

Branding is a major issue in product strategy essay sample

[Business](#), [Branding](#)



1. INTRODUCTION

Branding is a major issue in product strategy. On the one hand, developing a branded product requires a huge long-term investment, especially for advertising, promotion, and packaging.

Brand Management

If a brand is not effectively managed then a perception can be created in the mind of your market that you do not necessarily desire. Branding is all about perception. Brand management recognizes that your market's perceptions may be different from what you desire while it attempts to shape those perceptions and adjust the branding strategy to ensure the market's perceptions are exactly what you intend.

What is brand?

The American Marketing Association defines a brand as a name, term, sign, symbol, or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.

The word "brand", when used as a noun, can refer to a company name, a product name, or a unique identifier such as a logo or trademark. Today's modern concept of branding grew out of the consumer packaged goods industry and the process of branding has come to include much, much more than just creating a way to identify a product or company.

Branding today is used to create emotional attachment to products and companies. Branding efforts create a feeling of involvement, a sense of higher quality, and an aura of intangible qualities that surround the brand name, mark, or symbol. In essence, a brand identifies the seller or maker. Whether it is a name, trademark, logo, or another symbol, a brand is essentially a seller's promise to deliver a specific set of features, benefits, and services consistently to the buyers. The best brands convey a warranty of quality.

The level of marketing efforts depends on factors like product quality, size of the market, firm's familiarity with market, firm's resources, and growth of the market.

The benefits of a strong brand

Here are just a few benefits you will enjoy when you create a strong brand:

- * A strong brand influences the buying decision and shapes the ownership experience.

- * Branding creates trust and an emotional attachment to your product or company. This attachment then causes your market to make decisions based, at least in part, upon emotion- not necessarily just for logical or intellectual reasons.

A strong brand can command a premium price and maximize the number of units that can be sold at that premium.

- * Branding helps make purchasing decisions easier. In this way, branding delivers a very important benefit. In a commodity market where features and benefits are virtually indistinguishable, a strong brand will help your customers trust you and create a set of expectations about your products without even knowing the specifics of product features.
- * Branding will help you “ fence off” your customers from the competition and protect your market share while building mind share. Once you have mind share, your customers will automatically think of you first when they think of your product category.
- * A strong brand can make actual product features virtually insignificant. A solid branding strategy communicates a strong, consistent message about the value of your company. A strong brand helps you sell value and the intangibles that surround your products.
- * A strong brand signals that you want to build customer loyalty, not just sell product. A strong branding campaign will also signal that you are serious about marketing and that you intend to be around for a while. A brand impresses your firm’s identity upon potential customers, not necessarily to capture an immediate sale but rather to build a lasting impression of you and your products.
- * Branding builds name recognition for your company or product.
- * A brand will help you articulate your company’s values and explain why you are competing in your market.

2. Integrated Marketing Communications approach

A critical part of marketing is communications-and the most effective and productive way of managing this effort is through concept called Integrated Marketing Communications (IMC). The four " Ps" from Marketing, but it is worth seeing how they relate to the four " Cs" from the customer's perspectives. The first " P" is product, but really this is all about the customers' needs and wants. Which goods and services customers are looking for, what are the features/benefits in demand, what might be unfulfilled needs? The second " P" is price, but in fact, this has more to do with the cost to the consumer. What is their perception of value, how much are they able/willing to spend? The third " P" is place (or distribution), but what this means is the convenience to the customer to obtain the product. Where will it be sold, are there distribution channels, is the process simple and secure? And last but not least, is promotion; this is how we communicate with our customers. To promote yourself effectively, you need to understand your customers and their perspectives.

There are many possible objectives for promoting an organization-create awareness, stimulate demand, identify prospects, retain customers, combat the competition, etc. Whatever the objective, a good rule of thumb is to remember that your promotional efforts should capture the customers' attention, create interest, generate a desire and define an action to satisfy that desire-also known as AIDA.

Integrated marketing communications is a way of looking at the whole marketing process from the viewpoint of the customer. It involves the coordination of all promotional activities-media advertising, direct mail, personal selling, sales promotion and public relations-to produce a clear, unified, consistent and compelling customer-focused message about the organizations and its product. Databases, the Internet, and other sources have enabled us together powerful information quickly. Therefore, marketing communications are less mass-market oriented (broadcast) and more segment-oriented.

An effective IMC process comprises the following steps:

Identify the target audiences-this requires a well thought out market segmentation and targeting process which may include secondary and/or primary market research.

Determine the communications objectives-as stated previously, this can range from generating awareness to countering the competition.

Design the messaging content-this is an absolutely critical component. Effective messaging can make or break a promotional effort.

Select the means for communications.

Define the mix of media, budget and priorities.

Measure the effectiveness of the efforts.

Marketing communications comprises five broad categories: personal selling, advertising, public relations, direct marketing and sales promotions. Each has its own set of pros and cons and can be accomplished in a variety of ways. However, the key is to look at the available options in a comprehensive way and to ensure consistency throughout the selected media. The selection of communications methods is subject to a variety of factors.

The factors that influence the selection and effectiveness of a promotional mix include:

Fig. 1 various communication methods

Nature of the market (market size, geographic scope, type of customer, etc.)

Nature of the product (complexity of the product, service requirements, etc.)

Stage in the product life-cycle (earlier versus later stages of the life cycle)

Price (high versus low unit price)

Funds available for promotion

This funding point is very relevant to all companies. Budgeting is an essential function of the IMC process. The following items impact the budget determinations:

Percentage-of-sales method (a specified percentage of either past or forecasted sales)

Fixed-sum-per-unit method (predetermined dollar amount for each unit sold or produced)

Meeting competition method (match competitor's promotional outlays)

Task-objective method (amount and type of promotional spending needed to achieve promotional objectives)

Execution of the IMC plan also involves an evaluation process to ensure the effectiveness of the effort. There are two basic measurement tools. One is direct sales results in which you measure the effectiveness by identifying the specific impact on sales revenue for each dollar of promotional spending. The other is an indirect evaluation where you focus on certain measurable indicators of effectiveness.

Several significant and pervasive changes in the communications environment have contributed to the growing prominence of IMC. These are:

1. Fragmentation of media. Media options available to marketers have proliferated at an astounding rate. Broadcast media now offer "narrow-casting" so specific that advertisers can reach consumers at precise locations, such as airports and supermarket checkout counters. The proliferation and fragmentation of media have resulted in less reliance on mass media and more emphasis on other promotional options such as direct mail and event sponsorship.

2. Better audience assessment. More sophisticated research methods have made it possible to more accurately identify and target specific market

segments such as Asian Americans, teenagers, Hispanics, and dual-income households with no kids (DINKs). This leads the marketer away from mass media to promotional tools that reach only the segment that has been targeted.

3. Consumer empowerment. Consumers today are more powerful and sophisticated than their predecessors. Fostering this greater power are more single-person households, smaller families, higher education levels, and more experienced consumers. Empowered consumers are more skeptical of commercial messages and demand information tailored to their needs.

4. Increased advertising clutter. Not only are consumers becoming more sophisticated, they are becoming more jaded as well. The proliferation of advertising stimuli has diluted the effectiveness of any single message. There is no end in sight to this “ message” proliferation.

5. Database technology. The ability of firms to generate, collate, and manage databases has created diverse communications opportunities beyond mass media. These databases can be used to create customer and non-customer profiles. With this information, highly targeted direct response and telemarketing programs can be implemented.

6. Channel Power. In some product and market categories, there has been a shift in power away from big manufacturers toward big retailers. The new “ power retailers,” such as WalMart, The Gap, ToysRUs, and Home Depot, are able to demand promotional fees and allowances from manufacturers, which

diverts funds away from advertising and into special events or other promotions.

7. Accountability. In an attempt to achieve greater accountability for promotional spending, firms have reallocated marketing resources from advertising to more short-term and more easily measurable methods, such as direct marketing and sales promotion.

To better understand how the Integrated Marketing Communications Strategy works see the following chart.

Fig 2. The IMC Hierarchy

The flowchart (fig 2.) presents a hierarchy of participants that helps to illustrate the challenges that marketers will encounter when attempting to surround current or prospective customers with a “ wall” of integrated marketing communications.

* The marketers always bring his plan to the table, with it his goals and sometimes a database of who are his current and prospective customers.

* The advertising agency will help research the market, suggest creative strategies, and produce IMC materials. In addition, agencies can assist in placing materials in outlets that range from conventional mass media to event sponsorship to Internet advertising.

* The chart also shows the different organizations that may need to be hired in conjunction with or instead of the ad agency to execute the IMC campaign.

ABOUT THE COMPANY

AADHARSHILA BRAND SOLUTIONS

Aadharshila brand solutions

Aadharshila is a leading advertising agency and a creative hub operating in Baroda, providing copy and design services for effective brand promotion since 1986. In the journey of over 20 year, Aadharshila continues to perform the creative task of building and enhancing numerous brands through corporate strategy and creative communication.

Aadharshila is the ultimate creative hub for integrated communication solutions for various brands spread over different business sectors. Brands- looking to establish their identity, enhance their image in the competitive markets and communicate their message in the right way, through the right medium. In the journey of over 20 years, Aadharshila continues to perform the creative karma of building and enhancing numerous brands through corporate strategy and creative communication.

Realizing the vast scope of becoming the ultimate creative hub by providing copy and design services for effective brand promotion, resulted into the formation of a graphic design studio in 1986. The inspired vision of this petite shop captured the interest of dynamic young individuals, who followed the imprints and became a part of the growing entity called ' Aadharshila'.

With an acute understanding of the market trends and a sensibility towards the promotional initiatives, Aadharshila serves clients spread over diverse

sectors. The interaction and involvement with our clientele has become closer, wider and more comprehensive. We now provide the complete package of brand solutions. Our preference to partner our brands from their conception to continuity has helped us become valued brand managers, always on the move, to deliver the best, at all times. Thus, in our bag of brands are successful clients who share a long term relationship with us, based on mutual trust and good faith.

Services

They are a team of committed professionals readily on the run to serve our clients by ideating prudent strategies, creating innovative concepts with promise and potential, and executing them into effective campaigns across all communication channels. They have the distinct ability to effectively cut across various media to give the brand the best of promotional approaches in an economical and effective way. Aadharshila offers the complete integrated marketing communications package by adopting a 360 degree outlook. Our quality is what you deserve, and we ensure.

Aadharshila exhibits the passion and potential to make an indelible mark in the creative genus. We stand as one of the most sought after service providers, providing complete solutions to strategic marketing and brand building initiatives. Our valuable association with brand successes across diverse sectors clearly mirrors our strengths and capabilities.

BRIEF INTRODUCTION OF CLIENT FIRM

THE HUB is a trendy store located in one of the posh localities of Baroda city. It's multi-brand retail outlet for all stylish apparels for any occasion.

The HUB is where east meets west. They offer menswear of all kind, be it casual, ethnic, formal or party wear.

Basically its target market is young executives, professionals and young people from upper middle class and rich class. According to VALS psychographic segmentation they are targeting " Experiencers"- Young, enthusiastic, impulsive people who seek variety and excitement. Spends comparatively high proportion of income on fashion, entertainment, and socializing. The specialty retail store caters to their need of having premium clothing and other accessories which creates style statement for them. As The HUB is catering to very niche market its CRM (Customer Relationship Management) needs to be very effective. The HUB constantly positions itself by doing product-oriented event to increase the sale of that particular product, for example it did event like " Jean Junoon" to induce their customer to purchase jeans. In past it has done the event like ' The Khaki comeback' and ' Corduroys can KILL'.

The picture above shows the logo and poster designed for " Jean Junoon".

Need for the project:

Aadharshila Brand solution was planning to launch an event called " JEAN JANOON" for their client " The HUB" a multi brand outlet for apparel. The purpose of event is to increase the sale of jeans. We decided to have a

market research on jean buying behavior of consumer of Baroda city so that based on our research we can design the strategy for “ JEAN JANOON” event. During the event we decided to get feedback from customer who visits “ The HUB” multibrand retail outlet so that appropriate primary data can be collected for designing IMC strategy for “ The HUB”.

The objectives of the project are:

- * To determine the factors that affects consumer buying behavior
- * To Study the IMC tools applied for the development of brand
- * To do pre-testing market research
- * To make presentation to client

MARKET RESEARCH

on

Consumer buying behavior of Jeans

With special reference to Baroda city

Consumer buying behavior of Jeans

With special reference to Baroda city

Type of research

Since the problem of the project deals with consumer perception and opinions about product so research carried out for this purpose is exploratory type.

Research objectives

The objectives of the study are:

- * To determine what factors influence a consumer's choice
- * To determine the frequency of buying pair of jeans by consumer
- * To determine which advertising mediums are most effective in influencing consumer's perceptions of a brand.
- * To assess which brand of jeans are most preferred by customers.

Methodology:

Method of Data Collection:

Primary data was collected through survey. The questionnaire was prepared asking respondent about their purchase behavior towards jeans. The basic research instrument used is a questionnaire. The questionnaire is a mixed bag of open ended and closed ended questions. The questionnaires were either filled by the respondents themselves or were dictated by the respondents. The respondent was free to give his opinion on the questions.

Data source:

<https://assignbuster.com/branding-is-a-major-issue-in-product-strategy-essay-sample/>

The survey was conducted outside shopping malls, multiplexes in Baroda city.

Sample Design

Only those wearing jeans were taken as respondent, so non-probability judgment sampling is employed. 100 respondents were surveyed for research

Sample Profile:

Gender No. Percent

Male 60 60

Female 40 40

Occupation

Engineers 36 36

Businessman 14 14

Students 29 29

Others 21 21

Age

Up to 20 13

21 to 25 58

25 to 30 22

The ages of respondents ranged from 17 to 29 with mean age of 24.

Research Design:

The primary data was obtained from the respondents, using a questionnaire.

The data collected was evaluated manually. Percentage was used to estimate the proportion for various aspects under consideration. Microsoft Excel was used to depict graphical representations of the analytical inferences and tabulations.

Limitations of the methodology:

It should be noted that the research methodology was limited by the following factors:

* This being a judgment sampling, the analysis may not be the true picture of the target population.

* Limited time frame was the biggest constraint.

Data analysis and Results:

When we asked respondent about their frequency of wearing jean in a week it was found that on an average a respondent wears jean 4-5 days a week with 6-7 jeans in their wardrobe. Their mean frequency of buying jean in a year is 4-5 jeans. It was found that male and female having same no. of

jeans in their wardrobe and frequency of wearing jeans/week is also same with female having lesser frequency of buying than male.

Table-1.

Table shows the data in table mean value, standard deviation from mean value and maximum and minimum values are shown along with Q values which tells 25% of respondents wears 3 or less than 3 days/week and Q2 and Q3 value suggest same for 50% and 75% respectively.

Respondents were asked about the variety of the jeans they prefer among the varieties like mid-rise boot cut, mid-rise straight, Straight fit, comfort-fit/anti-fit, low-rise narrow and low-rise boot-cut to know consumer preferences and recent trend of fashion in jeans.

To determine which variety of jeans is preferred by customer

Fig-3 preference of variety

From fig-3, it is clear that the comfort fit is most popular among the varieties of jeans with 40 responses out of 100. Straight fit is second most preferred with 34 responses out of 100.

We also asked about what they prefer to wear above their jeans and from the various options available like t-shirt, short-sleeved shirt, shirt, kurta. It is found that T-shirt is most preferred apparel above the jeans with highest responses 70 out of 100 responses. T-shirt is found more popular in female than in male.

Fig-4 Pair with jeans

34 out of 40 female (85%) prefers t-shirt, where as 45 out of 60 male (75%) prefers t-shirt with jeans which is followed by shirt 37 out of 100 responses. Short-shirt is third with 34 Out of 100 responses where as kurti is least preferred with jean with 13 out of 100 responses.

Brand consciousness

When respondents were asked whether they look for any specific brand of jeans, 52% of respondent were not looking for any specific brand of jeans.

Fig-5 Brand Consciousness

Whereas 48% of respondents look for some specific brand and their responses for their favorite brand is shown in chart below. This shows that nearly half of the market is brand conscious and we need to tap this segment of market.

To assess which brands of jeans are most preferred by customers

Fig-6 suggests that among masses, spykar is the most popular brand of jeans (16 out of 48 responses) followed by Lee (12) and killer (10).

Whereas among the female Lee, Levi's and spykar are equally preferred brands of jeans with 6 out of 21 responses each.

In age group of 21-25 Levi's is more popular with 10 out of 31 responses.

Fig-6 Brand preference

<https://assignbuster.com/branding-is-a-major-issue-in-product-strategy-essay-sample/>

To determine from where they prefer to buy pair of jeans.

Fig-7 buying source

From the above graph, it is clear that shopping malls is the most preferred point of purchase for jeans (44 out of 100 responses) followed by small retailer (34/100), multi-brand outlet (32/100) and company showroom (28/100).

To determine how much a customer is ready to pay for one jean.

Fig-8 price range

Study shows that customers are more willing to buy jeans at price below 1000 Rs.(48 out of 100 responses) and 38 % of respondents can go up to range of Rs 1000-1500(38/100).

To determine which advertising mediums are most effective in influencing consumer's perceptions of a brand name.

Fig-9 Information source

For the 40 out of 100 respondent buys a jean on their own choice or they go by word of mouth, whereas for 34 out of 100 respondents it is ads in newspaper/magazine which encourage particular brand of jeans followed by television (24/100).

As research is being carried out for the advertising purpose, information about which respondents perceive as a role model was needed.

Fig-10 Roll model

Generally, sports star is perceived as roll model by maximum no. of respondents with 26 out of 100 responses. Looking gender wise, females perceive business professionals (13/40) as their role model and sport stars by maximum no. of males (18/60).

Male vs. Female

No. of Jeans

Freq. of buying

Brand consciousness

Male

6-7

4-5/year

25(Y)/60

Female

6-7

3-4/year

21(Y)/40

Table-2.

From the data available, it is found that Male are less brand conscious than females. Though female's frequency of buying is less than male, but is more brand conscious. Also, 18 out of 40 females prefer shopping malls to buy jeans followed by small retailers (12), multi-brand outlet (11), and company showroom (10).

There is no particular fashion trend among males, but females are more conscious towards seasonal fashion trends. Females prefer Capri style during monsoon other wise mostly preferred style is medium boot-cut.

Males prefer more of comfort fit style (28 out of 60) followed by straight fit (25) and boot-cut (20). It is also found that blue and black are equally rated colors for the jeans and also tops the chart in comparison with the other colors preferred by the respondents.

Fig 11. Color preference

To determine which attribute is preferred most by customers while buying jeans.

We asked them to rate 5 attributes (quality, fit, style, price, and brand) on scale of 1 to 5 starting with 1 as their first priority.

Table 3

Fig-12 Jeans attributes

Above fig-11 shows ' fit' is first priority for most of respondents followed by ' style'. Third highest priority is given to ' quality ' of jeans.

Recommendations:

- * Research says that people prefers to wear ' comfort fit' and ' straight fit' more than any other variety so add this variety in the collection.
- * According to study among the attributes like " fitting" and " style" are considered first while purchasing a jean so this attributes should be highlighted in advertising and promoting jeans.
- * According to research, spykar brand of jeans tops the preference chart, other than that Lee and Killer are also preferred , so it is advisable to add these brands into the collection instead of current collection of Pepe, Wrangler and Intigrity brands.
- * Study says that print ads in news paper and magazine has highest impact among all the other media in the case of jean, so budget allocation should be done accordingly, print ads in newspapers like Baroda Times will help better to grab the attention of target audience.
- * Study shows that females are more brand conscious compared to males, so we should look for promoting more ladies jeans and designing special segment for ladies.

Suggestions:

- * It is advisable to design market strategy for targeting untapped ladies jeans segment in Baroda city with creative approach that not only providing

them with jeans but also providing them other style accessories which can be used with jeans.

* As it is mention earlier that the type of customer segment The HUB is catering is very niche market so maintaining customer relationship is very necessary for them and for that “ The HUB” can follow direct marketing approach. The HUB can use internet services to reactivate customer purchases such as by sending out birthday or anniversary cards or sending existing customers off- season promotional mails to deepen customer loyalty.

* During wedding season there is huge market for ethnic wear NRI customers, so there is a need to design special marketing programs during such seasons to attract NRI customers.