

# Brand equity

[Business](#), [Marketing](#)



Brand Equity of the of the Brand Equity Q. Identify a specific brand that has developed a high level of brand equity. In your opinion, what particular aspects of that brand have helped establish its equity?

### Introduction

Success in marketing today very much depends on an eclectic mix of new and repeat customers. In fact it is the repeat or returning customers that form the base of the business. However as they presumably cannot or do not return every day of the week, the gap will duly be filled by new customers entering the fold. Brand equity refers to the positive image and pleasant associations that a particular brand has in the mind of the consumer. Brand equity is a measure of brand loyalty, which in turn is caused by quality and consistency in product or service offerings. In my opinion, Starbucks Coffee is a brand that has developed a high level of brand equity.

### Discussion

The question arises that what creates brand equity and how can it be managed. For most people, a brand is simply a name given to a particular product or service that is manufactured or offered by a particular company. Thus the brand name in time becomes associated with the company and reflects its quality of products or services. If successful, the company can also increase the number of items in its product line depending on the good reputation and name of its original product or service. Customers are likely to buy and try the new products or services if they have a need for them. This is also because of the positive image they have of the company and its earlier offerings. Another way of seeing brand equity is that it is the value of your product or service to the customer- it is the reason why he prefers your

offering compared to others in the marketplace. This can be because of ambience, value for money, variety of offerings or any other reason. Here are some ways in which I think Starbucks has created its brand equity or value for the customer:

#### 1. Quality and Consistency of Products and Services:

Starbucks Coffee is known for the quality of its product offerings. Be it the rich brewed coffees and espresso-based hot and cold drinks, hot or cold sandwiches- everything spells quality. The customer can rely on this every time they walk into the store. What's more, this principal value is followed all across Starbucks stores worldwide (Assistant, 2009).

#### 2. A Good 'Live' Experience:

Most customers would equate Starbucks to a good live experience. If you are a regular customer, the hostess would not only remember your name, but also what you generally prefer and the quantity of sugar you like in your brew. The point that the coffee is made in front of you, where you can watch the process if you like, also helps Starbucks quality resonate in the mind of the customers.

#### 3. Stressing and Promoting the Idea of Local Community and Culture:

It is not surprising to find groups of friends or office colleagues coming here after work and sipping a cup before heading home. Thus Starbucks has developed a sense of community. Also, Starbucks has tried, wherever possible, to employ local staff and use some locally made produce or the other, if it meets quality standards. This not only gives the company a good name but earns respect among the local community and is good for the economy too. It shows that Starbucks respects and incorporates local culture

in its offerings.

#### 4. Good Choice of Locations, Cleanliness & Decor:

Starbucks' locations are well planned. Right from its early days, Starbucks has concentrated on opening its stores at highly visible, high traffic locations such as university campuses, office buildings and retail centers. This has always ensured a good flow of customers at the store. The cleanliness is exemplary while the décor of the store may have a mixture of local flavor to reflect what the community likes.

#### Conclusion

Some people have complained that Starbucks brand equity has reduced due to long customer wait times, high prices and its concentration on opening more stores rather than giving the customer a good time. Starbucks has closed 300 stores in the USA but continues to expand worldwide, wherever it sees opportunity for growth. The Starbucks brand and logo of a ' twin tailed siren' is recognizable worldwide.

#### References

Assistant (2009). 4 Steps to Create Brand Equity. Accessed on 09 March 2012 at <http://thepublicistsassistant.com/publicity/4-steps-to-create-brand-equity/>