Branding Tool Kit

Branding is a tool that helps the marketer to create a position in the hearts, and minds of the consumer or customer.

In ancient times, the customer would deal directly with the producer of a product or service. If you wanted a loaf of bread you would buy direct from the baker or if you needed a new sword, you would deal with someone who could do that for you. As history goes, what follows was the creation of markets and merchants would handle much of the trade activity. They would acquire materials to sell in the market place and the manufacturer was a step removed now from the customer. In order to keep a connection (of trust) with customers, the manufacturer would mark their goods. This in effect was the original trademark. And thus branding was born.

Marketers in today’s society deal with markets that target various customer groups. From far flung global markets to niche groups of customers, marketers seek to create meaning and trust that is relevant to each customer group. And this is done through the process of branding.

As students of marketing you know that we attempt to look at all the markets for our product or service offering through the process of segmentation. An example of a segment might be the growing importance of the millennial generation. From all the segments we choose which segments to go after first .. we call this targeting and we as marketers have a variety of criteria we use to make these decisions. Once we have chosen a target, then we try to create a position in the hearts and minds of the target, often through the process of branding. Branding helps us to make the vital connection with the customers.

The tools in this toolkit have been gathered from hundreds of resources over decades of reading and writing about the subject. This is the best of the best on the subject. I hope you will find the toolkit useful … keep it, share it, and use it well.

[](http://www.google.com/imgres?imgurl=http://3.bp.blogspot.com/_CHG2GRbeET8/SX5EG-cLdII/AAAAAAAAKB0/NooIa1GlOE8/s320/toolkit.gif&imgrefurl=http://ipkitten.blogspot.com/2009/01/toolkit-or-foolkit.html&h=287&w=300&sz=19&tbnid=jvY2Nu68nVvKJM:&tbnh=90&tbnw=94&prev=/search?q=toolkit&tbm=isch&tbo=u&zoom=1&q=toolkit&usg=__RcKPa4GcUv4Qx-x2A9HR2YVy0mM=&docid=SfEs2381Acca2M&hl=en&sa=X&ei=TokSUazuAonE2gX9woGwAg&ved=0CF8Q9QEwCA&dur=5409)

**Aaker on Branding**

David Aaker gave us something to think about in 2012. His idea is that while we use branding to help consumers choose their brand of preference, we can make all the competitive brands irrelevant by developing products that are different … so different so as to make the competition irrelevant. He presents his thoughts in the linked YouTube video <http://www.youtube.com/watch?v=9TQmd89ohgA>

**Branding Quiz**

So let’s just start out with a fun quiz on branding that helps to get the point across that brands are important. Think you know all your brands….. Take the quiz

<http://images.businessweek.com/ss/06/07/brand_quiz/index_01.htm>

**Why Do We Brand?**

**Trust and Emotions**…Consumers rely on the brands they know for trust in the marketplace. If you know and trust say Campbell’s Soup, then you are likely to buy the brand over others. <http://www.mktgsensei.com/AMAE/Branding/5.%20%20Brandings%20Importance%20in%20a%20World%20of%20Distrust.doc> Think about Toyota and the issues they had in 2010…they were the trusted brand for quality in the automotive marketplace until what looked like a cover-up on their part for quality issues. This cost them dearly in terms of sales, market share, equity (stock price) and reputation. <http://www.mktgsensei.com/AMAE/Advertising/Public%20Relations%20(2010)%20Learned%20the%20Hard%20Way.doc>

More and more companies are relooking their relationship with customers in terms of trust and making sure that they are on solid footing with their markets … <http://www.mktgsensei.com/AMAE/Advertising/Public%20Relations%20(2010)%20Learned%20the%20Hard%20Way.doc>

Brands are also the trigger for the emotions that customers show towards their favorite products. We ascribe so much to brands, that we become very emotional towards them. When Coke changed the original formula, customers felt their lives were changed and under attack. <http://www.mktgsensei.com/AMAE/Branding/Coke%20Brand%20Irrationality.pdf>

For more on Values and Emotions as drivers of brand loyalty, see <http://www.mktgsensei.com/AMAE/Branding/Values%20and%20Emotions%20as%20Drivers%20of%20Brand%20Affiliation.doc>

When Facebook changes the design of the website, the familiar is no longer so familiar and the brand is again under attack. We are fond of many things .. cars, shoes, clothing brands …. Marketers can play the emotions right … or sometimes not so right. <http://www.mktgsensei.com/AMAE/Branding/Brand%20Building%20and%20Renewal%20and%20the%20Emotional%20Connection%20with%20Bands.pdf>

**Brand Equity…** Brand equity has many definitions and the concept is quite complex in this regard. Sometimes we refer to brand equity as those things that make the brand so different that it becomes desirable to the customer. Those added sales revenues make the brand more valuable and makes the overall firm more valuable. So we get now to the equity value of the firm (stock price) as being dependent to some degree on the ability of the brand(s) to create added revenue. So for a brand like Toyota, they had a high stock price because their brand commanded higher prices in the marketplace because the brand was viewed as a quality leader. When they took the hit in 2010, their reputation fell as a quality leader; their ability to sell at a premium fell as their market share fell; and their stock price fell as a result. A great example of brand equity is Isuzu vs Honda … the Rodeo and the Passport are basically the same vehicle, made in the same factory, with minor differences … except for the brand label applied …. And the branding is what allows Honda to sell for thousands more .. brand equity. <http://www.mktgsensei.com/AMAE/Branding/BRAND%20VALUE%20AND%20BRAND%20EQUITY.doc>

For more on Brand Equity see… <https://www.youtube.com/watch?v=gAlFiPw9H18>

For more on the measurement of brand equity, see the estimate of top global brands here <http://www.interbrand.com/en/best-global-brands/2013/Best-Global-Brands-2013-Brand-View.aspx>

**Brand Relevance and Differentiation**

Points of differentiation help consumers to understand the nature of brands and how they differ from one another. In this process of differentiation, the brands can become more or less relevant to target audiences. The work of AAKER in this regard is very useful for understanding how differentiation leads to relevance and from relevance we gain loyalty … and equity! <http://www.youtube.com/watch?v=9TQmd89ohgA>

For a good write-up on brand relevance, see <http://www.mktgsensei.com/AMAE/Branding/Brand%20Relevance%20Aaker.pdf>

**Segment/Target/Position and Millenials**

The essence of marketing is to segment, target and position. We segment the possible markets to attack; we decide which markets to attack first; and then we use branding to go after the selected targets. In our domestic market, we might choose for instance to go after the ever growing (in importance) millennial market, those who have been born since 1980 and are now for the most part coming into their own as consumers, in their twenties and early thirties. So how do you make your brand relevant to a millennial? Here is a ten minute lecture on branding and making a brand relevant to a millennial. <http://www.mktgsensei.com/AMAE/Branding/Branding%20and%20Millenials.pdf>

As for branding to another segment, how about the global market for brands? Consider branding to global markets <http://www.mktgsensei.com/AMAE/Branding/7.%20Global%20Branding.pdf>

And coming are way, the Chines for instance are learning the lessons of branding to Americans… <http://www.mktgsensei.com/AMAE/Branding/Branding%20and%20the%20Chinese.doc>

**Positioning/Repositioning/and a Reasons to Believe (RTB)**

We know now about the connection of branding to positioning. For more on positioning I often refer students to the work of Al Ries and Jack Trout … they really established the importance of positioning in their work of the early eighties. <http://www.mktgsensei.com/AMAE/Branding/Branding%20and%20the%20Chinese.doc>

As an example, a few years back, Ruby Tuesdays (restaurants) was one of several restaurants that was in the middle market neighborhood restaurant business, serving up basic sandwiches and salads. Stuck in the middle that decided to go more upscale and repositioned the restaurant and brand as more upscale. Here is the story of this repositioning.

<http://www.mktgsensei.com/AMAE/Branding/Repositioning%20the%20Brand....Ruby%20Tuesday.doc>

And the results. <http://www.dailyfinance.com/on/why-ruby-tuesday-will-never-be-great-again/>

Sometimes it works, sometimes it doesn’t.

**Reasons to Believe** …. One more issue. Once you have a position, you need to give consumers/customers a good reason to believe your new position. RTB, the reasons to believe help you to make sure the positioning you want consumers to understand and accept is indeed accepted … <http://www.mktgsensei.com/AMAE/Branding/7.%20%20Branding%20and%20a%20Reason%20to%20Believe.doc>

**How Do We Brand?**

**Foundational Concepts of How to Brand…** So how do you create a brand? How do you gain that position in the hearts and minds of your target audience? How do you create differentiation and relevance? It is my opinion that you can create such positioning based upon one or more of five foundational concepts or elements. These five are:

Values… what do you stand for? What are the values of your target audience and how can you be reflective of the target audiences values.

Value … do you have a unique position based upon the relationship of prices and benefits

Attributes … what the product or service IS! What are the features of the offering. For instance, with Gatorade, we might think about the electrolytes in the beverage that helps to eliminate the lactic acid in the muscles of an athlete.

Benefits … what the attributes and features DO for the customer. Back to the electrolytes of Gatorade, the benefit is that once the lactic acid is eliminated, the customer is able to do their personal best and continue their workout or activity.

Persona … another way to brand is to ascribe a persona to the brand. For instance Brawny paper towels. Or Ford Tough trucks.

For more on the five foundational ways to create a brand, see <http://www.mktgsensei.com/AMAE/Branding/1.%20%20Branding%20Lesson%20for%20Online.doc>

**Emotions…** when our emotions take over, some view this as being a bit irrational. In the old old days of marketing, most of the advertising was focused on product features and the attributes. Later, as the work of Freud was thought about, more marketing focused on the irrational and emotional side of human behavior. For more on the irrationality of choice, see <http://www.mktgsensei.com/AMAE/Branding/Irrational%20Choice.doc>

Or consider the Herbal essence commercial here; it has nothing to do with washing your hair, but much more about the promise of being alluring. <https://www.youtube.com/watch?v=UsfNXj9s-iY>

**Attribute and Benefit Based Branding …** Sometimes we focus on what the product is and what it does for us. The attributes and benefits. For more on Attribute based branding see … <http://www.mktgsensei.com/AMAE/Branding/6.%20Attribute%20Based%20Branding.doc>

**Persona Based Branding…** More and more branding is using the persona element to make the brand memorable and recognizable. Old Spice uses a well-built young man to ascribe a youthfulness to a brand that used to be considered your grandpa’s after shave.

<https://www.youtube.com/watch?v=fXvtany3mSE>

Or think about APPLE vs PC and the persona that APPLE not only ascribes to itself but also how they position Microsoft as the pudgy nerd.

<https://www.youtube.com/watch?v=0eEG5LVXdKo>

For more on the use of persona, see

<http://www.mktgsensei.com/AMAE/Branding/Persona...Major%20Marketers%20Get%20Wise%20to%20the%20Power%20of%20Assigning%20Personas.doc>

<http://www.mktgsensei.com/AMAE/Branding/PERSONA.doc>

**Value Based Branding …** value is about offering more for less. TARGET if a great example of a company and brand that seeks to be known for offering more for less. In fact, their motto is, MORE!

**Values Based Branding …** for more on values like family, patriotism, and more see <http://www.mktgsensei.com/AMAE/Branding/Values%20and%20Emotions%20as%20Drivers%20of%20Brand%20Affiliation.doc>

Think about Michelin ads, the use of the baby in the ads and the appeal to family values. <https://www.youtube.com/watch?v=mGFe07Ro7r0>

**Branding Strategies**

**Co-branding and Ingredient Branding** … There are many strategies within the branding process to consider. In this case, we combine two or more brands for the purpose of greater marketing power. Examples would help … consider the Eddie Bauer Ford Expedition; here Ford gains access to the more upscale image of Eddie Bauer while Eddie Bauer adds visibility to a very large market of Ford truck owners. Or, consider Pillsbury co-branding with Hershey’s chocolate … taking on the juggernaut of Nestles’ Tollhouse cookie dough. Another great example is the Intel Inside campaign with companies like HP.

<http://www.mktgsensei.com/AMAE/Branding/Ingredient%20Branding%20at%20Toyota.doc>

<http://www.mktgsensei.com/AMAE/Branding/Real%20Estate%20Co-branding.doc>

**Multi-branding vs Family Branding …** this is an important strategic consideration for many firms. Multi-branding is the chosen method of Proctor and Gamble. From Pampers to Brawny, ever brand has its own team, its own image, its own budget, etc. The plus side is the intensity of effort and the focus on every brand. Another plus side is that if something happens (bad) to one brand, it generally will not have a detrimental effect on other products. If Pampers has an issue, it will not affect CREST toothpaste. Family branding is when you use a family name like Kellogg’s when marketing all your cereals. The plus side is that every product and brand gains from a great family reputation; the downside happens when one product like Kellogg’s Corn Flakes has say a recall and that effects all the Kellogg’s products. <http://www.mktgsensei.com/AMAE/Branding/Multi%20Brand%20King.doc>

**National brands vs Store Brands (Private labels) …** Retailers know they have the power that comes with owning the shelf space that manufacturers of food products need to sell their products. National brands are products like Lays Potato Chips or say OREO Cookies. The supermarkets are not in control of their profit margins on these products; and thus developed the idea of store brands and private label products. We find such products at other major retailers like SEARS Kenmore; Best Buy insignia and Dynex brands; etc. <http://www.mktgsensei.com/AMAE/Branding/Brands...Private%20Labels.pdf>

**Brand Assessment Tool …**

Assessment of the brand can be an extremely useful tool for thinking about many of the factors noted in this toolkit. Also, if you are thinking about creating a brand, the assessment tool provides a lot of ways to consider the process brand creation. Check this out … <http://www.mktgsensei.com/AMAE/Branding/Branding%20Assessment_Tool.xls>

**Branding Today…Trending Topics in Branding**

Branding Communities … <http://www.mktgsensei.com/AMAE/Branding/Brand%20Communities.pdf>

Illusion of Brand Control … <http://www.mktgsensei.com/AMAE/Branding/The%20Illusion%20of%20Brand%20Control.doc>

**Branding …Additional Applications**

Religion… <http://www.mktgsensei.com/AMAE/Branding/Branding%20and%20REligion.doc>

Politics … <http://www.mktgsensei.com/AMAE/Branding/Candidate%20Branding.pdf>

Commodities ….http://www.mktgsensei.com/AMAE/Branding/Branding%20Commodities....Bullets.doc

**Great Brands and Brand Stories**

Reviving death brands …. <http://www.mktgsensei.com/AMAE/Branding/Dead%20Brand%20Revivals.doc>

Great brand stories

<http://www.mktgsensei.com/AMAE/Branding/Great%20Branding%20Stories.pdf>

Brands of America … an interesting map

<http://www.mktgsensei.com/AMAE/Branding/Brands%20of%20America.jpg>