

Principles of marketing

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



Introduction

A company is endowed with four options from which it can choose which way to develop a brand. According to Kotler & Armstrong (2004), a company may choose brand extension, which involves the use of renowned brands to introduce others in the market; line extension, where the successful brand names are used to design more product in the same product line; it can also introduce multibrands which means creating a number of products in a category that is new; or adopting new brands.

Discussion

To begin with, a company in its quest to develop a brand may opt for line extension. Under this alternative, a company concentrates on extending an already existing brand name but focus on creating new flavors, colors, size, ingredients, as well as new forms of an existing product category. Most of the new products in the market today actually consist of line extension. A good example of line extension can be the make new flavors of Doritos products.

A company can also opt to use multibrands as a means of developing brands. As mentioned earlier, multibrands entail a company introducing additional brands into the same product line or category. An example of developing brands using multibrands is gamble and proctor markets which have a variety of different brands in every category of their products.

Introducing new brands is another alternative that a company can choose from in developing new brands. Under this option, a company may be of the view that the strength of the already existing brand name is fading off, and

the introduction of a new brand name is necessary. The introduction of Scion by the Toyota Company for purposes of the millennial customers is a perfect example of new brands (Kotler & Armstrong, 2004).

Finally, a company has the option of developing brands through brand extension. Through this alternative, the company uses an established or existing brand name in designing new product lines. Ultimately, the newly designed product category to which the brand is created, can be unrelated or sometimes related to the already established product categories. An example of brand extension is the Nike brand which is renowned for shoes production; however, Nike has now extended to producing golf equipments, sunglasses, basketballs and soccer balls. An already established brand used in brand extension is known as a parent brand.

Conclusion

Indeed when it comes to developing brands, a company has got four alternatives from which it can choose from. These alternatives include: brand extension, which involves the use of renowned brands to introduce others in the market; line extension, where the successful brand names are used to design more product in the same product line but with different shape, color, taste among others; the third choice is introducing new brands and finally multibrands which means introducing a number of products in a category that is new.

Reference

Kotler, P., & Armstrong, G. (2004). *Principles of Marketing*. Tenth Edition. New Jersey: Pearson/Prentice Hall corp.