

Brand Management and its Importance

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Abstract: “You have to maintain and replenish a brand over time or it will die.” Brand Management has become increasingly important for today’s businesses. According to them brand acts as a link between organization and its audience. Brand management is the science of crafting and sustaining a brand. This means defining the brand, positioning the brand, and delivering the brand value constantly. A robust brand differentiates its products from the competitors and gives your business boost on the others, allowing you to increase sales and grow your business.

Keywords: Branding, Loyalty, Consistency, Flexibility, Tactics

1. Introduction

In general Brand management means “the activity of supervising the promotion of a particular brand of goods”. Brand management begins with having a thorough knowledge of the term “brand”. It means defining the brand, positioning the brand, and delivering the brand. Brand management is nothing but an art of creating and sustaining the brand. Branding makes customers committed to your business. A strong brand differentiates your products from the competitors. It gives a quality image to your business. Brand management includes managing the tangible and intangible characteristics of brand. In case of product brands, the tangibles include the product itself, price, packaging, etc. While in case of service brands, the tangibles include the customers’ experience. If done right, you can even create a brand that is able to break through the noise and create brand loyalty. Effective brand management enables the price of products to go up and builds loyal customers through positive brand associations and images or a strong awareness of the brand.

2. Literature Review

Why is Brand Management Important

Brand management is everything. Especially in the coming years, in a world where consumers make split-second decisions on their opinion of a company based on whatever information is immediately accessible, the manner in which companies are able to portray themselves to the public will greatly influence the public’s view of them. In fact, in many cases brand and image are equally important than product. It has been shown that a company’s ability to successfully market itself effects sales more positively than product quality or any other asset. In coming years, many businesses will fail or succeed depending on their ability to successfully brand themselves.

“Image is everything “If you have bad branding, you have poor sales, poor client retention, and weak growth. Branding defines how you are viewed by customers and by the industry. The true value of your product or service is unfortunately hidden underneath misleading layers of press, media, word of mouth, publicity all which make up your unique brand. If you want to stand out in the market for long run, you need to focus on branding more than ever.

The most important part of brand management is ongoing maintenance and control. Proper brand management involves making sure that each promotional piece, touch point and every usage of company’s name, logo and message supports organization and goals by reinforcing its brand in the intended way. This allows companies continue to strengthen the association brand imprints on its customers. Even the best brands can fall apart if not managed properly.



Components for a Comprehensive Branding Strategy for effective Brand Management

Purpose:

Every brand makes a promise. But in a marketplace in which consumer confidence is low and budgetary vigilance is high, it’s not just making a promise that separates one brand from another, but having a defining purpose.

Consistency

The key to consistency is to avoid talking about things that don't relate to or enhance your brand. In an effort to give your brand a platform to stand on, you need to be sure that all of your messaging is cohesive. Ultimately, consistency contributes to brand recognition, which fuels customer loyalty.

To see a great example of consistency, let's look at Coca-Cola. As a result of its commitment to consistency, every element of the brand's marketing works harmoniously together. This has helped it become one of the most recognizable brands in the world.

Emotion

Customers aren't always rational. How else do you explain the person who paid thousands of dollars more for a Harley rather than buying another cheaper, equally well-made bike? There was an emotional voice in there somewhere, whispering: "Buy a Harley."

But why?

Harley Davidson uses emotional branding by creating a community around its brand. It began HOG - Harley Owners Group, to connect their customers with their brand.

Flexibility

In this fast-changing world, marketers must remain flexible to stay relevant. On the plus side, this frees you to be creative with your campaigns.

Loyalty

If you already have people that love you, your company, and your brand, don't just sit there. Reward them for that love. These customers have gone out their way to write about you, to tell their friends about you, and to act as your brand ambassadors. Cultivating loyalty from these people early on will yield more returning customers -- and more profit for your business. Sometimes, just a thank you is all that's needed. Other times, it's better to go above and beyond. Write them a personalized letter. Send them some special swag. Ask them to write a review, and feature them prominently on your website.

Competitive Awareness

Take the competition as a challenge to improve your own strategy and create greater value in your overall brand. You are in the same business and going after the same customers, right? So watch what they do.

Do some of their tactics succeed? Do some fail? Tailor your brand positioning based on their experience to better your company.

Brand Development Process



Benefits of Brand Management

In the present scenario of intense competition every company is competing with each other trying to create a unique identity for themselves. In this process brand management helps the company to achieve its goals. A good brand management leads to:

- Improved perception of product performance.
- Greater loyalty.
- Less vulnerability to competitive marketing actions.
- Less vulnerability to crisis.
- Greater trade operations.
- Larger margins.

- Easier to support the brand promise.
- Help the companies to maintain its position in the market.

Why Organizations Need Brand Management

For every company brand management is the analysis and planning on how that brand is perceived in the market. Developing a good relationship with the target market is essential for brand management. Given the rising attention paid to brands and their management, Strategic Brand Management has emerged as a key management principle.

It has been observed that in the present day business world it is quite difficult to make a proper brand management plan, and hence brand strategy is used to manage the brands. The aim of a brand strategy is to enhance the internal and external opportunities of the brand.

The brand strategy must be strategic, visionary and proactive rather than tactical and reactive. It's like choosing the best suitable strategy for a brand and then keeps on adding the quality add-on to it.

“Strategic brand management involves the design and implementation of marketing programs and activities to build, measure, and manage brand equity.” These concepts and techniques are to improve the long-term profitability of your brand strategies.

Strategic Brand Management Process



L'OREAL and Its Brand Management



L'Oreal is one of the most well-known and recognizable brands in the world. With a long history of celebrity endorsement and cutting edge campaigns, the 'world leader in beauty' has a presence in more than 130 countries across the world, with more than 32 well-known brands within its group.

Branding Strategy of L'Oreal has enabled the company to manage and spread its brand not only in Europe but also in Asia and Latin America. In the year 2005, the Brand L'Oreal was ranked first among all the cosmetics companies of the world. Over the years, the company is successfully producing and selling different cosmetic products, hair care and skincare products in different parts of the world. This has been possible because of the well-established Brand Name and Brand Image of L'Oreal. This successful Global Branding Strategy of L'Oreal helped the company to earn significant levels of revenue in the past years.

Brand Strategy of L'oreal

- Maybelline's success proved L'Oreal's philosophy by embracing two different cultures (French and American)
- L'Oreal acquired several unknown brands and gave a facelift, repacked and marketed them aggressively.
- Promoted brands according to their national culture.
- Maintain image with the help of research centers in Paris and New York.

Challenge faced by L'Oreal

To keep the different brands in one basket and yet keeping the differentiation.

Strategy

Good brand management by hitting the right audience with right products.

3. Limitations

Complex

The brand management process is complex. This is especially true for organizations that offer a range of services and products. The process entails extensive research, including market research, marketing audit, competitive audit and usability, and a clear branding strategy. Furthermore, a brand identity is only truly successful when customers closely identify with the brand. This happens when a brand caters to customer requirements and preferences. Marketers have to keep this in mind and ensure that the brand identity is aligned with, and relevant to, its customers.

Expensive to Design

Designing and creating a brand identity is expensive and time consuming. Brands either delegate the task to their marketing teams or hire consultants who charge by the hour and spend many hours in close consultation with managers before they decide on the brand logotype, color, typography, sound, motion and other key elements of the brand identity design. Trial applications are run before the identity is presented for approval. The approved identity is then trademarked and translated to the company website, business cards, letterheads, packaging and advertising. Each step of the process entails heavy funding and expenses.

Difficult to Maintain

It is not always easy for companies to maintain brand identity. This is because of changing customer preferences, product or service diversification or company expansion. Marketers must choose marketing channels carefully so as to not tarnish the brand identity. For example, a company that manufactures top-of-the-line electronic equipment may hurt its brand identity by renting out shelf space in a discount or bargain store. This also makes sustaining brand identity difficult.

Difficult and Expensive to Change

Changing and modifying brand identity is difficult and entails extensive planning and managerial skills. Managers responsible for the change are required to possess sound public relations, branding, communications, productions, marketing and management expertise. Information about the change must be conveyed to customers and other

stakeholders. Change often is met with resistance and a brand may lose valuable customers. Furthermore, changing brand identity is expensive as it directly affects numerous applications and each needs to be subsequently changed, including business cards, stationery, forms, marketing materials, websites, directory listings, name tags, uniforms and signage.

4. Conclusion

Through this paper I have stressed that brands drive business in the new world. Only by allowing this to happen can companies achieve true consumer-centricity. The other side of this “coin” is that, while companies may initially create them, brands are built and “owned” by customers, with companies merely having custody of them. It is therefore vital that brands understand their consumers.

Brand management has now changed in its emphasis; it isn't so much about persuading consumers to prefer your brand, but more about understanding consumers so well that you can give them a brand that really adds value to their lives. The brand has to become a part of them.

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