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**Internal Assessment Test - I**

Sub:	Strategic Brand Management	Code:	20MBAMM403
Date:	09 Aug '24	Duration:	90 mins.
		Max Marks:	50
		Sem:	2
		Branch:	MBA
<b>SET- I</b>			

		Marks	OBE	
			CO	RBT
<b>Part A - Answer Any Two Full Questions ( 2* 20 = 40 marks)</b>				
1 (a)	<p><b>Define the term "Brand" as given by AMA.</b> The American Marketing Association (AMA) defines a brand as a "name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers. Therefore it makes sense to understand that branding is not about getting your target market to choose you over the competition, but it is about getting your prospects to see you as the only one that provides a solution to their problem.</p>	[03]	CO1	L1
(b)	<p><b>Trace the evolution of brands</b> The concept of branding has a rich history, dating back to the 13th century when "brand" in ancient Scandinavia referred to "to burn," symbolizing the practice of branding cattle for identification.</p> <p>The 19th-century Industrial Revolution increased the need for companies to distinguish themselves, introducing registered trademarks to protect brand identity. In the early 20th century, we witnessed the rise of global brands using print media for visual and narrative differentiation. The mid-20th century they brought a transformative shift with the advent of radio and television, enabling brands to create auditory and emotional connections with consumers.</p> <p>Social media has revolutionized branding, with brands using apps, custom URLs, and hashtags to enhance visibility and connect with audiences. Data-driven strategies, including targeted email and social media campaigns, further amplify brand reach. This dynamic evolution underscores how branding continually adapts to resonate with audiences in new and impactful ways</p>	[07]	CO1	L4
(c)	<p><b>Interpret the thought that “anything can be branded in business.” Explain the challenges involved in branding retail business and strategies for developing a retail brand.</b> Ultimately a brand is something that resides in the minds of consumers: it reflects their perceptions. Marketers must give consumers a label for the product (how you can identify it) and provide meaning for the brand (what it can do for you, and why it is special and different). The key to branding is that consumers perceive differences</p>	[10]	CO1	L2

(related to attributes, the product/service itself, or intangible assets) among brands in a product category. Marketers can benefit from branding whenever consumers have to make a choice.

*Business-to-business* branding creates a positive image for the company as a whole. Goodwill with business customers is thought to lead to greater selling opportunities and more profitable relationships. A strong brand can provide valuable reassurance and clarity to business customers who may be putting their company's fate/their own careers on the line. A strong B2B brand can thus provide a strong competitive advantage.

*High-tech firms* often lack any kind of brand strategy and sometimes see branding as simply naming their products. However, marketing skills, besides product innovation, play an increasingly important role in the adoption and success of high-tech products. A challenge in marketing *services* is that they are intangible and more likely to vary in quality than products, depending on the particular people providing them. Brands can help identify and provide meaning to the different services provided by a firm. Branding can effectively signal to consumers that the firm has designed a particular service offering that is special and deserving of its name.

*Professional service branding* is a combination of B2B branding and traditional service branding. Corporate credibility is key and variability is more of an issue because it is harder to standardize the services of a consulting firm than those of a typical consumer services firm. In professional services individual employees have a lot more of their own equity in the firm and are often brands in their own right. They need to ensure that their words and actions help to build the corporate brand, and not their own because when they leave the company, they will then take their equity with them. Referrals, testimonials, emotions and switching costs can have a lot of influence when branding services.

To *retailers and distributors*, brands can generate consumer interest, patronage, and loyalty in a store. Retailers can create their own brand image by attaching unique associations to the quality of their service, their assortment, and their pricing policy. The more appealing the brands they offer, the higher the possible price margins, sales volumes, and profits. Store brands/private label brands = retailers/distributors creating their own brands by using their store name, to increase customer loyalty and generate higher margins and profits.

- Retailers and distributors have important role in branding functions.
- They can generate interest, patronage and loyalty in store – You are what you sell
- Retailers do:
  - Private-label brands
  - EDLP
  - Various formats for different customer groups
  - Customer experience

*Online marketers* must also create unique aspects of the brand on a dimension that is important to consumers. At the same time, the brand needs to perform satisfactorily in other areas such as customer service. By offering unique features and services to consumers, the best online brands are able to rely on word-of-mouth and publicity

while avoiding extensive advertising. Online brands also need to focus on offline activities to draw consumers to their websites.

*People and organizations* often have well-defined images that are easily understood and (dis)liked by others. They compete in some sense for public approval and acceptance, benefiting from conveying a strong and desirable image. By building up a name and reputation in a business context, you are creating your own brand as a person.

*Sports teams* engage in marketing to meet ticket sales regardless of their performance and to get sponsors. In the *arts and entertainment industries* marketing is used to generate positive word-of-mouth and to make consumers expect a certain experience. *Places* like cities or countries are marketed with the aim to create awareness and a favorable image of the location that will encourage temporary visits from tourists or permanent moves from individuals and businesses. Many nonprofit organizations brand *ideas and causes* to inform or persuade consumers about the issues surrounding such ideas/causes.

2 (a) **Define the term Strategic Brand Management**

[03]

CO2

L1

Strategic brand management refers to the way brands continuously develop and enhance their identity in order to achieve their long-term business goals. In today's competitive landscape, consumers are inundated with choices. To stand out, brands must take advantage of every opportunity to position themselves ahead of their competition, from establishing clear brand positioning to cultivating deeper connections with customers.

(b) **Explain the following terms in the context of brand management: (a) Mental maps, (b) PoP, (c) PoD, (d) Brand mantra.**

[07]

CO2

L2

**Mental maps:** Mind maps allow brand strategists to visualize their ideas and relationships between various elements of a brand's ecosystem. This includes how brand values align with customer expectations, the interplay between different marketing channels, and the cohesion of brand messaging across platforms. By seeing these elements visually represented, strategists can identify synergies and discrepancies more easily, ensuring a unified brand narrative.

**PoP:** Point of Parity is are elements that a brand needs in order to be considered in the eyes of the consumer. This is where a brand may have similarities to others—leading consumers to believe that brand is “good enough” to be included in the conversation.

**PoD:** Point of Difference is a phrase used to describe the areas where brands differentiate themselves from others. Many strategists believe that this is the way to come out on top in terms of brand preference.

**Brand Mantra:** The brand mantra is a short 3-5 word expression of the brand positioning designed to capture and convey the meaning of the most important aspect of its positioning.

(c)	<p>Explain the strategic brand management process.</p> <p>The strategic brand management process refers to the activities and steps involved in creating, developing, and maintaining a brand's identity and reputation in the marketplace. It comprises the following four steps:</p> <ol style="list-style-type: none"> <li>1. Identifying and developing brand plans</li> <li>2. Designing and implementing brand marketing programs</li> <li>3. Measuring and interpreting brand performance</li> <li>4. Growing and sustaining brand Equity</li> </ol> <p><b>1. Identifying and Developing Brand Plans</b></p> <p>The strategic brand management process begins with clearly understanding what the brand showcases and how it should be positioned with its competitors. This is achieved through brand planning, which involves using three interlocking models.</p> <p><b>Brand Positioning Model</b></p> <p>It guides how to market the brand effectively to maximize its competitive advantages. This involves identifying the brand's unique features, benefits, target audience, and needs and preferences.</p> <p><b>Brand Resonance Model</b></p> <p>This involves creating a sense of loyalty and emotional connection between the customer and the brand. It promotes repeat purchases and positive word-of-mouth recommendations. It describes creating intense, active customer loyalty relationships.</p> <p><b>Brand Value Chain</b></p> <p>It is used to track the brand's value creation process. This allows companies to understand better the financial impact of their brand marketing expenditures and investments and identify areas for potential improvement.</p> <p><b>2. Designing and Implementing Brand Marketing Programs</b></p> <p>It is essential to establish a strong brand position in customers' minds. It is essential to develop brand equity and foster deep customer loyalty. This process involves three critical factors:</p> <p><b>Brand Element</b></p> <p>The initial choices of the brand's visual, verbal, and sensory elements, including the brand name, logo, slogan, packaging, and overall design, should be combined to reinforce the brand's unique identity and value proposition.</p> <p><b>Marketing Activities</b></p> <p>The marketing mix and supporting programs that promote the brand and create a distinctive brand image. The brand should be integrated into marketing campaigns. Moreover, communications create a consistent message reinforcing the brand's values and benefits.</p> <p><b>Other Associations</b></p> <p>Other indirect associations, such as the company, country of origin, distribution channel, or other brands, may be linked to the brand. These associations can be leveraged to enhance the brand's reputation, value, and customer appeal.</p> <p><b>3. Measuring and Interpreting Brand Performance</b></p> <p>An effective brand equity measurement system is essential for managers to manage their brands profitably. Implementing such a system involves three key steps: conducting brand audits, designing brand tracking studies, and establishing a brand equity management system.</p>	[10]	CO2	L3
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Determining or evaluating a brand's positioning often benefits from a brand audit. Once marketers have determined the brand positioning strategy, they can implement marketing programs to create, strengthen, or maintain brand associations. Brand tracking studies collect information from consumers on a routine basis. Experts do it through quantitative brand performance measures on several key dimensions, which marketers can identify in the brand audit or other means.

**4. Growing and Sustaining Brand Equity**

Maintaining and expanding brand equity can be quite challenging. Brand equity management activities take a broader and more diverse perspective of the brand's equity understanding. For instance- how branding strategies should reflect corporate concerns and adjust them. Also, if at all, over time, geographical boundaries, multiple market segments, etc.

3 (a)

**Define brand equity.**

Brand equity is a marketing term that describes a brand's value. That value is determined by consumer perception of and experiences with the brand. If people think highly of a brand, it has positive brand equity. When a brand consistently under-delivers and disappoints to the point where people recommend that others avoid it, it has negative brand equity.

[03]

CO3

L1

(b)

**Summarize the major benefits of improving brand loyalty among the customers?**

**1. Customer loyalty reduces marketing costs**

It's no secret that **it costs more to acquire new customers than to keep existing ones loyal.**

After all, with loyal customers, companies don't have to spend as much on marketing and they can focus on delighting them and selling more to them.

Plus, it's easier to keep loyal customers around than to find new ones, so businesses can count on a steady income and a happier life.

Let's not forget that loyal customers are likely to recommend the business, which can be beneficial in the long run!

**2. Customer loyalty generates more profit**

**Loyal customers are more likely to purchase** products, services, and upgrades.

A study shows that :

- increasing customer retention by just 5% boosts a company's profits by 25% to 95%!
- chances of selling to already existing customers are way higher than those of selling to a new prospect - 60 to 70% vs 5 to 20%.
- existing customers are way more likely to give new products a go and spend a lot more than new customers (50% vs. 31%).

Taking steps to increase customer loyalty is a great way to boost profits and grow your business.

**3. Customer loyalty leads to deeper relationships with customers**

Let your customers know you're looking out for them by paying attention to what they want and need.

Showing that you care will lead to **stronger relationships and more loyalty** in the long run.

**4. Customer loyalty increases ROI**

It's a fact: most businesses don't have a lot of resources to go out and acquire new customers. That's why it's essential to build customer loyalty and grow your customer base through repeat business.

Loyal customers are invaluable - not only will they purchase your products and services, they'll also spread the word and recommend your company to their friends

[07]

CO3

L5

and family. Customer loyalty has a massive effect on a business's revenue and overall success.

**5. Customer loyalty boosts customer lifetime value**

Customers who are loyal to a business will be more likely to make repeat purchases, refer their friends and family, and provide positive reviews and feedback. This can lead to **increased sales and increased customer lifetime value** in the long run. It also helps businesses build relationships with their customers and create a sense of trust, which can lead to even more purchases in the future. Loyal customers are also more likely to stay with a business even when faced with competitors offering better deals or products. This loyalty can help businesses retain customers, which in turn boosts customer lifetime value.

**6. Customer loyalty builds brand ambassadors**

Having a loyal customer base is an awesome opportunity to take your business to the next level! These customers will be your biggest champions, helping you spread the word about your products and services. It's one of the best investments you can make for your business.

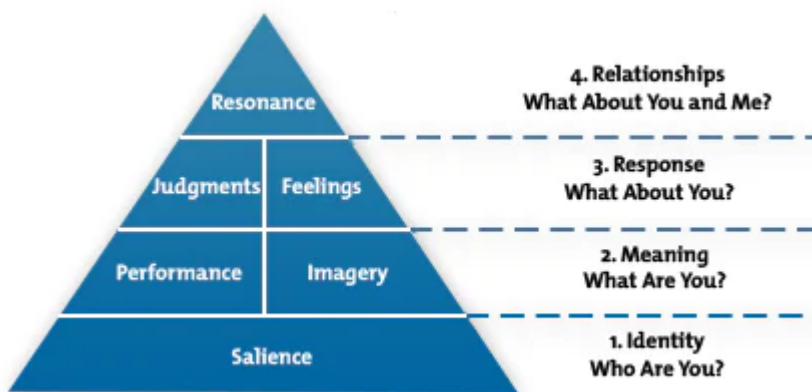
(c) **Illustrate the Keller's CBBE Model using the block diagram and explain the concept.**

[10]

CO3

L4

Keller's Brand Equity Model (also known as the Customer-Based Brand Equity (CBBE) Model) was first developed by marketing professor, Kevin Lane Keller, in his widely-used textbook, "Strategic Brand Management."



**Step 1: Brand Identity – Who Are You?**

First, your goal is to create "brand salience," or awareness – in other words, you need to make sure that your brand stands out, and that customers recognize it and are aware of it.

You're not just creating brand identity and awareness here; you're also trying to ensure that brand perceptions are "correct" at key stages of the buying process. Start by getting to know who your customers are. Research your market to gain a thorough understanding of how your customers see your brand, and explore whether there are different market segments with different needs and different relationships with your brand.

Then, identify how your customers narrow down their choices and decide between your brand and those of your competitors. Ask yourself: What decision-making processes do your customers go through when they choose your product?

How are they classifying your product or brand?  
How well does your brand stand out from other, similar ones?  
You are able to sell your product because it satisfies a particular set of your customers' needs; this is your unique selling proposition, or USP. You should already be familiar with these needs, but it's important to communicate to your customers how your brand fulfills these. Do they fully understand these USPs when they're making their buying decisions?

By the end of this step, you should understand whether your clients perceive your brand as you want them to, or whether there are specific perceptual problems that you need to address. Do you need to adjust your product or service, or adjust the way that you communicate your brand messages?

### **Step 2: Brand Meaning – What Are You?**

Identify and communicate what your brand means to your customers, and what it stands for. Do this by considering your brand in terms of "performance" and "imagery":

**Performance** defines how well your product meets your customers' needs. According to Keller's model, performance consists of five categories: primary characteristics and features; product reliability, durability, and serviceability; service effectiveness, efficiency, and empathy; style and design; and price.

**Imagery** refers to how well your brand meets your customers' needs on a social and psychological level. Your brand can meet these needs directly, from a customer's own experiences with a product; or indirectly, with targeted marketing, or by word of mouth.

The experiences that your customers have with your brand come as a direct result of your product's performance. Your product must meet, and, ideally, exceed their expectations if you want to build loyalty.

Use the Critical to Quality Tree and Kano Model Analysis models to identify your customers' needs, and then explore how you can translate these needs into a high-quality product.

Next, think carefully about the type of experience that you want your customers to have with your product. Take both performance and imagery into account, and create a "brand personality." Again, identify any gaps between where you are now and where you want to be, and look at how you can bridge these.

A good example of "brand meaning" in action is that of outdoor clothing and equipment company, Patagonia®, which makes high-quality products from recycled materials.

Patagonia's brand performance demonstrates its reliability and durability. People know that their products are well designed and stylish, and that they won't let them down. Patagonia's brand imagery is enhanced by its commitment to several environmental programs and social causes; and its strong "reduce, reuse, recycle" values, which makes customers feel good about purchasing its products.

### **Step 3: Brand Response – What Do I Think, or Feel, About You?**

Your customers' responses to your brand will typically fall into two categories: "judgments" and "feelings."

The judgments they make tend to center around the following four categories.

**Quality** – customers judge a product or brand based on its actual and perceived quality. Think about what you can do to improve these two types of quality when it comes to your product or brand.

**Credibility** – customers judge credibility using three dimensions: expertise (which includes innovation), trustworthiness, and likability. Ask yourself, how you can improve your credibility in these three areas. For example, could you use research to support your key messages and promote this research on your brand packaging or in a marketing campaign?

**Consideration** – customers judge how relevant your product is to their unique needs. Use the consumer research you carried out in step one to help you to identify your customers' specific needs. Then, clarify how you are addressing these needs and what you are doing to communicate how you support them.

**Superiority** – customers assess how superior your brand by comparing you with competitor brands. Ask yourself, honestly, how well does your brand measure up to your competitors? Is there anything extra or special that your competitors offer that you don't, or vice versa? What more could you do?

Customers also respond to your brand according to how it makes them feel. Your brand can evoke feelings directly, but customers will also respond emotionally to how a brand makes them feel about themselves. According to the model, there are six positive "brand feelings" customers can get from a product or service they use: warmth, fun, excitement, security, social approval, and self-respect.

Think carefully about the six feelings listed above. Which, if any, of these does your current marketing strategy focus on? What can you do to enhance these feelings in your customers?

#### **Step 4: Brand Resonance – How Much of a Connection Would I Like to Have With You?**

Brand "resonance" sits at the top of the brand equity pyramid because it's the most difficult – and the most desirable – level to reach. You have achieved brand resonance when your customers feel a deep, psychological bond with your brand. Keller breaks resonance down into four categories:

**Behavioral loyalty** – this includes regular, repeat purchases.

**Attitudinal attachment** – your customers love your brand or your product, and they see it as a special purchase.



**Sense of community** – your customers feel a sense of community with people associated with the brand, including other consumers and company representatives.

**Active engagement** – this is the strongest example of brand loyalty. Customers are actively engaged with your brand, even when they are not purchasing it or consuming it. This could include joining a club related to the brand; participating in online chats, marketing rallies, or events; following your brand on social media; or taking part in other brand-related activities.

Your goal, in the last stage of the pyramid, is to strengthen your brand resonance in each of the four categories listed above.

For example, to enhance behavioral loyalty, you could consider offering free gifts with every purchase, or creating a customer loyalty card scheme. Ask yourself what you can do to reward customers who are champions of your brand as well. What events could you plan and host to encourage customer involvement? For example, could you participate in relevant industry events or exhibitions, or setup in-store product demonstrations?



4	<p><b>Part B - Compulsory (01*10=10 marks) – CASE STUDY</b></p> <p>Cleveland-based Eaton Corporation is a diversified industrial manufacturer with sales of more than \$20 billion through its electrical, fluid power, truck and automotive business. Eaton pioneered the concept that electricity is a tangible and highly manageable resource called Power Chain that can be managed to help companies, institutions and homeowners optimize the use of electrical power. Based on the above brief, answer the below questions</p>			
	<p>Being an industrial product, outline the challenges that Eaton might have come across in branding their business. Elaborate the challenges discussed in the below given slide to the given company</p> <p><b>1. Physical Goods</b></p> <ul style="list-style-type: none"> <li>○ Traditionally associated with brands</li> <li>○ Many are best known <ul style="list-style-type: none"> <li>■ Coca-Cola, Kellogs, Samsung, Colgate etc.</li> </ul> </li> <li>○ They are directly sold or promoted to consumers <ul style="list-style-type: none"> <li>(a) B2B also started recognizing the need for having strong brands <ul style="list-style-type: none"> <li>● Complexity is that many people involved. This requires adjustments in marketing programs &amp; marketing communications.</li> <li>● For ex: The Pharma industry</li> <li>● Challenge for B2B brands are “how to decommoitize”</li> </ul> </li> </ul> </li> </ul> <div style="display: flex; align-items: center; margin-top: 10px;">  <div> <p>Emphasize corporate name that focus on</p> <ul style="list-style-type: none"> <li>- Innovation</li> <li>- Performance</li> <li>- integrity</li> </ul> </div> </div>	[5]	CO2	L4
(b)	<p>Develop some specific strategies for Eaton to successfully brand its business. Elaborate the strategies in the below given slides to the given company</p> <p><b>1. Physical Goods</b></p> <ul style="list-style-type: none"> <li>○ Traditionally associated with brands</li> <li>○ Many are best known <ul style="list-style-type: none"> <li>■ Coca-Cola, Kellogs, Samsung, Colgate etc.</li> </ul> </li> <li>○ They are directly sold or promoted to consumers <ul style="list-style-type: none"> <li>(a) B2B also started recognizing the need for having strong brands <ul style="list-style-type: none"> <li>● Complexity is that many people involved. This requires adjustments in marketing programs &amp; marketing communications.</li> <li>● For ex: The Pharma industry</li> <li>● Challenge for B2B brands are “how to decommoitize”</li> </ul> </li> </ul> </li> </ul> <div style="display: flex; align-items: center; margin-top: 10px;">  <div> <p>Emphasize corporate name that focus on</p> <ul style="list-style-type: none"> <li>- Innovation</li> <li>- Performance</li> <li>- integrity</li> </ul> </div> </div>	[5]	CO2	L6

Course Outcomes (COs)		P O 1	P O 2	P O 3	P O 4	P O 5	P S O 1	P S O 2	P S O 3	P S O 4
CO1:	Comprehend & correlate all the management functions to brand creation	1a					1a			
CO2:	Ability to develop the branding strategies	2a	1b, 2b, 2c		1c		2a, 2b, 2c	1b		
CO3:	Demonstrate their acumen in applying managerial and behavioral concepts in creating brand equity	3a	3b, 3c			4a, 4b	3a, 3b,	3c, 4a, 4b		
CO4:	Ability to analyze the global brands and their SWOT.									

Cognitive level	KEYWORDS
L1 - Remember	list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.
L2 - Understand	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
L3 - Apply	calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify
L4 - Analyze	classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select
L5 - Evaluate	asses, decide, choose, rank, grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate
L6 - Create	design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate

**PO1–Theoretical Knowledge; PO2–Foster Analytical and Critical Thinking Abilities for data based decision making; PO3– Develop Value Based Leadership; PO4 –Ability to Understand and communicate various business aspects to global; PO5 – Ability to lead themselves and others in the achievement of organizational goals contributing effectively to a team environment;**

**PSO1- Comprehend Contemporary features of Business Management Science and its administration**

**PSO2- Analyze and interpret the dynamic situations for making Business Management strategies**

**PSO3- Handle responsibility with the ethical values for all actions undertaken by them**

**PSO4- Adapt and focus on achieving the organizational goal and objectives with complete zeal and commitment.**

CI

CCI

HOD