* mean your room is always perfect and room service is prompt. But their *empathy* is what truly builds their brand—their staff is famous for treating guests with deep personal care, often going out of their way to fulfill special requests or provide comfort, proving they have the customer's best interests at heart.

IV. Style and Design

Performance isn't just about how a product works mechanically; it is also about how it looks, feels, sounds, and even smells. Aesthetic design plays a massive role in how a product is judged.

- **Example: Royal Enfield** motorcycles. While they perform well mechanically, a massive part of their brand performance is their *style and design*. The classic, retro metal look, the heavy feel of the bike, and most importantly, the iconic "thump" sound of the exhaust are sensory design elements that make the brand legendary.

V. Price

Pricing policy directly shapes how a brand performs in a customer's mind. Price creates mental "tiers" or categories. Is the brand seen as a premium luxury, an everyday value, or a heavily discounted bargain?

- **Example:** Think of the biscuit market. **Parle-G** has anchored its brand performance around extreme affordability and value (the iconic ₹5 packet). On the other hand, **ITC Dark Fantasy** is priced higher and rarely heavily discounted, placing it in a "premium, indulgent" tier in the consumer's mind. Their respective prices immediately tell the consumer what kind of product experience to expect.

Criteria for choosing brand elements

When a company creates a brand, choosing the right "elements"—like the name, logo, mascot, packaging, or slogan—is critical. According to the text, there are **six main criteria** for selecting these elements. These six criteria are divided into two distinct strategies:

- **The Offensive Strategy (Building Equity):** Memorable, Meaningful, and Likable. These help you capture the customer's attention and build your brand.
- **The Defensive Strategy (Protecting Equity):** Transferable, Adaptable, and Protectable. These help you maintain and defend your brand over time.

Here is a breakdown of each criterion.

1) **Memorable** To build a successful brand, people need to remember it easily. Your brand elements must be catchy, attention-getting, and stick in the consumer's mind so they easily recognize or recall it when they go shopping.
   - **Example:** The **Vodafone ZooZoos**. These white, balloon-like characters with stick-thin arms and legs were incredibly distinctive and highly memorable. Even years later, people easily recall the brand when they think of these mascots.

2) **Meaningful** A great brand element should tell the consumer something about the product. It should convey two things: general information (what the product actually is) and specific information (what unique benefit it offers).
   - **Example:** The brand name **Paytm** (Pay Through Mobile) is highly meaningful. It instantly tells the consumer the general product category (payments) and its specific benefit (you can do it conveniently through your mobile phone). Another great example is **Hajmola** (derived from *Hajma*, meaning digestion), which instantly tells the user exactly what the product does.

3) **Likable** Independent of what the product actually does, do customers find the brand element visually and verbally appealing? Is it inherently fun, aesthetically pleasing, or interesting?
   - **Example: Paper Boat drinks**. Even before you taste the juice, the brand elements are incredibly likable. The unique shape of the pouch is fun to hold, the colorful graphics are aesthetically pleasing, and the nostalgic stories printed on the back make the brand instantly lovable.

4) **Transferable** Can your brand element stretch to new products or cross geographical and cultural boundaries? A highly specific name might trap you in one category, while a broad, synthetic name allows you to expand freely.
   - **Example:** The **Tata** name is highly transferable. Because the name doesn't describe a specific product, the **company** can seamlessly transfer its brand equity across entirely different categories—from Tata Salt and Tata Tea to Tata Motors and Tata Consultancy Services.

5) **Adaptable** Times change, and consumer tastes evolve. A good brand element must be flexible enough to be updated over time so the brand can remain modern and relevant without losing its core identity.

   - **Example:** The **Godrej** logo. The company has existed for over a century, but they updated their traditional, rigid logo into a more modern, colorful, and fluid design to appeal to younger generations. The core element remained, but it was adaptable enough to get a facelift.

6) **Protectable** You must be able to protect your brand elements both legally (through trademarks) and competitively (ensuring it isn't easily copied by rivals). If an element is too generic, copycats will easily steal your uniqueness.

   - **Example: Bisleri** is a classic example of why protectability is crucial. Because their original brand elements (a green label and a clear bottle) were somewhat generic, the market was flooded with competitive copycats with similar names (Bilsari, Brislei, Besleri). To defend themselves, Bisleri has had to aggressively trademark their specific fonts and run campaigns educating consumers to look for the authentic "Bisleri" spelling.

3) Brand Imagery

While "brand performance" is about what a product *actually does* (its functional features), **Brand Imagery** is about how the product makes you *feel*. It is the abstract, intangible side of a brand. It depends on how a brand meets a customer's psychological or social needs. Consumers form these mental images through direct experience, advertising, or word-of-mouth. There are four main types of intangibles linked to a brand:

1. **User Profiles (Who uses it?)**
2. **Purchase and Usage Situations (When and where do you use it?)**
3. **Personality and Values (If the brand were a person, who would they be?)**
4. **History, Heritage, and Experiences (The brand's backstory)**

I. User Imagery

This refers to the mental picture of the "typical" person who uses the brand. Marketers build this image using both demographics (facts about a person) and psychographics (a person's mindset).

Demographics:

- **Gender:** Brands often have a masculine or feminine vibe.
  - *Example:* **TVS Scooty** or **Fair & Lovely** (now Glow & Lovely) have a strongly feminine user image, whereas **Bajaj Pulsar** or **Fair & Handsome** project a masculine image.
- **Age:** Brands often target a specific generation or mindset.
  - *Example:* **Fastrack** positions itself as youthful, edgy, and rebellious (for college students), whereas **Titan** is seen as a mature, classic brand for adults.
- **Income/Class:** Brands can be associated with wealth or affordability.
  - *Example:* **Apple** iPhones or **Royal Enfield** motorcycles are often associated with young, affluent, upwardly mobile professionals.
- **Region/Culture:**
  - *Example:* **Aashirvaad** or **Patanjali** strongly identify with traditional Indian households and indigenous roots.

Psychographics: This relates to attitudes toward life, careers, and social issues.

- *Example:* A brand like **FabIndia** is associated with people who are environmentally conscious, artistic, and appreciate traditional Indian handlooms.

*(Note: In a business-to-business setting, this applies too. For example, **Tata Consultancy Services (TCS)** might be viewed as a "reliable and traditional" corporate partner, while a new tech startup might be seen as "aggressive and disruptive.")*

II. Purchase and Usage Imagery (When, Where, and How)

This set of associations tells consumers under what exact conditions they should buy or use the brand.

Purchase Imagery (Where and How you buy):

- *Example:* Think about grocery shopping. **D-Mart** brings up an image of weekend, bulk-buying with the family to get deep discounts. On the other hand, **Blinkit** or **Zepto** brings up an image of urgent, 10-minute emergency purchases right from your couch.

Usage Imagery (When and Where you use it):

- *Example:* **Haldiram's Bhujia** or **Parle-G** are strongly associated with the specific time of day of evening tea (chai-time) with family. **Cadbury Dairy Milk** changed its usage imagery over the years from just a "casual chocolate" to a product you use during festivals, celebrations, and payday (*"Kuch meetha ho jaye"*).

III. Brand Personality and Values (The Brand as a Human)

Through advertising and consumer experience, brands take on human personality traits. Research shows there are five main dimensions of brand personality:

1. **Sincerity** (down-to-earth, honest, wholesome):
    - *Example:* **Tata Salt** (*"Desh ka namak"*) or **Amul**. They feel like honest, trusted family members.
2. **Excitement** (daring, spirited, imaginative):
    - *Example:* **Thums Up** (*"Aaj kuch toofani karte hain"*) or **Mountain Dew**. They are bold and adventurous.
3. **Competence** (reliable, intelligent, successful):
    - *Example:* **LIC** (*"Zindagi ke saath bhi, zindagi ke baad bhi"*) or **SBI**. They are seen as secure and dependable.
4. **Sophistication** (upper class, charming):
    - *Example:* **Raymond** (*"The Complete Man"*) or **Taj Hotels**. They project elegance and luxury.
5. **Ruggedness** (outdoorsy, tough):
    - *Example:* **Mahindra Thar** or **Woodland** shoes. They are built for rough terrain and tough people.

IV. Brand History, Heritage, and Experiences (The Brand's Backstory)

Finally, brands can take on powerful associations tied to their past and noteworthy events in their history. These associations can be highly personal (reminding a customer of their own childhood) or widely shared by the public (a company's long, trusted legacy).

This imagery is built on specific, concrete memories rather than general ideas. It can involve nostalgia for an old TV commercial, the classic color of a package, the brand's country of origin, or the fact that a company has survived for over a century. Because a new competitor cannot "fake" or buy a hundred years of history, heritage creates a massive, unbreakable competitive advantage. In extreme cases, a brand's history becomes almost like a myth.

- **Example: Dabur** heavily relies on its deep-rooted heritage (over 135 years old) in Ayurveda. When a consumer buys Dabur Chyawanprash, the brand's long history automatically signals safety, stability, and generational trust. A brand-new company cannot replicate that overnight.

4) Brand Judgments

While Brand Imagery is about feelings, **Brand Judgments** are the logical, personal opinions a customer forms in their head. Consumers make these judgments by putting together everything they know about how the product performs and the imagery associated with it. There are four critical types of judgments customers make before they decide to become loyal to a brand:

I. Brand Quality (Is this a good product?)

This is the customer's overall attitude and evaluation of the brand. This judgment is based on specific attributes like value, comfort, and satisfaction.

- **Example:** Think about **Taj Hotels**. A customer judges the brand's overall quality based on very specific things: the prime locations of the properties, the luxurious comfort of the rooms, the world-class food, and the impeccable politeness of the staff. If these attributes are consistently high, the customer judges the overall brand quality as excellent.

II. Brand Credibility (Can I trust the company behind it?)

Customers don't just judge the product; they judge the organization making it. Brand credibility is measured in three ways:

1. **Expertise:** Are they competent and innovative?
2. **Trustworthiness:** Are they dependable? Do they care about the customer?
3. **Likability:** Is the brand fun, interesting, and worth spending time with?

- **Example: Amul** has massive brand credibility across all three dimensions. Customers judge them to have high *expertise* (they make great, consistent dairy products), extreme trustworthiness (it is a cooperative owned by Indian farmers that kept the nation fed during crises), and great *likability* (thanks to the beloved, funny "Amul Girl" cartoons).

III. Brand Consideration (Is this relevant to me?)

A brand can have amazing quality and high credibility, but if a customer doesn't find it personally relevant, they will never actually consider buying it. Consideration acts as a crucial filter—customers will respect the brand from a distance but won't embrace it unless it fits their specific needs.

- **Example:** You might have immense respect for a **Royal Enfield** motorcycle. You judge its quality to be high and its heritage to be highly credible. However, if you are a college student who just wants a lightweight, high-mileage scooter to navigate heavy city traffic, you won't actually *consider* buying the Royal Enfield. Instead, your consideration set will only include options like the **Honda Activa** or **TVS Jupiter** because they are personally relevant to your needs.

IV. Brand Superiority (Is this better than everyone else?)

Superiority measures whether a customer views your brand as completely unique and a step above the competition. Do you offer an advantage that no one else can? Achieving this judgment is absolutely critical for building an intense, loyal relationship with the customer.

- **Example:** For decades, Indian consumers haven't just thought of **Maggi** as a good snack; they have judged it as completely superior to other instant noodles like Top Ramen or Yippee. The unique masala taste and the "2-minute" promise gave it an unbeatable superiority in the minds of consumers, making it the undisputed market leader.

5) Brand Feelings

While Brand Judgments happen in the "head" (logic and opinions), **Brand Feelings** happen in the "heart." These are the emotional responses and reactions a customer has toward a brand. A great brand doesn't just sell a product; it changes how a customer feels about themselves and their relationship with others.

From "Trustmarks" to "Lovemarks"

Advertising expert Kevin Roberts argues that today, it is not enough for a brand to just be respected; it must be **loved**. He calls these brands "Lovemarks." If you map a brand on a scale of Love vs. Respect, high respect used to be enough to win customers. Today, if a customer doesn't *love* your brand, they aren't interested. An emotional connection is the ultimate secret to brand loyalty.

- **Example: Maggi** is the ultimate Indian Lovemark. People don't just respect the brand for being a quick snack; they love it deeply. It is tied to late-night hostel study sessions, monsoon evenings, and childhood memories. When it was temporarily banned, consumers didn't just switch to another noodle brand—they actively mourned its absence.

Transformational Advertising

Sometimes, a brand's marketing is so emotionally powerful that it actually changes how you feel *while* you are using the product. This is called transformational advertising.

- **Example: Paper Boat** juices. Drinking a mango drink is normally just quenching your thirst. But Paper Boat's advertising—focusing on paper boats in puddles, school days, and old train journeys—*transforms* the experience. When you drink it, you aren't just having juice; you feel a wave of childhood nostalgia.

The Six Types of Brand-Building Feelings

The emotions a brand evokes can be divided into two main categories: **Experiential** (feelings that happen right now in the moment) and **Private** (deep, long-lasting feelings about yourself).

A. Category 1: Experiential & Immediate Feelings

These are immediate, in-the-moment emotional reactions that increase in intensity.

I. **Warmth** The brand makes you feel soothed, peaceful, sentimental, and affectionate.

- **Example: Parachute Coconut Oil**. The brand strongly evokes the warmth, care, and peacefulness of a Sunday morning *champi* (head massage) from your mother or grandmother.

II. **Fun** The **brand** makes you feel joyous, amused, lighthearted, and playful.

- **Example: Bingo! Snacks**. From their wacky commercials to the crazy shapes of Mad Angles, everything about the brand is designed to make the consumer feel a sense of unadulterated, youthful fun.

III. **Excitement** The brand makes you feel energized, alive, cool, and special.

- **Example:** Mountain **Dew**. With its "Darr ke aage jeet hai" (Beyond fear lies victory) tagline, the brand evokes high-adrenaline excitement, daring, and extreme energy.

B. Category 2: Private & Enduring Feelings

These are deeper, internal feelings that connect to a person's self-worth and social standing, increasing in gravity.

IV. **Security** The brand makes you feel safe, comfortable, and completely free from worry.

- **Example: LIC (Life Insurance Corporation of India)**. Their iconic tagline, "Zindagi ke saath bhi, zindagi ke baad bhi" (With you in life, and even after life), makes millions of Indians feel a deep sense of financial security and family protection.

V. **Social Approval** The brand makes you believe that other people are looking at you favorably because you **use** it. It is a status symbol.

- **Example:** Owning an **Apple iPhone** or serving **Ferrero Rocher** chocolates to guests during Diwali. Consumers buy these brands largely because they signal wealth, class, and sophistication to society, earning them social approval.

VI. Self-Respect The brand makes you feel pride, accomplishment, and fulfillment. It makes you feel like a better **person**.

- **Example: Surf Excel** with its "Daag Ache Hain" (Dirt is Good) campaign. It makes mothers feel a sense of pride and self-respect, reinforcing that by letting their kids get dirty, they are doing a great job helping their children learn and grow.

6) Brand Resonance

The final step of the brand-building model focuses on the ultimate relationship between the customer and the brand. **Brand Resonance** describes how "in sync" customers feel with your brand.

When a brand achieves high resonance, customers don't just buy the product—they identify with it. Resonance is measured by **intensity** (how deep the psychological bond is) and **activity** (how often they repeat purchases or seek out brand events). We can break this ultimate relationship down into four distinct categories:

I. Behavioral Loyalty (How often do they buy?)

This is the most basic level of resonance. It measures how often customers purchase the brand and how much they buy. Generating high behavioral loyalty is crucial for a company's profits because the "lifetime value" of a loyal customer is enormous.

- **Example:** Think of a middle-class Indian family's relationship with **Maruti Suzuki**. A family might buy an Alto, upgrade to a Swift, and eventually buy a Grand Vitara over a 20-year period. Add in the word-of-mouth recommendations they give to relatives, and the lifetime financial value of that single loyal family is massive.

II. Attitudinal Attachment (Do they truly love it?)

Behavioral loyalty alone isn't enough. Sometimes people buy a brand just because it is the only one available at the local store, or the only one they can afford. True resonance requires a strong personal attachment. The customer must view the brand as a "favorite possession" or a "special little pleasure." Just being "satisfied" isn't enough to stop a customer from switching to a competitor; they must truly *love* the brand.

- **Example: Old Monk** rum or **Filter Copy** videos. Consumers don't just consume these out of habit; they have a deep, affectionate attachment to them. Even if a competitor offers a cheaper rum or a similar comedy sketch, the customer stays because they genuinely love the specific experience that brand provides.

III. Sense of Community (Do they feel connected to other users?)

A brand achieves broader meaning when it creates a sense of community. This happens when customers feel a strong kinship or affiliation with other people who use the same brand, either online or offline.

- **Example: Royal Enfield** is the ultimate example of brand community in India. When you buy a "Bullet," you don't just buy a motorcycle; you buy into a brotherhood. Riders acknowledge each other on the road, join local riding clubs, and take group trips to Ladakh. The brand creates an automatic social bond between strangers.

IV. Active Engagement (Do they invest time and energy?)

This is the absolute highest level of brand loyalty. Active engagement happens when customers willingly invest their own time, energy, and money into the brand *beyond* just buying the product. They visit the website, join chat rooms, buy branded merchandise, and act as free "brand evangelists" who defend the brand to others.

- **Example: Xiaomi (Mi India)** built its massive success on active engagement. Their "Mi Fans" don't just buy the phones. They actively participate in the Mi Community forums, eagerly attend fan-meetups and product launches, buy Xiaomi t-shirts, and fiercely defend the brand's reputation against competitors on social media. They are highly engaged ambassadors for the brand.

5.4 Options and tactics for brand elements

An ideal brand element (like a name, logo, or mascot) should check six boxes: it must be **memorable, meaningful, likable, transferable, adaptable, and protectable**. Because it is nearly impossible for one single element to do all six things perfectly, companies use a combination of elements.

1) Brand Names

The brand name is the most powerful and central element of your brand. While a TV commercial takes 30 seconds to explain a product, a brand name communicates its core message in just a few seconds. However, because it is so deeply tied to the product, it is also the hardest element to change later.

Finding a good name is incredibly difficult because millions of names are already trademarked. Executives often feel like "all the good ones are taken."

A. Guidelines for Choosing a Great Brand Name

I. **Simple and Easy to Pronounce/Spell** Short names require less effort to process and are easier to recall. If a name is hard to pronounce, people might avoid talking about it to save themselves from embarrassment, which kills word-of-mouth marketing.

- **Example: Jio** and **Oyo**. Both are incredibly short, punchy, and impossible to mispronounce, making them easy to recall instantly.

II. **Familiar and Meaningful** A name should tap into what consumers already know. If the name hints at the product category or its benefits, consumers have to do less mental work to understand it.

- **Example: BookMyShow** or **MakeMyTrip**. These names are highly meaningful because they literally tell you exactly what the service does before you even use it.

III. **Distinctive and Unique** To stand out in a crowded market, names should be unusual, uncommon, or entirely made up.

- **Example: Swiggy** and **Zomato**. Both are completely made-up words, but they are highly distinctive, making them easy to recognize and differentiate from other apps.

IV. **Strong Brand Associations** A brand name can reinforce the main benefit or positioning of a product. However, if you ever want to change what your product does (repositioning), a highly specific name can become a trap.

- **Example: Ujala** (meaning brightness/light) perfectly reinforces the benefit of its fabric whitener. **Paytm** (Pay Through Mobile) reinforced its exact function, though as they expanded into mutual funds and insurance, the name became slightly narrower than their actual offerings.

V. **The Power of Sound (Linguistics)** The actual sound of the letters matters. Hard consonants (like *K, T, P*) sound fast and direct, while softer sounds (like *S, C*) sound serene and romantic. Names can also mix letters and numbers (alphanumerics).

- **Example:** Think of **Cadbury 5 Star** or **TVS Jupiter 125** (alphanumeric). Or consider how the hard "K" sound in **Kadak Chai** implies strong, robust tea.

B. The 6-Step Naming Process

Most major companies follow a strict procedure before finalizing a name to avoid expensive mistakes:

1. **Define Objectives:** Decide exactly what message and meaning the new name needs to convey to the target audience.

2. **Brainstorming:** Generate a massive list of hundreds of potential names using employees, ad agencies, and naming consultants.
3. **Initial Screening:** Use common sense to filter the list. Eliminate names that are too hard to say, have offensive double meanings, or contradict the brand's goals.
4. **Deep Legal Checks:** Take the shortlist (5–10 names) and do an expensive, thorough international trademark search to ensure you won't get sued for using them.
5. **Consumer Research:** Test the surviving names on real consumers. Show them mock packaging or fake ads to see how they react to the name in a real-world scenario.
6. **Final Selection:** Pick the winning name based on the research and immediately register it as a legal trademark.

2) URLs (Domain Names)

A URL is a brand's digital address on the internet (e.g., `www.brandname.com`). To own one, a company must register and pay for it. Because the internet has grown so rapidly, virtually every common dictionary word and three-letter combination has already been claimed. This creates several unique challenges and strategies for brands:

A. The Need for Made-Up (Coined) Names

Because generic words are taken, companies are often forced to invent entirely new words just so they can secure a matching website URL.

- **Example:** Andersen Consulting changed its name to "Accenture" partly because the URL `accenture.com` was still available.
- **Example:** Instead of trying to buy an expensive, generic URL like `indianfashion.com` or `buyglasses.com`, Indian startups coined unique, memorable words like **Myntra**, **Nykaa**, and **Lenskart** to easily secure their domains and build distinct digital identities.

B. The Threat of Cybersquatting

"Cybersquatting" is a digital ransom tactic. It happens when someone maliciously registers a domain name containing a famous brand's trademark. Their goal is to sell the URL back to the brand at a massive, inflated price or to trick consumers.

- **Original Example:** Citibank sued a squatter who registered `citybank.org` in bad faith. The bank won the case and was awarded $100,000.

- **Example:** Massive conglomerates like the **Tata Group** and **Reliance** have to constantly fight cybersquatters. Scammers often try to register fake URLs like `reliance-jio-recharge.com` or `tata-motors`-dealership`.org` to extort the company or cheat unsuspecting Indian consumers.

C. Memorability vs. Generic Names

For a URL to be successful, consumers must be able to easily recall it from memory. During the early days of the internet, investors paid millions of dollars for generic URLs like `Business.com` or `Autos.com`. However, many of these failed because they were too generic to build a unique brand identity. A highly unique name, like **Yahoo!**, stands out and is easily remembered.

- **Direct vs. Creative URLs:** Usually, a brand's URL is just its exact name (like `[www.shell.com` or `www.zomato.com`). However, sometimes brands use a creative URL based on their positioning.
- **Example:** Instead of a generic government URL like `tourism.gov.in`, India's tourism board uses **`www.incredibleindia.org`**, which perfectly captures its famous branding campaign and is much easier for global tourists to remember.

3) Logos and Symbols

While the brand name is the heart of a brand, visual elements like logos are critical for catching the eye and building instant awareness. Logos have been used for centuries to indicate ownership and origin. Logos generally fall into a few different categories:

1. Word Marks (Text Only) These logos are simply the brand's name written in a distinctive font or style, without any extra symbols.

- **Example: Amul** or **Godrej**. Their logos are just their names, but the fonts are so iconic that you recognize them instantly.

2. Literal or Pictorial Logos These are concrete images or physical elements that visually represent the brand or its characters.

- **Example:** The **Parle-G** little girl or the **Air** India Maharaja. These are highly concrete, pictorial symbols that consumers immediately link to the product.

3. Abstract Symbols These are completely abstract designs that do not literally illustrate the brand name. While they look unique, they often require heavy marketing initially so consumers understand what they represent.

- **Example:** The **State Bank of India (SBI)** blue keyhole/token design or the **Airtel** red swoosh (the stylized 'a').

A. The Strategic Benefits of Logos

- **Communicating Meaning Without Words:** A great logo can instantly communicate a feeling or value.
    - *Example:* The **LIC (Life Insurance Corporation)** logo features two hands protectively holding a *diya* (lamp). Without reading a single word, it instantly communicates safety, protection, and care.
- **Versatility Across Cultures:** Because logos are non-verbal, they easily cross geographic and linguistic boundaries. In a diverse country like India with dozens of languages, a strong visual symbol is easily understood by everyone, everywhere.
- **Shorthand for Long Names:** When a company has a long or cumbersome name, a logo makes branding much easier on small items.
    - *Example:* It is much easier to print the abstract **HDFC Bank** square logo on a tiny debit card than to spell out "Housing Development Finance Corporation."

B. Adaptability and the Cost of Change

Unlike brand names—which are almost impossible to change—logos can be updated over time to look more modern.

However, updating a logo is a delicate and expensive process (often costing millions of dollars globally). If a brand makes its logo *too* modern or abstract, it risks losing the traditional equity and trust it built over decades. Changes should be gradual.

- **Example:** When **Hero** split from Honda, they invested heavily in designing a brand new, modern, 3D red-and-black 'H' logo to signal their new independent, tech-forward identity, while retaining the trusted "Hero" name.

4) Characters

Characters are a special type of brand symbol that take on human or real-life traits. They can be animated cartoons or live-action figures introduced through advertising and packaging.

A. The Strategic Benefits of Characters

- **Grabs Attention and Breaks Clutter:** Because they are colorful and rich in imagery, characters are incredibly useful for catching the eye and building instant awareness.

    - *Example:* The **Vodafone ZooZoos** were so unique and fun that they completely broke through the clutter of telecom advertising and became a massive hit on their own.
- **Communicates Key Benefits:** A good character instantly shows what the product does.
    - *Example:* The **MRF Muscleman** instantly communicates the core product benefit: strength, toughness, and reliability for tires.
- **Highly Likable and "Safe":** Characters give a brand a fun, human feel, making it easier for consumers to form a relationship with them. Even better, unlike human celebrity ambassadors, animated characters are perfectly safe—they don't age, they don't demand pay raises, and they don't get into public scandals.
    - *Example:* The **Amul Girl** has remained forever young, charming, and controversy-free for over 50 years, saving the brand from the risks of using real-life celebrities.
- **Easily Transferable:** Because characters usually don't have direct product meaning attached to them, they can easily be used to launch completely different product categories.

B. Cautions When Using Characters

- **They Can Steal the Spotlight:** A character can become *so* popular and attention-getting that it actually overshadows the brand. Consumers might remember the funny character but completely forget what product was being advertised.
- **They Must Be Updated:** Even the best characters must evolve so they don't feel outdated to modern audiences.
    - *Example:* The iconic **Air India Maharaja** was originally designed in the 1940s. To remain relevant to younger, modern flyers, the airline recently gave him a sleeker, updated, and more contemporary look so he wouldn't feel stuck in the past.
- **Cultural Limits:** Some characters are so deeply tied to one specific culture that they do not travel well when a brand tries to expand to other countries.

5) Slogans

Slogans are short, catchy phrases that communicate exactly what your brand is or why someone should buy it. They usually appear in advertising, but they can also be printed right on the product's packaging. There is a difference between a Brand Slogan and an Ad Tagline. A slogan is a long-term brand promise, like Nike's "Just Do It." A tagline is often used temporarily for a specific ad campaign to keep things fresh before returning to the main slogan.

A. The Strategic Benefits of Slogans

Slogans act as a mental "hook" or "handle." They are an incredibly efficient, shorthand way to help consumers instantly grasp the meaning of your brand.

- **Builds Awareness:** A slogan can directly state what the product does or brilliantly play off the brand name.
    - *Example:* **Mentos** ("Dimag ki batti jala de"). It instantly hooks the consumer and tells them the product will make them feel refreshed and sharp.
- **Reinforces Positioning:** Slogans quickly summarize the core promise of the brand.
    - *Example:* **Amul** ("The Taste of India"). In just four words, it establishes the brand as the undisputed, authentic dairy leader of the entire country.

B. Designing Great Slogans

The best slogans work on multiple levels. They might describe a physical product benefit while also carrying a deeper, emotional, or aspirational message.

- **Example: Tata Tea's** *"Jaago Re"*. On a physical level, it means "wake up and drink your morning tea." But on an emotional, aspirational level, it means "awaken your social conscience and fight corruption." This double meaning is a powerful way to build brand equity.
- **Example: Hero MotoCorp's** *"Hum Mein Hai Hero"*. It literally includes the brand name while making the customer feel strong, resilient, and heroic.

C. Updating and Managing Slogans

Because slogans are just words, they are the **easiest brand element to change** over time. However, changing them requires care.

Sometimes, a slogan becomes so famous that it turns into a public catchphrase. When this happens, people might just repeat it as a joke and forget the actual product message. Other times, a brand might outgrow its slogan and need to update it to stay relevant.

When updating a slogan, marketers must:

1. Figure out what people still love about the old slogan.
2. Decide what new message needs to be added.
3. Try to retain the trusted parts of the old slogan while adding a fresh twist.

- **Example: Pepsi** in India is a master of updating slogans. Because they target the youth, they cannot use the same slogan forever. They have smoothly transitioned over the decades from *"Yehi Hai Right Choice Baby"* to *"Yeh Dil Maange More"* to *"Har Ghoont Mein Swag,"* constantly updating their phrasing to match the modern generation while keeping their core message of youthful excitement intact.

6) Jingles

Jingles are catchy musical messages written specifically for a brand. You can think of them as "extended musical slogans." Because they use melodies and choruses, they are designed to get permanently stuck in your head—often whether you want them to or not!

The Strategic Benefits of Jingles

I. **Massive Brand Awareness:** Jingles are incredibly valuable for getting people to remember your brand. They repeat the brand name in clever, amusing ways. Because human brains love music, consumers often catch themselves mentally rehearsing or humming the song long after the commercial ends, which locks the brand into their memory.
   - *Example:* **Vicco Turmeric**. The classic jingle (*"Vicco Turmeric, nahi cosmetic, Vicco Turmeric Ayurvedic cream..."*) is so catchy that multiple generations of Indians can sing the entire song from memory. This provided the brand with decades of free mental repetition.
   - *Example:* **Nirma** (*"Washing Powder Nirma..."*). This jingle is arguably one of the most famous in Indian advertising history, turning a local Gujarat-based detergent into a national powerhouse simply because people couldn't stop singing it.

II. **Creates Emotional Connections (Intangibles):** While a written slogan usually tells you a physical fact about the product, a jingle makes you *feel* something. They convey a brand's personality and vibe in an abstract way.
   - *Example:* **Airtel's** signature instrumental tune (composed by A.R. Rahman). It doesn't have words telling you about call drop rates or data speeds; instead, the music instantly evokes feelings of connection, youthfulness, and energy.
   - *Example:* **Britannia's** simple four-note signature (*ting-ting-ting-ting*). Much like the famous Intel chime mentioned in the text, this tiny musical jingle instantly triggers a warm, positive feeling of taste and trust before you even see the biscuits.

7) Packaging

Packaging isn't just a container to hold a product; it is a critical marketing tool. It must achieve several functional and aesthetic objectives, including protecting the product, making it easy to use at home, and conveying persuasive information.

A. The Strategic Benefits of Packaging

- **The "Last Salesman":** In a busy supermarket, a shopper might walk past 20,000 products in 30 minutes. Packaging acts as the "last five seconds of marketing," grabbing their attention at the actual moment of purchase.
- **Cost-Effective Innovation:** Changing the physical structure of a package can create a massive point of difference, allowing companies to charge a higher price without changing the actual product inside.
  - *Example:* When **Parachute** replaced its messy metal tins with a sleek, blue, wide-mouthed plastic bottle (designed so the coconut oil could be easily scooped out in winter), it revolutionized the market and skyrocketed sales.
  - *Example:* **Paper Boat** stood out in a crowded juice market not just because of its flavors, but because of its unique, squeezy, "doy-pack" pouch that looked entirely different from standard Tetra Paks.
- **Expanding the Market:** Creating jumbo or mini sizes can open up entirely new customer segments.
  - *Example:* The introduction of the ₹1 and ₹2 small shampoo sachets (pioneered by brands like **Clinic Plus**) completely revolutionized the Indian FMCG market, bringing premium brands to rural consumers who couldn't afford a large bottle.

B. The Power of Package Design & Color

In the past, packaging colors were chosen arbitrarily. Today, specialized designers use science and psychology to create "shelf impact"—ensuring the product stands out against competitors.

Consumers have a "color vocabulary." They expect milk to be in white cartons and water in blue packaging. Over time, certain brands gain "color ownership."

- *Example:* The bright yellow of a **Maggi** packet, the deep blue of **Parachute** oil, or the bold purple of **Cadbury Dairy Milk** are so iconic that consumers can spot them from 15 feet away without reading the name. Furthermore, color changes perception: a darker orange on a **Mirinda** bottle makes consumers subconsciously believe the drink inside is sweeter.

C. When and Why to Change Packaging

While changing packaging is expensive, it is highly cost-effective compared to running massive TV ad campaigns. Brands change packaging for several reasons:

1. To signal a higher price or a more premium quality.
2. To unify a product line (e.g., making all **Britannia** biscuit wrappers share a common design language).
3. To signal a new innovation (e.g., adding a resealable zip-lock to a snack bag).
4. Because the old package looks outdated.

A Caution on Redesigning: When updating packaging, brands must be incredibly careful not to lose the "key equities" they have built up. If a redesign is too drastic, loyal customers might literally not be able to find the product on the shelf.

- *Example:* If **Rooh Afza** completely abandoned its traditional glass bottle and classic label for a minimalist, modern plastic design, older consumers might feel the brand lost its authentic heritage and stop buying it.

Unit 6 Managing Brands Over Time

6.1 Reinforcing Brands

How do you keep a brand strong over time? You reinforce it by consistently reminding consumers what your brand represents, what needs it satisfies, and why it is superior to competitors. The golden rule of modern branding is that a brand can never just stand still; it must constantly move forward.

1. Maintaining Brand Consistency

The most important factor in keeping a brand strong is consistency in your marketing support. If a company shrinks its marketing or research budgets, the brand risks becoming out-of-date, irrelevant, or entirely forgotten.

- **The Danger:** Raising prices while cutting marketing support is a guaranteed recipe for failure. Brands that constantly change their positioning or advertising agencies often see a steady decline in sales.
- **Example: Parle-G** has maintained extreme consistency for decades. They have never stopped supporting the brand, consistently positioning it as the ultimate, affordable energy biscuit for every Indian.

2. Consistency Does Not Mean "No Change"

Being consistent does not mean freezing your brand in time. You absolutely must make tactical changes—like adjusting prices, adding new features, or changing ad campaigns—to keep the brand relevant. However, the *core strategic meaning* of the brand must remain uniform.

- **Example: Surf Excel** constantly creates new ad campaigns with different characters and settings, but the core strategic positioning—"Daag Ache Hain" (Dirt is Good)—has remained perfectly consistent for years.

3. Fortifying vs. Leveraging (Investing vs. Cashing In)

Marketers constantly face a trade-off:

- **Fortifying:** Investing money to build and protect the brand's awareness and image.

- **Leveraging:** Capitalizing on the brand's existing fame to maximize short-term profits (e.g., by cutting ad spend or raising prices heavily).

If you focus too much on leveraging and neglect fortifying, the brand will eventually break down, just like a car that is driven hard but never taken in for maintenance.

4. Fine-Tuning the Brand

When tactics stop working, marketers need to fine-tune the brand depending on what makes it special:

A. If your brand is based on Product Performance: If your brand is famous because it works incredibly well, **innovation is critical**. Failure to innovate leads to bankruptcy. However, you must reassure loyal customers that while the product is improved, it is not a completely different product that ruins what they loved about it.

- **Example: Bajaj Pulsar** is built on performance. Over the years, they have constantly innovated their engines and technology to avoid becoming obsolete. However, they always kept the core "muscular" design DNA so loyal fans wouldn't feel alienated.

B. If your brand is based on Image and Lifestyle: If your brand is famous because of its symbolic or lifestyle image, **staying relevant to current trends is critical**. While imagery is easier to change through new ad campaigns, you must be careful. Flip-flopping between different images will confuse and alienate your consumers because brand images are "sticky" and hard to erase from memory once formed.

- **Example: Fastrack** is an image-based brand. To stay relevant, they constantly update their slang, fashion, and edgy ad themes to match the current generation of youth, without ever flip-flopping into a "boring, traditional" image.

6.2 Revitalizing Brands

In almost every product category, there are famous brands that have fallen on hard times. However, many have managed to make massive comebacks by breathing new life into their brand.

Revitalizing a fading brand usually requires major, "revolutionary" changes. Marketers have two main strategic options to pull this off:

1. **Expand Brand Awareness:** Get people to think about the brand in new situations.
2. **Improve Brand Image:** Change what people think and feel about the brand.

1) Expanding Brand Awareness (Increasing Usage)

Often, a fading brand doesn't have an "awareness" problem (people still know it exists). The problem is that people don't think to use it often enough. The easiest way to revitalize a brand without changing the product is to get customers to use it more frequently. There are two ways to do this:

A. Identify New Opportunities for the Same Usage Remind consumers to use your product in situations where they normally wouldn't. Consumers often suffer from "functional fixedness," meaning they think a product is only for one specific thing.

- **Example:** Think about **Cadbury Bournvita**. For years, it was strictly seen as a morning milk additive for kids before school. To increase frequency of use, they started running ads reminding adults that they could drink Bournvita as a healthy, relaxing nighttime drink before bed, effectively doubling the daily usage opportunities.

B. Identify Completely New Ways to Use the Product Show consumers that your product can do things they never realized.

- **Example: Dettol Antiseptic Liquid**. Originally used strictly for first-aid (cuts and wounds). To revitalize and expand usage, Dettol successfully ran campaigns showing mothers adding a capful to their daily laundry, pouring it into mop buckets to clean floors, or adding it to bathwater during the monsoon season.

2) Improving Brand Image

Sometimes, increasing usage isn't enough. The brand has to fundamentally change its image to survive. To do this, marketers must decide exactly who their target audience is.

Identifying the Target Market There are four steps to targeting, and they must be done in order. The biggest mistake a struggling brand makes is chasing *new* customers before securing the ones they already have. If you alienate your current customers to chase new ones, you might end up with nobody.

1. **Retain vulnerable customers:** Stop the bleeding. Keep the people who are currently buying.
2. **Recapture lost customers:** Remind old users why they used to love you ("Try us again").
3. **Identify neglected segments:** Look for groups you currently serve but haven't paid attention to.
4. **Attract new customers:** Only go after completely new demographics once the base is secure.

- **Example:** When **Tata Motors** was struggling with the image of the Nano (which was alienating customers because it was branded as the "world's cheapest car"), they tried a revitalization strategy. They stopped chasing budget buyers (who felt embarrassed to buy a "cheap" car) and repositioned the Nano Twist as a "smart city car" for younger, urban demographics, completely changing the target market and image.

Repositioning the Brand Old "heritage" brands are often highly trusted, but they can also be seen as boring and outdated. To revitalize, they must establish a more modern personality or contemporary usage profile.

- **Example: Royal Enfield** in the late 90s was seen as an unreliable, outdated motorcycle driven by old uncles. To revitalize the brand, Siddhartha Lal didn't abandon the bikes; he modernized the engines and completely repositioned the brand's image toward adventurous, rugged, young men, turning a dying brand into a cult phenomenon.

Changing Brand Elements Sometimes, a brand's name or logo carries too much negative baggage or feels too old. While changing a name is risky, shortening it can help modernize the brand and distance it from older, negative associations.

- **Example: UTI Bank** was a highly trusted but incredibly boring, bureaucratic-sounding government bank. To revitalize its image as a modern, private, and aggressive financial institution, it completely changed its brand elements and renamed itself **Axis Bank**, pairing the new name with a sleek new logo and modern advertising.

6.3 Adjustments to Brand Portfolio

Managing a brand over the long term means stepping back and looking at your entire collection of brands (your portfolio). Sometimes, a brand doesn't need a massive new ad campaign; it just needs a good cleanup.

When a company has too many confusing product variations, sales can drop. Simplifying the lineup makes it easier for consumers to choose.

- **Example:** A few years ago, **Tata Motors** had a highly confusing portfolio of cars (Indica, Indigo, Bolt, Zest, Safari, Aria) that lacked a cohesive identity. To fix their brand architecture, they ruthlessly cleaned up their portfolio, discontinued confusing models, and reorganized their entire lineup under their new "Impact Design" philosophy (Tiago, Nexon, Harrier).

1) Migration Strategies

A migration strategy helps consumers understand how they can upgrade or switch between your brands as they grow older, earn more money, or change their lifestyle. In a perfect world, a company organizes its brands logically so a consumer never has to leave the company's ecosystem.

- **Example: Maruti Suzuki** is a master of brand migration. A young Indian getting their first job might buy a basic **Alto**. A few years later, when they get married, they migrate to a **Swift**. As they achieve more career success, Maruti shifts them from their standard "Arena" showrooms to their premium "Nexa" showrooms so they can buy a **Grand Vitara** or **Invicto**. The portfolio is designed to keep the customer for life.

2) Acquiring New Customers

All companies face a tough balancing act: keeping their older, loyal customers happy while desperately trying to attract younger, new customers. This is difficult because new generations rarely behave exactly like their parents.

- **Example: Titan Watches** realized that their main brand was highly respected by older professionals but felt "too mature" for teenagers and college students. Instead of changing the main Titan brand and alienating older buyers, they launched **Fastrack**. This allowed them to acquire a massive new demographic of young customers with edgy, youth-centric marketing while keeping the parent brand safe.

3) Retiring Brands

Sometimes, due to changes in technology or the market, a brand is simply beyond saving. When a brand stops creating value, management must take decisive action to clean up the portfolio. There are a few ways to handle dying brands:

- **Milking (The "Orphan" Brand):** If a brand still has a small but loyal customer base, the company stops spending money on advertising and just quietly sells the product to harvest the profits until it naturally dies.

    - *Example:* Think of **Cibaca** toothpaste or **HMT Watches** in their later years. The companies stopped aggressively marketing them, but you could still find them in select stores for the die-hard loyalists.
- **Consolidation:** Merging a weak brand into a stronger one to save shelf space and cut costs.
    - *Example:* When the telecom market became brutally competitive, **Vodafone** and **Idea** realized they could not survive as separate fading brands. They consolidated their portfolios and merged into a single new identity: **Vi**.
- **Complete Discontinuation:** When a brand's equity completely dries up, it must be killed off or sold to another company.
    - *Example:* The original **Bajaj Chetak** was the heartbeat of India for decades. However, when the market completely shifted from geared scooters to motorcycles and automatic scooters, its brand equity in that specific format dried up. Bajaj made the tough choice to completely discontinue production of their legendary 2-stroke scooters to focus on the Pulsar motorcycle brand (though they smartly revived the Chetak name decades later for their EVs).