

# Brand architecture of bmw

[Design](#), [Architecture](#)



BMW is one of the most recognized premium car manufacturers in the world. Brand associated with quality, class, exceptional design, outstanding performance and innovation. BMW has a well-structured brand hierarchy where at the corporate brand level BMW pioneered the luxury sports car category by combining distinct style and performance consideration. BMW has a smart positioning with corporate brands and offers a large fleet of models that vary in price, quality and performance. Points of parity are that they are luxury vehicles and points of difference are BMW's performance features. Clear brand positioning and well-differentiated sub-brands shows in 1, 3, 5, 7 series. These brands cover different segments of the market in relation to price, size and quality.

New models introduced later to expand the brand portfolio like X3, X5, Z4, M3, and 6 series. The 1 & 3 series models brought new customers into the company's brand franchise, with the expectation that later these customers will be switching to higher priced models like 5 and 7 series (design to attracts rich and wealthy business people). BMW's branding approach helps the company to expand coverage throughout different segments and markets, provide brand protection and minimize overlapping.

Each of the sub brand names has a well-defined role and positioning, which does not overlay with the other sub brands. Individually each car model offers unique benefits to its client segment. BMW's brand hierarchy is characterized well in the firm's strategy by displaying the mutual characteristics of all BMW cars throughout its portfolio, which are linked with luxury, performance, joy of driving and quality. At the same time there are very clear distinctive features and uncommon characteristics of each of

these sub brands revealing their uniqueness and differentiation. For example, the 3series mid size luxury sedan targets drivers that are aged between 25-34 years of age with “ older body but younger in spirit”. These people see driving as an escape from their normal routine, and they are looking for a sedan that has some performance qualities. On the other hand the 7 series models targets the high-end sophisticated business consumers who desire to demonstrate success.

I would like to give an example of brand hierarchy for BMW (from top to bottom): corporate (or company brand) is the brand BMW, umbrella brand would be Mini series, the individual brand would be Mini Cooper, and lastly the modifier will be the Clubman model. Clarity and brand awareness is strongly implemented in BMW’s brand. This helps to improve consumer’s understanding about the product range and also communicate clearly the similarities and differences between the different models. BMW have a high level of awareness on recognition and recall.

This maximizes the transfer of equity from the brand to the individual models, which improves trials, and leads to repeat purchases. The image is favorable, strong and relevant. The most common association with BMW brand is performance, style and luxury. BMW’s principle in designing their brand portfolio is to maximize market coverage so that no potential customers are being ignored, but on the other hand minimize brand overlap, so that different models from the portfolio are not competing among themselves to gain the same customer’s support.

Each sub-brand has its own distinctive target market and positioning. As a result of BMW’s exceptional brand architecture in the last Global 500 brands

<https://assignbuster.com/brand-architecture-of-bmw/>

for 2012 survey, BMW scores very high. From all car manufacturers worldwide they ranked as the second best car manufacturer brand after Toyota (Brandirectory, 2012).

## **References:**

1. Bibliography Brandirectory. (2012). Global-500-2012. Retrieved from brandirectory. com: [http://brandirectory.com/league\\_tables/table/global-500-2012/](http://brandirectory.com/league_tables/table/global-500-2012/)