

# Family branding or umbrella branding marketing essay



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In this paper we have a short overview on the concept of brand, branding, retail brand, their definitions, classifications, branding strategy, brand positioning, brand integration etc. Here in this report we try to collect information from published books, journals, magazine and various reliable secondary sources. In the later part we will analyze the influence of branding in the retail business. The next part of this report focuses on issues for branding retail, especially the apparel industry.

There are several definitions of brand:

The main thing of brand are that it is not just only a mixture of design, name, symbol or other features it also distinguish it from the other product and services of the competitors. (Dibb1997)

“ A Brand is: name, term, sign, symbol, design, or combination of these intended to identify the good or service, and differentiate them from those of competitors.” (Jennifer Rowley 1997, pp. 244-250)

Clyde C. Tuggle, Senior Vice President, Worldwide Public Affairs & Communications, Coca-Cola says “ A brand is a distinguishing name or symbol intended to identify goods or services of a seller and to differentiate those goods or services from competitors”.

Sicco van Gelder says:

(1) Sometimes products and services become so similar that it becomes hard for the customer to distinguish them according to their quality, efficacy, reliability, assurance and care. Brands help the customer to identify these qualities and add emotion and trust to the product and services.

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(2) This emotion and trust help the organization to build a good relationship with the customers and make them loyal to their products and services.

(3) Sometimes brand creates aspiration to the lifestyle and transfer these onto the lifestyle of the consumers.

(4) Branded lifestyle has an effect on the other product or service category of that brand which allow marketers for vertical integration and save the troubles and costs of developing new brand.

(5) The combination of lifestyle, emotions, relationship, and values allows the marketers to charge a higher price than the other non-branded product or services.

## **Characteristics of brand name**

A good brand name must be short, sweet and easy to pronounce and remember.

It should suggest something about the product's benefits and quality.

Unique within the industry.

Do not used by any other and legally defensible.

Good alliteration, especially if a longer name.

Does not lend itself to abbreviations.

Flexible and expandable.

The name should translate easily into foreign languages.

Should not age quickly.

Fits within company's brand portfolio.

## **Classification of Brand**

### **Individual product branding**

In this branding approach the marketer try to introduce a product by assigning new names and that has not any connection with the existing brand of the company. In this approach the marketer have to try hard to establish the brand in the market place.

### **Family branding or umbrella branding**

In this approach a new product is placed under existing brand of the organization. The major advantage of using this approach is to use the image of the organization and expand the product rapidly in the marketplace and gain market share.

### **Product branding**

Sometime suppliers produce products for other companies and also place another company's brand name onto their product this is product branding.

### **Co-branding**

In this branding approach two different company's brand name are used on same product.

### **No brand or generic branding**

Sometime suppliers produce their product without any brand name, generally for basic commodity products.

## **Branding licensing**

In this branding approach one company allows others to produce and supply products carrying the brand name through a contractual arrangement.

## **Advantages of Branding**

Through a brand name consumer can easily recognize the product and also have an idea what will be the product. As for example: in the radio advertisement consumer will hear the sound and recognize the product.

Consumers who frequently purchase product of a particular brand become brand loyal which is the ultimate goal of marketer. Sometime customers want to purchase branded product, brand names make it easier for the customers to identify the appropriate the actual product.

Brand name also help in positioning the product to the market, and gain a market share, sometime it also helps to gain competitive advantage for the product.

Firms that successfully establish a brand in the marketplace it also help them for launching a new product to the market by declaring it as a family brand. Sometime firm can also use its corporate image in marketing a product.

## **Brand Positioning**

According to Philip Kotler and Gary Armstrong, 2005, " Marketers need to position their brands clearly in target customers' minds. They can position brands any of three levels.

At the lowest level they can position the brand on product attributes.....

Attributes are the least desirable level for brand positioning.

..... a brand can be better positioned by associating its name with a desirable benefit.

..... the strongest brands go beyond attribute or benefit positioning.

They are positioned on strong beliefs and values.”

## **Brand Equity**

According to Kotler and Armstrong, 2005, “ Brand equity is the positive differential effect that knowing the brand name has on customer response to the product or service.”

For determining the brand equity company has to find the brand valuation of the organization that means how much customers are paying more for the brand.

## **Brand development Strategies**

While a company will think about brand development four types of situation can be arise. The situations are shown in the figure below:

### **Product Category**

Existing New

Line extension

Brand extension

Multibrands

New brands Existing

## **Brand Name**

New

Source: Kotler, Philip & Armstrong, Gary, 2005, Principles of Marketing, Prentice-Hall of India Pvt. Ltd., 11th edition, New Delhi, India.

### **Figure: Brand Development Strategies.**

Line Extension: According to Kotler and Armstrong, 2005, “ Line extension occur when a company introduces additional items in a given product category under the same brand name, such as new flavors, forms, colors, ingredients, or package sizes.” Line extension can be use for existing brand names extended to new forms, sizes, and flavors of an existing product category.

Brand Extensions: According to Kotler and Armstrong, 2005, “ A brand extension involves the use of a successful brand name to launch new or modified products in a new category.” This strategy may be used on existing brand names extended to new product categories.

Multibrands: According to Kotler and Armstrong, 2005, “ Companies often introduces additional brands in the same category..... Multibranding offers a way to establish different features and appeal to different buying motives. It also allows a company to lock up more reseller shelf space.” This strategy may be used in case of company want to new brand name in the existing product category.

New Brands: According to Kotler and Armstrong, 2005, “ A company might believe that the power of its existing brand name is waning and new brand name is needed. Or a company may create a new brand name when it enters a new product category for which none of the company’s current brand names is appropriate.” This strategy may be used in case of company want to new brand name in the new product category.

## **UNDERSTANDING RETAIL BRANDING**

As per our above discussion it is clear that brand is the most valuable intangible asset to the organization and also the matter of most priority of the top management. As brand is highly competitive in nature and for its advantages it becomes very much important towards the retail industry for attracting and influencing the customers decision and build loyalty. In this paper I tried to integrate branding with retail business and also try to find out the strategy for managing a retail brand.

## **RETAILERS AS BRANDS**

Though many important principles go with the retailer brand but they are different from product brands and actual application of principles may be varied. Retailers brand is much sensitive and it builds on the rich customer experiences, their impact and equity. Retailers may also create their brand images on many ways such, delivering quality service, uniqueness on association, pricing, credit policy, product assortment, merchandising etc.

The image of retailers brand depends on the images and equity of manufacturer because these help to gain customer interest, patronage, loyalty of the customers. Manufacturer brands operate almost as “ ingredient



brands” that yield significant consumer pull, often more than the retailer brand does.

## **THE DIMENSIONS OF RETAILER IMAGE**

Retail image depends on:

access

in-store atmosphere

price & promotion

cross-category product/service assortment

Within-category brand/item assortment.

### **Access**

For customer, convenient location is a basic criterion in their store choice decisions. Beginning with gravity models (e. g., Huff 1964) store choice and the optimization of retail site location attracted a lot of research attention in the eighties (e. g., Achabal, Gorr, and Mahajan 1982; Ghosh and Craig 1983; Donthu and Rust 1989).

### **Store Atmosphere**

Mehrabian and Russell (1974) note that the response that atmosphere elicits from consumers varies along three main dimensions of pleasantness, arousal, and dominance. This response, in turn, influences behaviour, with greater likelihood of purchase in more pleasant settings and in settings of intermediate arousal level. Different elements of a retailer’s in-store

environment, e. g., color, music, and crowding, can influence consumers' perceptions of a store's atmosphere, (Bellizzi, Crowley, and Henderson 1983; Milliman 1982; Eroglu and Machleit 1990; Grewal et al. 2003).

## **Price and Promotion**

Price represents the monetary expenditure that the consumer must incur in order to make a purchase. From the vast literature on pricing, we highlight three areas that are of direct relevance to consumers' image and choice of retailers.

Store price perceptions: A retailer's price image should be influenced by attributes like average level of prices, how much variation there is in prices over time, the frequency and depth of promotions, and whether the retailer positions itself as EDLP or HILO.

Retailer pricing format: A retailer's price format, which is on a continuum between EDLP (Every Day Low Price) and HILO (High-Low Promotional Pricing), also influences consumers' store choice and shopping behaviour. Bell and Lattin (1998) show that " large basket shoppers" prefer EDLP stores whereas " small basket shoppers" prefer HILO stores.

Price promotion induced store switching: The third research area studies whether retailer price promotions result in store switching by consumers. Bucklin and Lattin (1992) show that retail promotions in any one category do not directly influence a consumer's store choice decision, but they indirectly affect where the category is purchased . Because the longer consumers stay in a store, the more likely they are to notice promotions and buy more than planned during the shopping trip.

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## **Cross-Category Assortment**

The branding literature, however, suggests some potential pitfalls of broad assortments, apart from the rather obvious downside that increasing assortment breadth brings with it significantly higher costs for the retailer. Inman, Shankar, and Ferraro (2004) show that certain types of product categories have “signature” associations with specific channels, e. g., supermarkets with food, drug channel with medications and health products, and mass merchandisers with household items. But, research has shown that a brand that is seen as prototypical of a product category can be difficult to extend outside the category (Farquhar and Herr 1993.).

## **Within-Category Assortment**

Consumers’ perceptions of the depth of a retailer’s assortment within a product category are an important dimension of store image and a key driver of store choice. As the perceived assortment of brands, flavors, and sizes increases, variety seeking consumers will perceive greater utility (McAlister and Pessemier 1982; Kahn and Wansink 2004).

Kahn and Wansink (2004) shows that the organization and symmetry of an assortment moderate the impact of actual assortment variety on perceived variety and consumption, with organized and asymmetric assortments having a more positive effect.

## **BRAND ASSORTMENT**

One specific aspect of the retailer’s assortment strategy, brand assortment, has become particularly important in the last decade as a tool for retailers to influence their image and develop their own brand name. One motivation for

offering private labels is the higher percent margins that they provide to retailers (Hoch and Banerji 1993); another is the negotiating leverage they provide over manufacturers (Narasimhan and Wilcox 1998); and a third is the implicit assumption that providing a private label brand engenders loyalty to the retailer (Steenkamp and Dekimpe 1997).

## **OVERVIEW**

This literature highlights the brand and branding concepts. Significant studies were gone through to gather abundant information on branding and brand. Writer reviews different secondary sources such as journals, online materials and discusses with the giant brand personalities of different local and international brand. The literature review focuses areas of defining brand, types of brand, brand positioning, brand equity and giving emphasize on retail branding. It also reflects ideas of different brand strategies. It clearly depicts the difference between product and retail brand. This literature discusses different retailer's dimension that has impact on brand positioning and as well as strategies. It also suggests some strategies for the retailer to establish brands and enhance image of retailing.