Chapter 13

To consolidate your learning, the key points from this chapter are summarized here:

■ Explain the characteristics and principal types of brand and branding.

Brands are products and services that have added value. Brands help customers to identify and differentiate between the various offerings. There are three main types of brand—that is, manufacturer, distributor, and generic.

■ Discuss ways in which brands work through associations and personalities.

Brands are capable of triggering associations in the minds of consumers. These associations may sometimes enable consumers to construe a psychosocial meaning associated with a particular brand. This psychosocial element can be measured in terms of the associations consumers make across five key dimensions: sincerity; excitement; competence; sophistication; and ruggedness. Brand personality provides a form of identity for consumers that expresses symbolic meaning for themselves and for others.

■ Examine how branding has evolved, utilizing relational and co-creation perspectives.

Definitions and types of brand have evolved and emerged as potentially powerful socio-cultural concepts in which relational and community issues replace the former managerial perspective involving senders and receivers, and the control of one party over another. A co-created brand or customer branding can be seen when a customer attaches a name, term, or other feature that enables them to identify one seller’s goods or service as distinct from those of other sellers.

■ Explain how brands can be built.

Keller’s brand pyramid consists of several building blocks and brands are built through a series of steps. The first enables customers to identify with the brand and helps them to make associations with a specific product, class, or customer need. The second step establishes what the brand means by linking various tangible and intangible brand associations. The third step encourages customer responses based around brand-related judgements and feelings. The final step is about fostering an active relationship between customers and the brand.

■ Describe the principal issues associated with branding in services, business-to-business, internal, and global contexts.

Branding is important in various sectors. These include services, because the intangibility of services requires that customers be helped to understand the value associated with a service offering. In business markets, branding is increasingly regarded as important because research shows that buyers make decisions based on emotional benefits and self-expressive benefits, not only on utilitarian elements. Employees are an integral part of a customer’s brand experience and the management of global brands requires there to be brand consistency across all markets.

■ Explore the issues and activities associated with brand equity, and demonstrate why branding is important to marketing managers.

Brand equity is a measure of the value of a brand. It is an assessment of a brand’s wealth, sometimes referred to as goodwill. Financially, brands consist of their physical assets plus a sum that represents their reputation or goodwill, with the latter far exceeding the former. There are two main views about how brand equity should be valued—namely, the financial and marketing perspectives.