THE BRAND STRATEGY ON THE FIELD OF MODERN MARKETING

Georgios Michalagas

Software Engineer MBA, Postal Address: Oktonias 3, Peristeri, ZIP: 12132,
Phone: +30 6977564157, Email: gmichalagas@gmail.com

Abstract

The brand name may be the most important but the most difficult part of modern marketing. Successful brands have followed a specific strategy to reach their goals. Brand strategy is a set of goals the company must achieve to build a successful brand name. This special article lists all the goals that define the brand strategy by increasing its chances of success. The goals and how to reach them are decided by the marketing department collaboration with business management. Successful brand strategy leads to increased value and readability, achieving profits and competitive advantage at national and international level. Also, to properly design the strategy, the marketing department should have a clear view of the brand value by evaluating and measuring it. Lastly, a modern research approach is needed to produce safer conclusions.

Key-words:Marketing, Brand, Branding, Brand Strategy

1. Introduction

Nowadays, marketing can play a significant role for the brand strategy building of a business that in globalized environment can be constituted a conclusive factor at the consumer decision to purchase products and services [1]. A successful strategy can create a strong brand name which increases the loyalty of its customers as well as the chances to win consumers. Business management cooperation with specific marketing departments or external consultants designs the strategy, determine the goals and organize the stages for each goal achievement. The measurement and evaluating procedure of brand name is very important activity of the marketing department of a business which aims to the successful result of goal.

2. The concept and the dimensions of branding
2.1. The concept of branding

Branding is one of the most important factors which influence the consumer decisions. According to Kotler [28] branding is defined as: "a name, a term, a trademark, a symbol or a combination of the above that aims to give an identity to the products or services of a supplier and differentiate them from other competitive products". Also, Keller [24] reports that, the individual elements such as the name, logo, packaging etc. which constitute brand name are called brand elements or brand identities. Another definition which has been given by Ambler [7] is "branding is the promise of a group of features which can be purchased and offer satisfaction. These features can be real or fantastic, logical or emotional, tangible or obscure".
Sometimes, it has been stated that, consumers tend to buy brand names whose brand personalities correspond to the image that they have for themselves [47]. Furthermore, research studies have shown that, the greater the identification of the features which

long-term describe and distinguish the real or imaginary consumer personality and the features which describe branding is, the higher the preference is for it [52].

## 3. Brand Strategy
3.1. Brand Architecture

Brand names play a significance role at the projection and positioning of company in the international marketing. The building of proper brand architecture constitutes a basic part of the overall marketing strategy of company because it provides a structure for utilization of strong trademarks in other markets, assimilation of trademarks which are already exist and incorporation of strategy in all markets [14].

Dooley and Bowie [13] reports that, the commercial department that is responsible for the brand architecture designs and manages a trademarks portfolio providing in each trademark the purpose, relevance and clarity [13].

Laforet and Saunders [30] distinguished 3 brand structures with the concept of «brand architecture» or «brand structure» which are the following:

- Corporate Dominant: In this structure, the logo, brand name and overall marketing plan are designed on the parent company regardless of products it has. A well-known example in the international market is Google. Each advertising campaign always refers to the parent company, that is, Google regardless of products (Google Search, Google Translate, Google Scholar, Google Photos etc.) it provides.
- Product Dominant: This structure includes the product as dominant. Thus, parent company products have distinct brand name, logo and marketing plan. A well-known example that uses this structure concerns a big company in USA which is called "Procter & Gamble". This group is one of the largest groups worldwide and manages the portfolio of companies such as Gillete, OralB, Ariel etc. which have customized logos and carry out advertising campaigns which are exclusively associated with the product while nowhere the brand name of parent company (P & G) is reported.
- Hybrid or Mixed type: In specific structure, parent company and its products are equally strong and well-known. The advertising campaigns focus on the parent company and the product such as the example of "Coca-Cola" where Sprite and Fanta is the products of Coca-Cola but they are equally strong brand names with the parent company.

Figure 1: Brand Structures
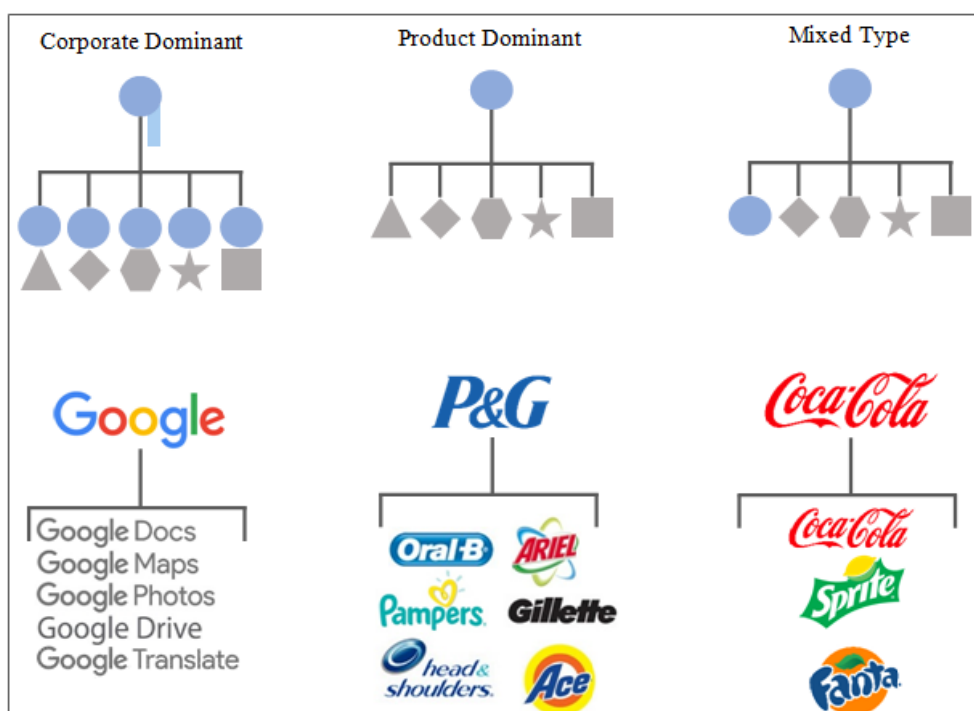
(Laforet και Saunders/2007) [30]

3.2. Brand Positioning

Brand positioning defines direction of marketing activities and programs such as what marketing department should or shouldn't do with the brand name [27]. It connects the brand with its other parts with purpose the best understanding from the customer while it differentiates the brand consolidating opinion of the consumer over its competitive superiority [26]. In addition to the issue of choice of the different products features such as the camera quality in a mobile phone, there are two fields related with the brand positioning which are the role of immaterial features e.g. the well-known brand name and the role of the corporate images and the reputation. These fields are presented below.

The immaterial features of brand name constitute a significant aspect of the research. Focusing on the commercial immaterial aspects of the brand image doesn't include natural, tangible or specific features or benefits of product or service [34]. The immaterial commercial trademarks are a common expedient which helps companies to differentiate their brand name [41] so that the consumers exceed the technical features of a product to the brand name [29]. Immaterial features cover a range of different brand types such as real or expected perceptions of consumers over the product [25]. Brand name and immature features need research over the earnings production way on behalf of business.

3.3. Brand Identity

Brand identity is a total of correlations which have aim to give a promise related to the product quality over customers. It includes a core and extensive identity. The core is the central, intertemporal brand essence that remains constant as the company move to new markets and products and is general focused on the qualitative features of product or service, the user profile and the atmosphere which is configured in the disposal shop of products or services. However, it has been demonstrated that, the consumer behavior is affected by the perceptions of consumers for the quality than the real brand quality resulting in the preference, satisfaction and consequently sales and profitability [2,36,57].

The extensive identity is associated with the brand elements which are organized in cohesive groups that offer texture to the brand name and is focused on its personality (e.g. symbols). Brand identity should aim to the communication with customers, be differentiated by the competitors and represent the company capabilities over time to be effective [4]. Key for the successful identity build the understanding of its development way, the good brand name knowledge and finally the effective expression of the configured identity [3].

Brand identity comes from the company itself. It means that, the company is responsible for the creation of a reshaped product with distinctive features, that is, it tries to achieve the product connection with these features. Also, brand strategy is often used as mean of communication for its identity and value to consumers and other interested people [38].

3.4. Brand Promise

Commercial trademark is considered very important for the service providers [12,46,56] and creates a close bond with customers based on the brand value or promise [9,37]. Brand promise should be fulfilled in each area of service to be ensured the long-term relationship with customer [11,35,58]. Swan and Nolan [54]

support that, the confidence is gradually created and depends on the result of experience that customer has been obtained by company.

According to O'Malley [39], customers choose a brand name because they expect to live its values which are proposed by the promise to be reflected their personal expectations by owning of the specific brand. Therefore, the promise should be fulfilled, when the customer comes in contact with the company products or services. For the services supply companies, the promise delivery depends on the employees in a large extent who communicate with customers. Schultz and Schultz [50] state that, the employees who come in contact with customer should behave with a way which lines up the brand promise.

3.5. Brand Experience

The experiential marketing is an important trend at the marketing intelligence. Schmitt [48,49] has developed through literature, the concept of customer experience management (CEM) which has been defined by him as the procedure of management strategy of overall customer experience with a product or company. According to Schmitt [48,49], commercial trademarks can help to the creation of 5 different experience types which are presented on table 1.

Table 1: Experiences types from brands

1.	Sense of experience that involves perception
2.	Sense of experiences that concern emotional influence
3.	The thought of experiences which are creative and cognitive
4.	The acts which concern the physical behavior and incorporate individual actions
5.	The way of life and the experiences which are obtained

(Schmitt /1999)[48]

3.6. Corporate Image and Reputation

Balmer and Gray reports that [8], corporate image is the direct image that the public of a company has. On the other hand, corporate reputation highlights the customers assess the value of a company features. Typically, corporate reputation evolves over time, because of a constant efficiency enhanced by the effective communication. Corporate images can rapidly be created at the public perception through correctly designed communications programs [8]. Companies usually emerge positive image at their interested customers with aim to create favorable reputation to their perception.

The most companies should be deal in the following interested parties:Customers, Distributors, Business associates, Suppliers, Financial institutions and analysts, Shareholders, State regulatory bodies, Social welfare organizations, Public, Employees.

3.7. Brand relationship swith customers

Another element of the brand strategy is the personal relationship between a brand and its customers. Fourier [16] examined the nature of relationships that the customers

have or wish to have with companies and considered that the relationship quality is multi-sided and is constituted by 7 dimensions according to table 2.

Table 2: 7 dimensions between brand relationship and customer

Dimension	Description
Loyalty/Commitment	Consumer confidence at the brand name products
Self-consciousness/ conscious connection	Consumer awareness for its relationship with brand name
Nostalgic connection	The consumer has been nostalgically connected with an emotional event which has relationship with brand name
Interdependence	There is interdependence between consumer and brand name
Passion/Love	Consumer loves brand name at a passion level
Collaborator quality	Brand collaborators are qualitative
Familiarity	Consumer feels familiarity when he is found in the company area or uses its products/services

(Fournier /1998)[16]

3.8. Customer Satisfaction and Loyalty

Customer satisfaction has become a significant issue for the marketing department. It is usually used as a marketing indicator for the company efficiency [10]. Furthermore, it is general acceptable that, a satisfied customer may seem loyalty behavior, that is, repeated market and willingness to give positive opinion to affect other consumers [55,10,51]. Although, this phenomenon is often observed, Taylor [55] stated that, "despite high satisfaction, companies often lost customers". Reichheld [44] supported that, the satisfied customers are not necessarily dedicated. Reichheld and Markey [45] noted that, a percentage of 60% and 80% from the customers who stated satisfied or very satisfied in the research will change brand name. The criticism which are exclusively based on the satisfaction research of consumers [23, 44] have intentionally request a change from the satisfaction to the goal of the consumer loyalty as strategy business goal [40]. Oliver [40] highlighted that, the change from satisfied customer to dedicated customer, seems to be a considerable strategy change for the most businesses, with aim the profitability and existing of loyal customer base. Thus, it is suggested that, the measurement of customer satisfaction isn't enough, but it is necessary the loyalty measurement which aims to a better understanding of the customer satisfaction and the profit of a company [44,55].

4. Conclusions

The commercial brand name of a company can play a significant role to its recognition, the consciousness of consumers as well as the establishing of its commercial success [1]. Modern successful technology companies such as Apple, Samsung and now Huawei, have followed specific strategies to success a great value and brand awareness in their brand name. Brand strategy differs for each company, thus, there isn't specific formula which should be followed by companies to be achieved their goal. A company which offers services has completely different strategy from a company which offers products. A successful strategy is always recognized by the result, with basic criteria the increased profits, recognition and the positive brand reputation as well as its customer loyalty at the products and services which are provided.

References

1) Aaker D. A., Day G. S. (1986), *Marketing Research*, 3rd ed. New York: John Wiley & Sons, Inc.
2) Aaker, D. A. and Jacobson, R. (1994), 'The financial information content of perceived quality', *Journal for Marketing Research*, 31 (5), p. 191-201
3) Aaker, D. A. (1996), Building Strong Brands, New York: The Free Press
4) Aaker, D. A., Joachimsthaler, E. (2000), Brand Leadership, New York: The Free Press.
5) Alba, J. Wesley Hutchinson (1987), 'Dimensions of Consumer Expertise' *Journal of Consumer Research*, 13 (3), p. 411-53.
6) Allison, Ralph and Kenneth P. Uhl (1964), 'Influences of Beer Brand Identification on Taste Perception', *Journal of Marketing Research*, 2 (8), p. 36-9.
7) Ambler, T. (1992).'Need-to-Know-Marketing, Century Business, London in Wood, L. (2000)', Brands and brand equity: definition and management, *Management Decision*,38 (9), p. 662-669
8) Balmer J., Gray E. (1998), 'Managing Corporate Image and Corporate Reputation', Long Range Planning, 31 (5), p. 695-702.
9) Barnes, J. G. (2003). 'Establishing Meaningful Customer Relationships: Why Some Companies and Brands Mean More to their Customers', *Managing Service Quality*, 13 (3), p. 178-186.
10) Bennet, R., & Rundle-Thiele, S. (2004), 'Customer satisfaction should not be the only goal'. *Journal of Service Marketing*, 18 (7), p. 514–523.
11) Berry, L. L., Conant, J. S. and Parasuraman, A. (1991). 'A Gramework for Conducting a Service Marketing Audit', *Journal of the Academy of Marketing Science*, 19, p. 255-268.
12) Blackett, T. and Harrison, T. (2001). 'Brand Medicine: Use and Future Potential of Branding in Pharmaceutical Markets', *International Journal of Medical Marketing*, 2 (1), p. 33-49.
13) Dooley G., Bowie D. (2005). 'Place Branding and Public Diplomacy'. *Henry Stewart Publications*, 1 (11), p. 402–419.
14) Douglas S. P., Craig C. S., Nijssen E. J. (2001). 'Integrating Branding Strategy Across Markets: Building International Brand Architecture', *Journal of International Marketing*, 9 (8), p. 97-114.
15) Fazio R. H. (1987), 'Category-Brand Associations and Their Activation From Memory', *Ogilvy Center for Research and Development*, San Francisco, CA
16) Fournier, S. M. (1998). 'Consumers and their brands: Developing relationship theory in consumer research'. *Journal of Consumer Research*, 24 (3), p. 343–373.
17) Fournier, S. M., J. L. Yao. (1997). 'Reviving brand loyalty: A reconceptualization within the framework of consumer-brand relationships', *Journal of ResearchMarketing*, 14, p. 451–472.
18) Fournier, S. M., S. Dobscha, D. Mick. (1998). 'Preventing the premature death of relationship marketing', *Harvard Bus*, 76 (1-2), p. 42–51.
19) Green P. E. and Yoram Wind (1975), 'New Ways to Measure Consumers' Judgments', *Harvard Business Review*, 53 (7/8), p. 107-17.
20) Green P. E. and V. Srinivasan (1978), 'Conjoint Analysis in Consumer Research: Issues and Outlook', *Journal of Consumer Research*, 5 (9), p. 102-23.
21) Green P. E. and V. Srinivasan (1990), 'Conjoint Analysis in Consumer Research: New Developments and Directions', *Journal of Marketing*, 54 (10), p. 3-19.
22) Jacoby Jerry C. Olson, and Rafael A. Haddock (1971), 'Price, Brand Name, and Product Composition Characteristics as Determinants of Perceived Quality', *Journal of Applied Psychology*, 55 (12), p. 570-9.
23) Jones, T. O., & Sasser, J. W. E. (1995), 'Why satisfied customers defect', *Harvard Business Review*, 73 (6), p. 88–99.
24) Keller, K.L. (1993).'Conceptualizing, measuring and managing customerbased brand equity', *Journal of Marketing*,57 (1), p. 1-22
25) Keller, K. L. (2001), 'Building customer-based brand equity: A blueprint for creating strong brands'. *Journal of Marketing Management*, 10 (7), p. 15–19.
26) Keller, K. L., B. Sternthal, A. Tybout(2002), 'Three questions you need to ask about your brand', *Harvard Bus*, 80(9),p. 80–89.
27) Keller, K. L. και Lehmann D. R. (2006), 'Brands and Branding: Research Findings and Future Priorities', *Journal of Marketing Science*,25 (11), p. 740-759
28) Kotler, P. (2003) *Marketing Management*, 11th Edition. New Jersey: Pearson Education Inc,
29) Kotler, P., K. L. Keller (2006), *Marketing Management*, 12th Edition. Upper Saddle River NJ: Prentice-Hall
30) Laforet, S & Saunders (2007), 'How brand portfolios have changed: a study of grocery suppliers brands from 1994 to 2004', *Journal of Marketing Management*, 23 (2), p. 39-58

31) Levy S. J. (1978), *Marketing Behavior: Its Meaning for Management*. New York: AMACOM.

32) Levy S. J. (1981), 'Interpreting Consumer Mythology: A Structural Approach to Consumer Behavior', *Journal of Marketing*, 45 (8), p. 49-61.

33) Levy S. J. (1985), 'Dreams, Fairy Tales, Animals, and Cars', *Psychology and Marketing*, 2 (2), p. 67-81.

34) Levy, S. J. (1999) *Brands, Consumers, Symbols, and Research: Sydney J. Levy on Marketing*. Thousand Oaks CA: Sage Publications.

35) McQuiston, D. H. (2004). 'Successful Branding of a Commodity Product: The Case of RAEX LASER Steel', *Industrial Marketing Management*, 33 (4), p. 345.

36) Mitra, D. and Golder, P.N. (2006), 'How does objective quality affect perceived quality? Short-term effects, long-term effects and asymmetries', *Marketing Science*, 25, p. 230-47

37) Muniz, A. M. and O'Guinn, T. (2001). 'Brand Community'. *Journal of Consumer Research*, 27, p. 412-432.

38) Nandan S. (2005), 'An exploration of the brand identity–brand image linkage: A communications perspective', *Journal of Brand Management*, 12 (4), p. 264–278

39) O'Malley, D. (1991). 'Brand Means Business'. *Accountancy*, 107, p. 107-108.

40) Oliver (1999), 'Whence consumer loyalty?', *Journal of Marketing*, 63 (4), p. 33–44.

41) Park, C. W., B. J. Jaworski, D. J. MacInnis. (1986), 'Strategic brand concept-image management', *Journal of Marketing*, 50 (10), p. 135–145.

42) Park, Chan-Su (1991), 'Estimation and Prediction of Brand Equities Through Survey Measurement of Consumer Preference Structures', *Graduate School of Business, Stanford University*, unpublished doctoral dissertation proposal.

43) Rangaswamy, Arvind, Raymond Burke, and Terence A. Oliva (1990), 'Brand Equity and the Extendibility of Brand Names', The Wharton School, The University of Pennsylvania, Working Paper p. 90-019

44) Reichheld, F. (1994), 'Loyalty and the renaissance of marketing', *Marketing Management*, 2 (4), p. 10–21.

45) Reichheld, F., & Markey Jr., R. G. (2000), 'The loyalty effect – The relationship between loyalty and profits', *European Business Journal*, 12 (3), p. 134.

46) Ryder, I. (2004). 'Anthropology and the Brand', *Journal of Brand Management*, 11, p. 346-356.

47) Schiffman, L.G. and Kanuk, L.L., (2000) 'Consumer Behavior', *Journal of Consumer Research*, 12 (12), p. 251-264

48) Schmitt, B. H. (1999). *Experiential Marketing: How to Get Customers to Sense Feel, Think, Act and Relate to Your Company and Brands*. New York: Free Press.

49) Schmitt, B. H. (2003), *Experience Management: A Revolutionary Approach to Connecting with Your Customers*. Hoboken, NJ: John Wiley & Sons.

50) Schultz, D. E. and Schultz, H. (2002). *IMC,The Next Generation: Five Steps for Delivering Value and Measuring Returns Using Marketing Communication*, CA: McGraw-Hill

51) Schultz, D. E. (2005). 'The loyalty paradox'. *Marketing Management*, 14 (5), p. 10–11.

52) Sirgy, M.J. (1982), 'Self-concept in consumer behavior: a critical review', Journal of Consumer Research, 9, p. 287-300

53) Srinivasan, V. (1979), 'Network Models for Estimating BrandSpecific Effects in Multi-Attribute Marketing Models', *Management Science*, 25 (1), p. 11-21.

54) Swan, J. E. and Nolan, J. J. (1985). 'Gaining Customer Trust: A Conceptual Guide for the Salesperson', *Journal of Personal Selling and Sales Management*, 5 (2), p. 39-48.

55) Taylor, T. B. (1998). 'Better loyalty measurement leads to business solutions',

56) Webster, F. E. (2000). 'Understanding the Relationships among Brands, Consumers, and Resellers', *Journal of Academy of Marketing Science*, 28 (1), p. 17-24

57) Zeithaml, V.A. (1988), 'Consumer perceptions of price, quality, and value: a means-end model and synthesis of evidence', *Journal of Marketing*, 52 (3), p. 2-22

58) Zeithaml, V. A., Berry, L. L. and Parasuraman, A. (1993). 'The Nature and Determination of Customer Expectation of Service', *Journal of Academy of Marketing Science*, 21 (1), p. 1-12.