CHAPTER 2

LITERATURE REVIEW

2.1 The Brand

Today the primary capital of many businesses is their brands. For decades the value of a company was measured in terms of its real estate, then tangible assets, plants and equipments. However it has recently been recognized that company’s real value lies outside business itself, in the minds of potential buyers or consumers.

“A brand is both, tangible and intangible, practical and symbolic, visible and invisible under conditions that are economically viable for the company” (Kapferer, 1986).

Brands are built up by persistent difference ever the long run. They can not be reduced just to a symbol on a product or a mere graphic and cosmetic exercise. A brand is the signature on a constantly renewed, creative process which yields various products. Products are introduced, they live and disappear, but brands endure. The consistency of this creative action is what gives a brand its meaning, its content, and its characters’: creating a brand requires time and identity.

The American Marketing Association defines the term ‘Brand’ as “A name, term, symbol or design, or a combination of them, which is intended to signify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.” More importantly, a brand promises relevant differentiated benefits. Everything an organization does, should be focused on enhancing delivery against its brand’s promise.

Combining a few different definitions, a brand is the name and symbols that identify:

- The source of a relationship with the consumer
- The source of a promise to the consumer
• The unique source of products and services
• The single concept that is created inside the mind of the prospect
• The sum total of each customer’s experience with the corporate

2.1.1. The evolution of Branding

According to Manohar David of Philips (Director and Senior Vice President, Philips India Limited, 1996), a challenge loving, risk taking Brand Manager, who retired after a 31 year marketing career with Philips, and responsible for its brand success has to say:

“In the 1970’s, products were made from the manufacturing, rather than the customer point of view. But with the focus shifting to the consumer, marketing has assumed a much larger role”.

Significant parameters in brand building literature have experienced a dramatic shift in the last decade. Branding and the role of brands, as traditionally understood, have been subject to constant review and redefinition. A traditional definition of a typical brand was: “the name, associated with one or more items in the product line, which is used to identify the source of character of the item(s)” (Kotler, 2000). The American Marketing Association’s (AMA) definition of a brand is “a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors”. Within this view, whenever a marketer creates a new name, logo, or symbol for a new product, he or she has created a brand, (Keller, 2003). He recognizes, however, that brands today are much more than that. As can be seen, according to these definitions brands had a simple and clear function as identifiers. Before the shift in focus towards brands and the brand building process, brands were just another step in the whole process of marketing to sell products. For a long time, the brand has been treated in an off-hand fashion as a part of the product, (Urde, 1999). Branding is a major issue in product strategy (Kotler, 2000). As the brand was only part of the product, the communication strategy worked towards exposing the brand and creating a brand image. Within the traditional branding model, the goal was to build a brand image, (Aaker and Joachimsthaler, 2000); a tactical element that drives short-term results. It is mentioned that the brand is a sign—therefore external-whose function is to disclose the hidden qualities of a
In the journey from product-centric brands to customer-centric brands, many consumer companies have locked in on a transitional concept – segment-specific brands. While brand Nike focuses on physically active consumers, brand Disney focuses on parents with small children. This is a significant step in the right direction and it reflects growing awareness of the power of customers.

A brand differentiates a product in several forms and it can be broadly divided into two categories- The tangibles (rational), and the intangibles (emotional and symbolic). Either way, while the product performs its basic functions, the brand contributes to the differentiation of a product (Keller, 2003). These dimensions “distinguish a brand from its unbranded commodity counterpart and gives it equity which is the sum total of consumers’ perceptions and feelings about the product’s attributes and how they perform, about the brand name and what it stands for, and about the company associated with the brand” (Achenaum, 1993). A strong brand provides consumers multiple access points towards the brand by attracting them through both functional and emotional attributes (Keller, 2003). The tangible dimensions that a brand creates are product innovations, high qualities, and/or attractive prices etc. Those are often observable from the product’s marketing mix and product performance (Keller, 2003). The intangible values of a brand will include those that cannot be quantified. These intangibles go beyond the product level to become a synaptic process in the brain. In other words, consumers will be able to respond to this particular brand without the presence of the product (Bedbury, 2002). More importantly, an intimate rapport may be developed between the consumers and their brands (Roberts, 2004; Fournier, 1998; Muniz and Schau, 2005). The attributes of a branded product add value for consumers, the intermediaries, and the manufacturers. The most significant contribution of a strong brand to consumers would be the reduced searching time and cost when they are confronted with a set of identical products. It helps consumers to identify and locate a product with less information processing and decision time because of the expected quality from accumulated brand knowledge (Pelsmacker et al., 2004). Consumers will be able to develop associations and assumptions through brand name, package, label etc. A strong brand also offers a high brand credibility: it becomes a signal of the product quality and performance. This reduces the risks involved in
the purchase including the functional, physical, financial, social, psychological, and time 
risks (Swait and Erdem, 2004; Keller, 2003). Consumers do not only benefit from the 
functional values of a brand, they also benefit from the emotional aspects. A strong brand 
mixes and blends the product performance and imagery to create a rich, deep, and 
complementary set of consumer responses towards the brand (Zamardino and Goodfellow, 
2007). Hence consumers are attracted to more dimensions of a brand and will be more likely 
to effectively bond with the brand. Consumers also use the brand as a means of self image 
reflection, symbolic status, and an anchor in this forever changing world. Finally, a brand 
smoothes consumers’ communication process to others and enrich their everyday lives (Holt, 

In terms of the branding benefits to intermediaries such as retailers and wholesalers, a strong 
brand with high brand recognition and brand awareness speeds up the stock turnover rate, 
lowers the selling cost, and leads to higher sales. Consumers will also be more inclined to 
(re)purchase in their stores and spread word of mouth to others. These in turn facilitate the in-
store activities related to the selling of the products with the brand. On the other hand, a 
strong brand also implies that the manufacturer supplying the products will be more 
committed to the in-store promotions (Webster, 2000). For manufacturers, a strong brand is a 
valuable asset to the company. A well recognized brand serves as a signal, and it increases 
the likelihood for consumers to place the product in their consideration or choice set (Swait 
and Erdem, 2004). Manufacturers will also win a reputable name through consumers’ 
positive attitudes and evaluation towards the brand. As discussed previously, manufacturers 
with strong brands are more committed to their retailers, and the retailers will in return invest 
more effort and resource in maintaining the relationship. Therefore, a strong brand leads to 
mutual trust and commitment, and fosters the manufacturer-retailer relationship (Morgan and 
Hunt, 1994). Sometimes, the manufacturers may even gain greater bargaining power over 
their retailers, and are presented with more distribution channels (Pelsmacker et al., 2004).

Furthermore, a price premium can be imposed on a strong brand because of the brand’s 
perceived higher quality over the competitors’ brands (Keller, 2003). A unique product 
positioning can be created by a strong brand, which may act as an entry barrier, such as the 
retention of intellectual property rights, patents, or trademarks etc (Keller, 2003). This entry 
barrier can also be established through consumer’s repurchase behavior, because it enhances
the sales forecast predictability and secures the demand (Keller, 2003). Moreover, because of these loyal customers (i.e. implying higher customer retention rate), a company will find it easier to extend its brand, and lower its marketing costs. Several studies have proved that a higher customer retention rate will enhance a firm’s financial performance and lead to a higher shareholder value (Srivastava, et al. 1998; Anderson et al. 2004). A strong brand also affects a company’s financial bottom line directly in case of a merger or acquisition, because buyers are usually required to pay an extra cost over the fair value of the firm. This results in a positive goodwill (i.e. intangible asset) which will be booked on the balance sheets (Elliot and Elliot, 2007). Overall, a branded product adds value to all parties associated with it. However it does not automatically create value. Only through adoption of an appropriate marketing communication strategy will the brand be successful. The key to branding is that consumers perceive the brand differently as compared to other brands in the same product category (Keller, 2003). This statement is supported by (Pennington and Ball, 2007), they define branding as “the process in which a customer or customers, define, label, and seek to purchase a subset of an otherwise undifferentiated or unbranded product”. On the surface it appears that it is up to the consumers to determine a brand’s strength, but in fact it is the branding process that creates a unique mental map in a consumers’ mind and guides their behavior (Keller, 2003).

In this context, it is vital for organizations to shift the locus of the consumer relationship from product brands toward a trusted and credible umbrella brand and further move the implementation of tactical activities with targeted consumers or segments, rather than at the brand level.

2.1.2 Corporate brands

Adored, venerated and coveted by customers and organizations alike, corporate brands represent one of the most fascinating phenomena of the business environment in the 21st century (Olins 2000, Lewis 2000, Pauvit 2000, Balmer 2001, Newman 2001, Balmer and Greyser 2003). Their importance is irrefutable. Brands in their various guises are integral to our everyday existence (Sherry, 1995). Corporations have only begun to realize the financial clout of an effective brand in the last 10 years. All efforts are now being made to ensure that decisions inside of a corporation are created synergistically and represent a clear message to
customers and prospects. In an era when the emphasis is moving from product branding to corporate branding (Balmer, 1995; Mitchell, 1997), there is a need to better appreciate the management approach for corporate branding as this needs managing differently from product branding.

Corporate branding draws on the traditions of product branding, in that it shares the same objective of creating differentiation and preference. However, this activity is rendered more complex by managers conducting these practices at the level of the organization, rather than the individual product or service, and the requirement to manage interactions with multiple stakeholder audiences. The researches done also highlight the differences between a corporate brand and a product brand (King, 1991). These are that the audiences go beyond a primary focus on customers to include all other stakeholders, the points of contact with these stakeholders are more diverse, and stakeholder audiences' discriminators are more complex, extending beyond products and services to include intangibles such as people and policies. It is well supported, this distinction between product and corporate brands by highlighting three core, distinguishing attributes (Ind, 1998):

*Intangibility* - whilst a product or service is tangible, an organization is intangible to all audiences except employees. An individual's perception of an organization is therefore based upon his/her experiences of its communications, symbolism and behavior (Birkigt and Stadler, 1986) and from these signals an image is constructed.

*Complexity* - with a product or service brand, continuity of experience is achievable. For a corporate brand this is made harder by the variety of audiences and points of contact, or interfaces.

*Responsibility* - A corporate brand has a broader social responsibility or 'ethical imperative'.

Whilst these characteristics make the corporate brand more difficult to model and manage, a number of authors have noted the potential for harnessing this asset. The researchers assert that a strong and favorable corporate brand offers an organization a number of distinct benefits (Balmer, 1995). As well as being an important discriminator in increasingly competitive markets, it creates consistency in consumer demand; offers added value to
products and services; contributes to a company's financial margins; affords protection from competitors; attracts high quality personnel to the organization. (Hatch and Schultz, 2001) support this view claiming that corporate brands offer managers the potential to reduce costs, give customers a sense of security, provide a corporate seal of approval for products and create common ground inside organizations. To further support these claims Balmer cites research by (Worcester, 1986), which showed a strong correlation between company familiarity and favorability, and research by (Keller and Aaker, 1992) which highlighted the positive impact of the corporate brand to new product introductions and brand extensions. The study draws from marketing theory to identify three brand name typologies, which I have discussed under the ‘Methodology’ section.

2.1.3. Customer Centric Branding

Brand values must be calculated on an individual customer basis, and segment-specific brands need to be developed. There is a shift in focus from traditional product brand organizations to customer-segment focused organizations. Brand experience is finally the aggregate of consumer perceptions that come from interacting with a brand.

A successful brand experience is the process of exposing consumers to the various attributes associated with a particular brand and creates an environment in which the consumer will be surrounded by the positive elements attached to the brand. A successful brand experience can operate on multiple levels, including adding a new communication channel to reach the consumer, adding a service element to the product that extends a stronger offer, and extending the brand across seemingly unrelated products and services. The overall brand experience represents a way to bring the consumer to the brand and establish a close relationship.

A brand means much more even than its product and service features. Brands are built from nothing less than the sum of a customer’s experiences with a product, service or company. Customers’ total brand experience determines whether a customer buys anything more from the company and, just as importantly, whether the customer spreads awesome or awful word-of-mouth to friends and family. In effect, the brand experience moves a consumer up the ladder of loyalty from a mere consumer to a brand evangelist.
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The balance between expectation and experience is why I think of a brand as a promise, and the customer experience as the fulfillment of that promise. No doubt a customer experience that veers wildly from its brand promise will erode the belief in that brand promise pretty quickly. Companies that promise one thing through their advertising and branding and badly let customers down through the customer experience are undermining a huge investment and one of their most valuable assets. The difference between a brand promise and the actual customer experience is the “experience gap”, and that erodes organizational brand equity faster than anything else, as no consumer likes to be promised one thing and delivered another.

Any company that wants to establish a customer experience strategy must do it with a full and realistic evaluation of what their brand stands for and what their brand promise is. Any company that fails to align their customer experience strategy with their brand strategy will be in danger of creating an “experience gap” that will erode any brand equity they have built in the marketplace.

To create excellent customer experiences, it’s essential to gain deep insight into the customer’s needs and wants.

In other words, brands are multifaceted and complex—certainly much more than a name or image. If a consumer is not aware of a brand, they will never consider it even though it may be just what they want or need. First impressions and appearances are very important, and so is the quality of the foundation and building blocks, especially over the long term. Brands, like houses, have unique personalities. Customers develop relationships with brands that change over time as their needs and expectations evolve.

As the organizations think about how the customers’ experiences add up to create their overall brand experience, it’s helpful to focus on the three most essential marketing objectives and the metrics that reveal how well an organization is meeting those objectives:

1. **Customer Acquisition**: with a goal of acquiring the right customers in a cost-effective way. Three critical customer experiences in the acquisition process are awareness, learning and persuasion.
2. **Customer Experience:** Marketers must focus on product “wow” in delivering a “wow” customer experience that exceeds expectations. Three critical customer experiences required for product “wow” are great first-time usage, usability and benefit delivery.

3. **Customer Retention:** Marketers must focus on customer retention—retaining and nurturing loyal customers, and turning them into advocates. Three critical customer experience elements in the retention process are long-term usage and satisfaction, the purchase of more products and services, and positive word-of-mouth.

Evaluating these essential business-building drivers within the customer experience framework will help organizations focus on the most important levers for achieving marketing results.

Brands are so much more than a name, logo or image. They represent nothing less than a customer’s complete experience with an organizational product, service or company. The power of a brand lies in the minds of consumers and what they have experienced and learned about the brand over time, (Keller, 2003).

A review of previous literature in the domain reveals that both academics and practitioners are placing increased importance on the issue of brand identity. For a variety of reasons, both academic and business interests in brand identity have increased significantly in recent years. Organizations have realized that a strong identity can help them align with the marketplace, attract investment, motivate employees and serve as a means to better differentiate and position their products and services in the minds of the consumers. Thus, many organisations are striving to develop a distinct and recognisable corporate brand identity. Brand identity is based on a thorough understanding of the firm’s customers, competitors and business environment. The Brand identity needs to reflect the business strategy and the firm’s willingness to invest in the programs needed for the brand to live up to its promise to customers (Aaker and Joachimsthaler, 2000). Strong brands enjoy customer loyalty and a potential to charge premium prices, and considerable brand power to support new product and service launches. Companies need to have a thorough understanding of the customer beliefs, behaviors, product or service attributes, and competitors. Consumer-brand knowledge can be defined in terms of the personal meaning about a brand stored in consumer memory, that is, all descriptive and evaluative brand-related information (Keller, 2003). Different
sources and levels of knowledge such as awareness, attributes, benefits, images, thoughts, feelings, attitudes, and experiences get linked to a brand and its understanding by the consumer.

Brands do have to maintain a modern look, and the visual identity needs to change over time. But the key to successfully effecting a new look is evolution, not revolution. Totally changing the brand visuals can give rise to consumer concerns about changes of ownership, or possible changes in brand values, or even unjustified extravagance. If there is a strong brand personality to which consumers are attracted, then substantial changes may destroy emotional attachments to the brand. People do not expect or like wild swings in the personality behavior of other people, and they are just as concerned when the brands to which they have grown used, exhibit similar "schizophrenic" changes.

Experiential marketing connects audiences with the authentic nature of the brand through participation in personally relevant, credible and memorable encounters. It focuses on making a personalized connection using emotional involvement and can be seen as a sales building or brand-building tool. Customer centric marketing or brand building is becoming increasingly important within the communication mix of many companies as an effective way of not only reaching the masses, but also imprinting a brand name. Building a Customer Centric brand is the result of continuous innovation and an uncompromising drive for excellence. A leading brand is built over time. It involves consistently meeting and even exceeding the expectations of customers in terms of the difference the company’s products/brands make in people’s lives. As customer needs change and evolve, a company needs to adapt. Change can be exciting, it can be painful, it can be risky, but it is something a company must dare to do to remain relevant in the consumer mind space and in the market space. It is about retaining what is good about the company. It requires a degree of humbleness even if the company or the product/brand is the market leader. Change—and the sense of the new and the unknown that comes with it—is the customer centric brand’s DNA and is one of the reasons for the brands to remain strong and effective in the consumer mind space. Customer centric branding means building a company people can rely on; a company that does what it says, does what it can to keep its word. In these times it is more important than ever to remain true to your vision and act according to your values.
A strong culture is essential for a strong brand; how a company cares for its own people, how engaged and committed they are, and how well they reflect the strategy and live the company values in everything they do; a combination of passion and belonging. These things are vital for customers to see a clear and compelling brand. Ultimately customers make or break a brand and organizations have to listen to the customers—one reason why increasing conversations through social media is a very natural step for the companies to be customer centric.

Above all, building a leading brand comes from the company genuinely caring for its customers, not just because they are a source of business, but in recognition that a company cannot survive and thrive without the customers it serves and the business partners it works with. In today’s world, no company is an island and the ecosystem around the company is both a source of what makes that company different as well as a statement of its vision and beliefs. A brand may be an emotional and intangible asset for many but it is one of the biggest assets a company has.

Increased competition reduces brand loyalty, making the job of the marketers more complex. Further, customers also become indifferent to the myriad marketing messages being thrust upon them. As a result, marketing needs to be more well directed and specific, because customers, whether consumers or businesses, do not want more choices. Customers have hidden or overt preferences which marketers can reveal by building a learning relationship. 

**Hence, it is vital to develop greater customer centricity in brands.**

### 2.2. Brand Dimensions

#### 2.2.1. Brand equity

Brand equity is a multidimensional construct, which consists of brand loyalty, customer based brand awareness, perceived quality and brand associations. Various researchers contended that brand associations could be recalled in a customer’s mind as emotional impressions. Brand awareness influences consumer decision making by affecting the strength of the brand associations in their mind, (Keller, 1993). It is also pointed out that there are several dimensions of brand awareness with brand associations (Pitta and Katsanis, 1995).
Further researches indicated that brand associations of the product can be stored in consumer’s minds after brand awareness of the product is already in their memory.

(Krishnan, 1996) identifies three different perspectives of the examination of brand equity: (1) practical (Owen, 1993), (2) strategic (Aaker, 1991, 1996; Kapferer, 1998), and theoretical perspectives (Keller, 1993, 1998). Apart from that, (Feldwick, 1996) identifies three different approaches to brand equity: (1) the brand description approach (Leuthesser, 1988; Winters, 1991), (2) brand strength (Keller, 1993, 1998; Srivastava and Shocker, 1991; Yoo, Donthu, and Lee, 2000) and (3) brand value (Farquhar, Han, and Ijiri, 1991; Kapferer, 1998; Seetharaman, Nadzir, and Gunalan, 2001; Simon and Sullivan, 1993). There are also many different methods to measure brand equity. For example, (Sattler, 1994) analysed 49 studies related to brand equity and identified 26 different methods of brand equity measurement. (Keller, 1993, 1998) identifies two different approaches to measuring brand equity – the indirect and direct approach. The indirect approach attempts to measure sources of brand equity by measuring brand knowledge. Indirect methods can be further differentiated by using qualitative (Aaker, 1997; Boivin, 1986; Durgee and Stuart, 1987; Krishnan, 1996; Zaltman and Higie, 1995) and quantitative research methods (Keller, 1998; Lassar, Mittal, and Sharma, 1995; Low and Lamb, 2000; Martin and Brown, 1990; Rio, Vazquez, and Iglesias, 2001). The direct approach attempts to measure brand equity by assessing the impact of brand knowledge on consumer response. (Keller, 1993) further differentiates these methods into comparative and holistic methods. Comparative methods can be brand based, marketing based, or both when conjoint analysis is applied (Blackstone, 1990; Lee, Lee, and Kamakura, 1996; Rangaswamy, Burke, and Oliva, 1993). Holistic methods can be further differentiated into residual approach methods (Kamakura and Russell, 1993; Park and Srinivasan, 1994; Swait et al., 1993) and valuation approach methods (Kapferer, 1998; Seetharaman, Nadzir, and Gunalan, 2001; Simon and Sullivan, 1993).

Customer-based brand equity occurs when customers are familiar with the brand and hold favorable, strong and unique brand associations in memory (Keller, 1993). (Aaker, 1996) has stated that brand equity is a set of assets and liabilities. Five brand equity assets – brand loyalty, brand awareness, perceived quality, brand association and other proprietary brand assets – are fundamentals of value creation. This study uses these five brand equity classifications from (Aaker, 1991), as they are the most acceptable to-date. As brand equity is
a multidimensional concept (Aaker, 1991), research has various suggestions for measuring its dimensions – some include brand loyalty and brand association (Schoker and Weitz, 1988). There is also brand knowledge, which comprises of brand awareness and brand image (Keller, 1993). Furthermore, it is also suggested that perceived quality, brand loyalty and brand awareness have a strong brand association (Yoo et al., 2000). Among the five brand equity assets, it is very difficult to manipulate a consumer’s perception of brand association in an experiment (Pappu et al., 2006). Furthermore, other proprietary brand assets, such as patents, are not easy to measure. Therefore, the current study uses brand loyalty, brand association and perceived quality as the measurements of brand equity. Brand loyalty is an important consideration when estimating the value of a brand as loyalty can translate into profit (Aaker, 1991). Brand loyalty is a barrier for new competitors and forms the basis for a price premium (Aaker, 1996). Brand loyalty also encourages repeated purchase behavior from consumers, and discourages them from switching to competitor brands (Yoo et al., 2000). Therefore, the greater the customer loyalty, the higher the brand equity will be. Perceived quality is another dimension of brand value that can encourage customers to choose a product or service (Zeithaml, 1988). “Perceived quality can be defined as the customer’s perception of the overall quality or superiority of a product or service with respect to its intended purpose, relative to alternatives” (Aaker, 1991). Customers’ product experiences, expenditure situations and unique needs might influence their judgment of product quality (Yoo et al., 2000). Since customers make their choices based on product attributes and compare these to other products, perceived quality is not an objective measure. Perceived quality can increase customer satisfaction, provided the customer has had some previous experience with the product or service (Aaker, 1996). Hence, perceived quality is generally associated with brand equity (Motameni and Shahrokhi, 1998), and the better the perceived quality, the greater the brand equity (Yoo et al., 2000).

2.2.2. Brand Association

Brand association is anything that is linked in memory to a brand (Aaker, 1991). The association reflects the fact that products are used to express lifestyles whereas other associations reflect social positions, and professional roles. Still others will reflect associations involving product applications, types of people who might use the product, stores that carry the product, or salespeople who handle the product or even the country of
origin. (Keller, 1998) defines brand associations as informational nodes linked to the brand node in memory that contains the meaning of the brand for consumers. These associations include perceptions of brand quality and attitudes towards the brand. Keller and Aaker both appear to hypothesize that consumer perception of a brand are multi-dimensional, yet many of the dimensions they identify appear to be very similar. The image that a good or a service has in the mind of the consumer-how it is positioned is probably more important to its ultimate success than are its actual characteristics. According to (Aaker, 1991) there are at least nine brand associations. The associations convey either the concept, or the meaning of the product in terms of how it fulfills a customer’s need.

From a brand association perspective (Aaker, 1991) felt that brand equity is closely related to brand association. “A brand association is anything linked in memory to a brand” (Aaker, 1996). The researches also suggested that brand association can be divided into three major categories: attributes (including product-related attributes and non-product-related attributes such as price, brand personality, emotions and experience), benefits (what customers think the product or service can do for them, including functional benefits, symbolic benefits and experiential benefits) and attitudes (customers’ overall evaluations of the brand) (Keller, 1998). The most powerful brand associations are those that deal with the intangible or abstract traits of a product. Brand association can assist with spontaneous information recall (Van Osselaer and Janiszewski, 2001) and this information can become the basis of differentiation and extension (Aaker, 1996). Strong association can help strengthen brand and equity. Similar to perceived quality, brand association can also increase customer satisfaction with the customer experience (Aaker, 1991).

Brand awareness and brand associations were found to be correlated (Atilgan et al, 2005 and Pappu, 2005). Moreover, high levels of brand awareness positively affect the formation of the product’s brand image (association) (Ramos and Franco, 2005). It was also found that brand awareness affects brand image (association) (Esch et al, 2006).

2.2.3. Brand Identity

A Brand identity comprises a unique set of functional and mental associations the brand aspires to create or maintain. These associations represent what the brand should ideally stand
for in the minds of customers, and imply a potential promise to customers (Aaker, 1996 and Keller 1993). It is important to keep in mind that the brand identity refers to the strategic goal for a brand while the brand image is what currently resides in the minds of consumers.

A corporate brand tries to establish a coherent perception of the company for its different stakeholders and reflects a good corporate reputation in the eyes of the general public (Hatch and Schultz, 2003). Nevertheless, the single most important public of a corporate brand is its end consumers, who are drowning in the overwhelming abundance of brands and brand communication.

Brand identity is a unique set of brand associations implying a promise to customers and includes a core and extended identity. Core identity is the central, timeless essence of the brand that remains constant as the brand moves to new markets and new products. Core identity broadly focuses on product attributes, service, user profile, store ambience and product performance. Extended identity is woven around brand identity elements organized into cohesive and meaningful groups that provide brand texture and completeness, and focuses on brand personality, relationship, and strong symbol association. To be effective, a brand identity needs to resonate with customers, differentiate the brand from the competitors, and represent what the organization can and will do over time (Aaker and Joachimsthaler, 2000).

When brand faces aggressive competition in the marketplace, brand personality and reputation of the brand help it distinguish from competing offerings. This can result in gaining customer loyalty and achieve growth. A strong brand identity that is well understood and experienced by the customer helps in developing trust which, in turn, results in differentiating the brand from competition. A company needs to establish a clear and consistent brand identity by linking brand attributes with the way they are communicated which can be easily understood by the customers. The brand can be viewed as a product, a personality, a set of values, and a position it occupies in people's mind- Brand Identity is everything the company wants the brand to be seen as.
2.2.4. Conception of brand identity

Intense competition requires certain actions to be taken in brand management and includes the establishment of brand identity, defining its attributes, uniqueness and equity. The concepts such as brand vision, aim and identity are the new ones. The conception of brand identity was mentioned for the first time in Europe by (Kapferer, 1986). The importance of the conception and its understanding quickly disseminated in the entire world. The literature on brand management, which has been widely examined, uses the terms “equity” (Aaker, 1996), while the concept of the identity is actually not used. The conception of brand identity includes everything that makes the brand meaningful and unique. Brand includes characteristics of a good as well as a set of other elements, entailing brand identity. This is a new conception; however, when the differences of a certain category of goods start to decrease, the concept becomes the major subject of investigation (Melin, 1997). Identity includes moral image, aim and values that together constitute the essence of individuality while differentiating the brand (de Chernatony, 2002). The identity of the strongest brands covers emotional benefit, which provides strength to the brand. However, rendering the equity to the consumer the good has to provide a functional benefit as well. Additional value is rendered if the good provides the benefit of self-expression that, in turn, reflects the image of the consumer (Aaker, 1996). Various researches in the past state that brand identity is the most important stage of the identification of a good from the quality on which the further existence of the good depends. The main principled provision of brand identity is a way, which becomes a possibility to reach the consumer. A brand has to “communicate” with consumers to grow in the market.

Brand identity is a set of brand associations which need to be developed and retained for a brand strategy (Aaker, 2003). Identity should help in the development of the relationship between a brand and a consumer, providing a particular benefit. The main principles of brand identity are: 1) communication becomes not only an important supply of information but a daily struggle to remain heard and visible, which constitutes the prerequisite of durability; 2) brand should adequately react to changes which makes up the prerequisite of understanding; 3) brand should reflect consumer’s benefit and expectations, remaining harmonious, which is regarded as the prerequisite of consistency (Grundey, 2002). Analyzing the concept of identity, the problem of consistency and continuity arises as well. The conception of brand
identity deals with the influence of time on the uniqueness and consistency of brand. Brand identity is a new concept; however, the majority of researchers have already analyzed the identity of enterprises (Schwebig, 1988; Moingoen, 2003). The identity of the enterprise is constituted by a feeling that helps the company to understand that it really exists and its existence is unique, with its history and place, distinguishing the company from others (Kapferer, 2003). These different definitions of identity emphasize the idea that identity signifies the understanding of being oneself, seeking one’s aim, being distinguished from others and being able to resist and withstand time alterations. According to J. Kapferer, brand identity could be defined by answering the following questions:

- What is the aim and individual vision of a brand?
- What makes a brand distinguished?
- How can satisfaction be achieved?
- What is brand equity?
- What are brand competence, validity and legitimacy?
- What are the features of its recognition?

This conception has appeared in brand management and is well known while positioning brands and building their image. According to de Chernatony (2001), the conception of brand identity offers a possibility to position a brand better and encourages strategic approach while managing it. A well managed system of identity provides a competitive advantage when seeking to protect oneself from competitors. Currently the society is closely connected with communication. Everybody wishes for communication or is included into the communication process unwillingly. It is extremely difficult to remain thriving and establish one’s identity under the circumstance of severe competition. Communication ensures two things: sending of a message and the guarantee that it has been received. Communication implies not only the means of technique but inventiveness as well. It represents the necessity to conceive brand identity.

In summary, it could be claimed that the conception of brand identity includes the uniqueness, meaning, aim, values, and personality of a brand and provides a possibility to position the brand better, and, thus, achieve significant competitive advantage.
2.2.5. Sources of brand identity

Defining brand identity and the limits of its strength and weakness, it is necessary to be aware of identity sources. With the lapse of time, every brand can lose its independence and meaning, as well as lose a certain level of freedom, as with the increase of brand reliability, its elements acquire a particular form and define the possible territory. The revelation of identity starts from typical goods or services, confirming brand, symbol, logo, country of origin, advertising and package. (Kapferer, 2003) singles out the following sources of identity: Good is the primary source of identity. Brand reveals its plan and the uniqueness of its goods and services. A genuine brand never remains just as a printed record on a good. A brand transfers its equity into the process of production and distribution, which constitutes the essence of service sales as well. Brand values need to be embodied in a brand symbol. The representatives of cognitive psychology state (Keenan, 1976; Lakof, 1987) that it is easier to define certain categories indicating their typical features instead of exactly naming the attributes of a good that require judicious parts of those categories. Every brand forces to think spontaneously about particular goods more in comparison with another, as well as about particular actions as a means of communication. Prototype goods contain various elements of brand identity. Some prototype goods are able or rendering brand identity, regardless of the fact that brands, in essence, develop identity; Values of brand identity transfer the essence of brand only then if they exist within the essence of brand. Tangible and intangible realities go one after another as values manage certainty and certainty manages these values. For example, the identity of Benetton brand is constituted by tolerance and friendship (Achrol and Kotler, 1999; Sawhney and Kotler, 2001; Mitchell, 2001: McKenna, 2002; Urban, 2004).

Colors mean much more than the subject of advertising. Colors not only determine appearance but make up an external brand with its ideology, value set and brand culture. Colors do not play the role only to distinguish the producer. Fraternity and cultural tolerance are the values of the brand; Name is another source of brand identity as it is one of the most powerful sources. Investigating brand name, the features if its advantage such as the limit of justice and “know-how” as well as the sphere of competence are revealed. The majority of brand names seek to reflect features that can not be reflected or these attributes that are singled out. Other brands exist ignoring their brand names; which is connected with the autonomy of brands. The experience indicates that brands become autonomous (independent)
when they render specific meaning different from the ones in dictionaries to words. *Mercedes* was a Christian Spanish name that became a symbol of Germany. Such ability is not just the attribute of a brand, but this is a properly chosen noun. A strong brand is capable of giving a new meaning to words, changing the meaning in dictionaries. Name as well as identity must be managed. Some names have a double meaning.

*Personage* is another source. If brand is the capital of enterprises, so the emblem is the righteousness of brand capital. The emblem symbolizes brand identity through visual image (Kapferer, 2003).

Brand includes *relationship* as brands frequently take the most important place in the process of human transactions and exchange. This is extremely reflected in the sphere of services and retail companies. This feature emphasizes the way of behavior which is identified significantly with a brand. A lot of actions such as the fact how brands influence and provide services in connection to their consumers determine this feature. According to (Kapferer, 2003), a brand is a voice that consumers should hear because brands survive in the market because of communication. D. Grundey (2002) singles out the following ways of communication:

- Advertising and other support elements;
- Direct consumer’s communication while purchasing a good.

Marketing culture of a company is extremely significant as it is a constitutive part of company’s culture, manifested through the relationship of consumers and the company. Invisible communication is created with a means of associations and its can start between people (a seller, buyer or employee) seeking for the same or different goals. Communicating it is important to reconcile different need of people and present the entire useful information allowing perceiving the essence and peculiarities of a brand.

Brand is a *customer reflection*. Consumers can easily define what goods of a particular brand are produced for a particular type of consumers (for example, *this automobile was developed only for show stars*). Brand communication and goods aim at reflecting a consumer, for whom those goods are addressed. Consumer reflection is often confused with the target market (Kapferer, 2003). The target market determines potential consumers though consumer reflection does not define target market. A consumer has to be reflected in a way, which
would show how he or she could image themselves consuming a particular good. The representatives of the target market should be presented differently from what they are but what they would like to be. Consumers use goods of certain brands seeking to create their own identity. Brands should control their consumer reflection. A constant repetition stating that this brand was developed for a certain target group weakens brand image.

2.2.6. Brand Image

In marketing literature great attention is focused on brand image which is studied from two: company’s and consumer’s perspectives. The approach of a company is directed towards the improvement of marketing activity, connected with strategies of positioning and retaining of a positive brand image. Consumer's approach is based on consumer's attitude towards the interpretation of brand image and brand equity. The importance of brand in the market is influenced by company's ability to evaluate the fact how consumers interpret the image of brands and company's ability to manage the strategy of brand positioning, adequately revealing brand’s equity to a consumer (Kotler, 2001). Brand associations consist of brand image, brand knowledge and brand awareness (Keller, 1998). He further says that brand associations include perceptions of brand quality and attitude towards the brand.

(Keller, 1993) defined brand image as “perceptions about a brand as reflected by the brand association held in consumer memory”. These associations refer to any brand aspect within the consumer’s memory (Aaker, 1996). Basically, brand image describes the consumer’s thoughts and feelings towards the brand (Roy and Banerjee, 2007). In other words, brand image is the overall mental image that consumers have of a brand, and its uniqueness in comparison to the other brands (Faircloth, 2005). Brand image comprises a consumer’s knowledge and beliefs about the brand’s diverse products and its non-product attribute. Brand image represents the personal symbolism that consumers associate with the brand, which comprises of all the descriptive and evaluative brand-related information (Iversen and Hem, 2008). When consumers have a favorable brand image, the brand’s messages have a stronger influence in comparison to competitor brand messages (Hsieh and Li, 2008). Therefore, brand image is an important determinant of a buyer’s behavior (Burmann et al., 2008). In the B2B market, brand image also plays an important role. This is especially so given that it is
difficult to distinguish between products and services, based on their tangible attribute (Mudambi et al., 1997).

**Brand image** can be defined as the reasoned or emotional perception a consumer attaches to specific brands and is the first consumer brand perception that was identified in marketing literature. Brand image consists of functional and symbolic brand beliefs. Brand image, is the totality of consumer perceptions about the brand, or how they see it, which may not coincide with the brand identity. Companies have to work hard on the consumer experience to make sure that what customers see and think is what they want them to, thus highlighting the notion of brand identity. Brand identity is “the strategically planned and operationally applied internal and external self-presentation and behaviour of the company” (Van Reil, 1995 and Blomback, 2005). Brand identity is a vague but vital aspect of a company and now is considered to be one of the most important factors in the strategic positioning of products in the minds of the consumers (Bounfour, 2002). A brand tries to establish a coherent perception of the company for its different stakeholders and reflects a good corporate reputation in the eyes of the general public (Hatch and Schultz, 2003). Nevertheless, the single most important public of a brand is its end consumers, who are drowning in the overwhelming abundance of brands and brand communication. A favorable brand image would have a positive influence on consumer behavior towards the brand in terms of increasing loyalty, commanding a price premium and generating positive word-of-mouth (Martenson, 2007). Marketing studies argue that brand image is an important factor affecting brand equity (Biel, 1992, 1993; Villarejí-Ramos and Sanchez-Franco, 2005). (Faircloth et al., 2001) also found that the more positive the brand image, the more consumers are willing to pay and thus the greater the brand equity. A brand image can be an association set and is usually organized in some meaningful way (Aaker, 1991). (Keller, 1993) has argued that if a brand’s image is related to association (e.g. attribute and attitude), the brand’s association gains, favorable strength and uniqueness in the mind of the consumer. A positive brand image is created by marketing programs that link powerful and unique associations to a consumer’s memory of the brand (Keller, 1998). That is, brand image can create associations that elicit positive feelings and attitudes towards the brand (Porter and Claycomb, 1997). Besides, (Biel, 1992) has argued that brand association could also arise from corporate image, product image and user image. Most of the corporate association theory has been developed from corporate image (Power et al., 2008).
Figure 2.1: CONCEPTUAL FRAMEWORK DRAWN FROM LITERATURE REVIEW FOR THE STUDY

Conceptual Model

**Consumer Brand Awareness**
- Ability to recognize
- Ability to recall

**Perceived Brand Value Value**

**Corporate Brand Image**

**Corporate Brand Identity**

- Emotional Connection
- My life style and Image
- My perception
- Consumer Brand Knowledge
- Trust
- Responsible towards customer
2.3. Detailed Study of Brand Dimensions

2.3.1. Types of Brand Names

(i) **Family Brand Name**-A family brand name comprises usage of the name of the corporate brand which is used for all products produced or marketed by that corporate. By building customer trust and loyalty for the family brand name, all products that use the brand can benefit. A family brand name is used for all products. By building customer trust and loyalty to the family brand name, all products that use the brand can benefit. Good examples include brands in the food industry, including Kellogg’s, Heinz and Del Monte. Of course, the use of a family brand can also create problems if one of the products gets bad publicity or is a failure in a market. This can damage the reputation of a whole range of brands.

(ii) **Individual Brand name**-An individual brand name does not identify a brand with a particular company. For example, take the case of Heinz. Heinz is a leading global food manufacturer with a very strong family brand. However, it also operates many well-known individual brand names. Examples include Farleys (baby food), Linda MacCartney Foods (vegetarian meals) and Weight Watcher’s Foods (diet/slimming meals and supplements).

Why does Heinz use individual brand names when it has such a strong family brand name? There are several reasons why a brand needs a separate identity – unrelated to the family brand name:

- The product may be competing in a new market segment where failure could harm the main family brand name
- The family brand name may be positioned inappropriately for the target market segment. For example the family brand name might be positioned as an upmarket brand for affluent consumers.
- The brand may have been acquired; in other words it has already established itself as a leading brand in the market segment. The fact that it has been acquired by a company with a strong family brand name does not mean that the acquired brand has to be changed.

(iii) **Combination Brand Name**-A combination brand name brings together a family brand name and an individual brand name. The idea here is to provide some association for the
product with a strong family brand name but maintaining some distinctiveness so that customers know what they are getting.

The purpose of market segmentation is to identify consumer preferences, behavioral responses and consumption patterns by dividing a market into several homogeneous sub-markets. Marketers can formulate brand strategies, or product/brand positioning, tailored specifically to the demands of these homogeneous sub-markets. Customer needs are becoming increasingly diverse. These needs can no longer be satisfied by a mass marketing approach. Businesses can cope with this diversity by grouping customers with similar requirements and buying behaviour into segments. Identification of the appropriate premise of segmentation can then be made, thus making the best of finite resources. Therefore it becomes significant to understand how consumers make brand/product decisions which are critical for brand managers, especially in conditions where there are many brands in the market competing for the same customers.

A brand must express and reinforce the underlying values and personality of the product or service it represents. A brand is a set of expectations and a promise that those expectations will be met. The execution of the brand strategy must be devised to apply a specific style, tone and image that reflects the brand’s core values and attributes on a consistent basis. These brand attributes are designed to build an emotional connection with the customer and influence how customers perceive, understand and interact with a business. Evolving brand strategy comprises the creation, re-positioning and integration of the brand into the company’s customer experience. Growth requires transition to customer-centric brand marketing; building a brand platform that is iconic, experience driven, creates a story, instills core values, answers customer needs, delivers on brand promises and values customer insights. Effectiveness is measured by the ability of the brand to influence every customer interaction by disrupting the status quo and adding value to every customer experience.

Marketing has had two roles in companies. The first is to influence customer demand using the marketing mix toolkit. The second is to take a leadership role in helping companies develop a stronger focus on customers – to create a customer orientation. Out of several brand aspects, the brand-customer relationship (Aaker, 1995) dimension has been the focal point of this research study.
A brand is the perception of value that a customer believes he receives in purchasing a particular product, service or experience from a particular organization. Consequently, a great brand effectively retains customers while simultaneously attracting new ones. Branding is the process by which companies distinguish their product offerings from competition. Hence it is vital for organizations to establish a healthy and purposeful consumer-brand relationship. This can be achieved by building strong customer centric brands.

As economic challenges and pressures for businesses mount, marketing teams are faced with major decisions. While widespread consumer anxiety results in dwindling businesses, marketing budget allocations are hit by cutbacks and marketers face the challenge of better market performance in a restrained economy.

Investments and organizational objectives have been reframed. While retention of market share appears to be the biggest thought, equally important is to continue to build the product or service's customer base and avoid losing brand value during constrained times. The need of the hour is to reorganize brand portfolios, rethink spending approaches, generate more fine-grained customer insights, overhaul pricing and segment management and restructure sales, service, and channel strategies. Better brand positioning and appropriate use of technological tools enables shrinking the budgets for marketing resource allocation.

The challenges and complexities of the modern marketplace make efficient and effective marketing an imperative. The concept of brand equity has been put forth as a means to focus marketing efforts. The businesses that win in the twenty-first century will be those that have marketers who successfully build, measure, and manage their brands. Marketing has had two roles in companies. The first is to influence customer demand using the marketing mix toolkit. The second is to take a leadership role in helping companies develop a stronger focus on customers – to create a customer orientation. Out of several brand aspects, the brand-customer relationship (Aaker, 1995) dimension has been the focal point of this research study.
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Figure 2.2: Model of Brand Knowledge

Source: Keller, 1993
2.4. Brand Customer Centricity

2.4.1. Functions of brand customer centricity

Four ways of establishing a brand customer centricity are:

- Establish a proper brand identity
- Create appropriate brand meaning
- Elicit the right brand responses
- Forge appropriate brand relationships with the customers

There are various functions that brands carry for the buyer as well as the seller. Buyers’ brands can help to identify products and thus simplify their product decision by reducing search costs and assuring a certain level of quality. Consequently the buyer perceives a low risk in buying the product (Dalrymple and Parsons, 2000). Another benefit of brands to buyer is that they can obtain psychological rewards by purchasing brands, which indicate status and prestige, thus reducing their psychological risk related to buying a wrong product.

In this context, I explore the dimension of Customer Relationship Management. CRM advances marketing’s mission on both fronts. CRM supports the effort to become more customer focused and enables companies to create and share deep customer insight within and beyond the company. Properly implemented, this new intimacy will ensure that the right value propositions are created and the right customers are recruited, retained and developed. CRM is an enterprise wide approach to understanding and influencing customer behavior through meaningful communication to improve customer acquisition, customer retention, customer loyalty, and customer profitability. CRM can be viewed as an application of one-to-one marketing and relationship marketing, responding to an individual customer on the basis of what the customer says and what else is known about that customer (Peppers et. al, 1999). It is a management approach that enables organizations to identify, attract, and increase retention of profitable customers by managing relationships with them (Hobby, 1999) and further identifying strategically significant customers (Buttle, 2001). In the academic community, the terms “relationship marketing” and CRM are often used interchangeably.
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(Parvatiyar, 2002). The heart of marketing is relationships and nurturing long term relationships should be the goal of marketing practice (Berry et al., 2006).

Increased competition reduces brand loyalty making the job of the marketers more complex. Further, customers also become indifferent to the myriad marketing messages being thrust upon them. As a result, marketing needs to be more well directed and specific, because customers, whether consumers or businesses, do not want more choices. Customers have hidden or overt preferences which marketers can reveal by building a learning relationship. Hence, the study focuses on developing greater customer centricity in brands.

An increasing number of organizations have specialized in meeting the increased complexity of individual needs. As more and more consumers gain access to powerful new media and information tools to compare brands, products and services (Pitt et al., 2002; Hagel and Singer, 1999; Wind and Rangaswamy, 2001; Prahalad and Ramaswamy, 2000), organisations in a range of industries are responding by developing advocacy-based strategies and practices. As Urban (2004) observes, the strategy behind customer advocacy is simple. By assisting consumers to find and execute their optimum solution in a given market, it will be easier for an organization to earn their long-term trust, purchases and loyalty.

In the meantime, in the highly competitive business climate, developing and maintaining unique product features has become hard and costly. Technical progress does not necessarily assure commercial success or sustainable competitive advantages. Products are becoming more and more like commodities. According to Naomi Klein, author of the much debated book “No Logo”, leading companies like Nike, Microsoft and Tommy Hilfiger put brands before products claiming that they no longer produce things, but images of their brand.

A brand relationship is the commitment and resonance a customer has towards a brand. It goes beyond simple features, functionality, price or total cost of ownership. The higher the commitment to a brand, the more impervious the customer is to the offers of competitors. Higher repurchase probabilities are one measure of this commitment, as is the willingness to refer the product to others.

What consumers know about a brand will influence their reaction when confronted with brand-related stimuli (e.g. a branded product, a brand user, a category). Managing consumer
brand knowledge hence becomes a crucial task for brand managers (Aaker, 1996; Kapferer, 2004; Keller, 2003). In this context, we explore the concept of a brand, from a consumer’s perspective.

Although the last decades’ specialized literature attempted to crystallize the concept of “brand functions”, the term still needs further consideration.

Brand associations include perceptions of brand quality and attitudes towards the brand. Keller and Aaker both appear to hypothesize that consumer perception of a brand are multi-dimensional, yet many of the dimensions they identify, appear to be very similar. The image that a good or a service has in the mind of the consumer, with respect to its positioning, is probably more important to its ultimate success, than its actual characteristics. Marketers try to position their brands so that they are perceived by the consumer to fit a distinctive niche in the marketplace-a niche occupied by no other product (Schiffman and Kanuk, 1994).

In this context, the following functions have been identified that a brand is expected to perform.

2.4.1.1. Emotional Connection

A brand differentiates a product in several forms and it can be broadly divided into two categories- the tangibles (rational), and the intangibles (emotional and symbolic). Either way, while the product performs its basic functions, the brand contributes to the differentiation of a product (Keller, 2003). These dimensions distinguish a brand from its unbranded commodity counterpart and give it equity, which is the sum total of consumers’ perceptions and feelings about the product’s attributes and how they perform, about the brand name and what it stands for, and about the company associated with the brand (Achenaum, 1993). A strong brand provides consumers multiple access points towards the brand, by attracting them through both functional and emotional attributes (Keller, 2003). Emotional attachment to brands has attracted recent research attention (e.g. Thomson et al., 2005). Researchers have long considered attitudes to be insufficient predictors of brand commitment (e.g. loyalty), and suggest that true loyalty requires the customer to form an emotional bond with the brand (Park et al., 2009; Oliver, 1999).
Customer’s emotional connection with a brand assessed on attributes like appealing, attitudinal attachment, captivating, passion etc. that together reflect the true health of any company-customer relationship is a reflection of their social bonding. In the same context, social identity theory is based on the notion that people will be motivated to attach themselves to those who are perceived to be similar in values, preferences or various shared group characteristics (Jacobson, 2003). The fundamental premise is that group membership is crucial to the formation of specific identities developed by the individual (Hogg and Abrams, 1990). Social identity is developed through the value and emotional attachment that an individual derives from membership in a particular group (Tajfel and Turner, 1986). Groups are particularly likely to engage in strategies to maintain their identity when (a) there is a strong attachment or identification with the group, and (b) there is an imminent threat to the dominant status of the in-group mounted by a rival group (e.g., just before a major game encounter) (Hogg and Abrams, 1990; Tajfel and Turner, 1986). In this study, we propose that the processes associated with building strong group identity and cohesion are ultimately reflected in stronger identification with the in-group, as well as an enhancement of positive social and self-concept benefits (Branscombe and Wann, 1991; Tajfel and Turner, 1986). Under these conditions, marketing strategists may have an opportunity to strengthen the consumers’ emotional connection with the brand by priming the audience with strong emotional connect. In developing strategies and tactics aimed at building strong and lasting relationships between customers and brands, it may be important to consider the manner in which customer-brand emotional connection/relations are bolstered and reinforced. Recognizing the importance of building such brand connections, should also solidify strong and lasting relationships between customers and the brand.

2.4.1.2. My Lifestyle and Image

A brand can be viewed as a person. It can be perceived as being competent, trustworthy, active, or youthful (Aaker, 1996). A brand personality may help communicate a product’s attributes and thus contribute to a functional benefit. Similarly, it can help create a self-expressive benefit that becomes a vehicle for the customer to express his or her own personality.
When consumers believe that a brand is credible, repeatedly purchase the brand, and develop a commitment to the brand, sometimes the brand can imbue so much meaning to the consumer that he/she uses the brand to create and represent a desired self-image or self-concept (Escalas, 2004). Brand associations as well as the meaning ascribed to these brands can help consumers construct, cultivate and express their identities (Krugman, 1965; Belk, 1988; Wallendorf and Arnould, 1988). The use of a particular brand can operate to facilitate the portrayal of a representation positively associated by the consumer. A self-brand connection then develops and can be used to satisfy psychological needs, reinforce identity and allow an individual to connect to others (Wallendorf and Arnould, 1988; Escalas, 2004).

2.4.1.3. My perception

Perception is the way that individuals select, organize, and interpret data to create a meaning for themselves. Customers usually view goods based on their perception since they do not buy the goods. Thus, a brand can be seen as a prejudice (Arnold, 1992 referred to in Natalie Ann Ryan, 2002). Consumers initially have feelings towards a brand before they even consume it (Buttle and Burton 2002 referred to in Natalie Ann Ryan, 2002). The perception of the brand image is very important, since consumers analyze the personality of a brand, and then creates meaning out of the brand message (D. Aaker and A. Biel, 1993 referred to in Natalie Ann Ryan, 2002).

To perceive quality of the brand, consumers often look at price (Upshaw, 1995 referred to in Natalie Ann Ryan, 2002). In general, consumers want brands that offer them high quality at a reasonable price. A firm’s way of sales promotion can have either a positive or a negative influence on the consumer’s perception of the brand’s quality. It also has an impact on the brand images (Usunier, 1993 and 1994). For example, a firm that always has price promotions can let a consumer to perceive the low quality. Conversely, if consumers see special offers from a brand once in a while, they will feel more rewarded for being a customer. By advertising this way, the firm can keep the consumer’s perception of quality that they have for the brand, while also keeping a positive image of the brand in the consumers mind (Aaker and Biel, 1993). It is important that a brand’s identity matches the consumer’s image of the brand because this determines whether a brand will gain the trust of consumers, and whether the brand will succeed or not (Temporal and Lee, 2001).
Brand image can be defined as perceptions about a brand as reflected by the association held in consumer memory. It can also be conceptualized as the culture of attributes and associations that consumers connect to the brand name (Keller, 1993). Brand image is the totality of associations that surround the brand. It is a perceptual concept. What is contained in a brand’s image may or may not be the result of marketing efforts. It represents how a brand lives in a customer’s very own personal, subjective world. A consumer may develop a set of beliefs about a brand e.g., attributes or benefits. It is this set of beliefs that a consumer holds about a brand that make up the brand image.

Building a strong brand within consumers’ minds means creating a positive brand evaluation, an accessible brand attitude, and a consistent brand image, (Farquhar, 1989), the accessible brand attitude actually referring to what the others term as awareness. As already mentioned, an important dimension of brand equity is brand awareness, very often an undervalued component. Not only is that awareness a prerequisite for a brand to be included in the consideration set (the brands that receive consideration for purchase), but it also influences perceptions and attitudes, and can be a driver for brand loyalty (Aaker, 1991).

2.4.1.4. Consumer Brand Knowledge

Reflecting the salience of the brand in the customer’s mind, brand knowledge is conceptualized in terms of two components, brand awareness and brand image (Aaker, 1996). Brand knowledge can be described as consumer awareness of a brand and the associations with the brand. Understanding whether or not consumers are aware of the brand and what associations they hold towards the brand is key information for developing a strong and equitable brand. Awareness can be assessed at several levels such as recognition, recall, or, even more, brand knowledge (what the brand stands for is very well known by consumers) (Aaker, 1996). Brand awareness is the first and prerequisite dimension of the entire brand knowledge system in the consumers’ minds, reflecting their ability to identify the brand under different conditions: the likelihood that a brand name will come to mind and the ease with which it does so (Keller, 1993). Brand awareness can be bifurcated into brand recognition (consumers’ ability to confirm prior exposure to the brand when given the brand as cue) and
brand recall (consumers’ ability to retrieve the brand when given the product category, the needs fulfilled by the category, or some other cues).

Considering (Farquhar’s, 1989) approach towards brand equity, the accessible attitude he refers to is related to how quickly a consumer can retrieve brand elements stored in his/her memory (brand awareness).

The definition adopted here will be: Consumer knowledge is information concerning the market stored in consumer’s long-term memory. By market, I mean the products, brands, and their environment (consumers and other individuals, legislative provisions and/or pressure groups, etc.). Memory is a system that consists of schematically encoding, storing, and then retrieving information. Long-term memory is as defined by (Shavelson and Stanton, 1975) as a “subset of memory that is both permanent, with a virtually unlimited storage capacity, and well organized”. Consumer knowledge is seen as consisting of networks of associations (Anderson, 1983). This approach stems from research conducted in the field of cognitive psychology, notably by (Collins and Loftus, 1975) and later by (Anderson, 1983). It is widely accepted in the fields of marketing and consumer behavior (Keller, 1993; Mitchell and Dacin, 1996).

On the basis of these definitions, we introduce two further concepts: product category knowledge and consumer brand knowledge:

By product category knowledge, it is meant information pertaining to this product category stored in consumer’s long-term memory.

By brand knowledge, it is meant information pertaining to this brand stored in consumer’s long-term memory.

It should be noted that this knowledge may be false (Park et al., 1994; Stoltman et al., 1992), as a consequence of poor encoding, misunderstanding of information, or bad inferences (Alba and Hutchinson, 1987). An example of erroneous information would be: “Philips is a Japanese brand”. A consumer’s knowledge may vary, in particular with regard to the amount
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of information stored in memory and its type, and also the proportion of erroneous information.

Consumer knowledge is believed to consist of two complementary dimensions: familiarity (sometimes called experience) and expertise (Alba and Hutchinson 1987, Jacoby et al. 1986).

**Familiarity** is defined as the "number of product related experiences that have been accumulated by consumers", in other words advertising exposure, information searches, e.g. discussions with salespeople or friends, frequenting retail outlets, owning products, etc.

**Expertise** is defined as the “ability to perform product-related tasks successfully”. It includes both the cognitive structures (e.g.: beliefs about product attributes) and cognitive processes (e.g.: decision rules for acting on those beliefs). Increased familiarity with a brand may result in a better developed knowledge structure – both in terms of the knowledge an individual has stored in memory as well as what people perceive they know about a brand (Brucks, 1985). A certain discrepancy may be noted with regard to the operationalization of the concept of knowledge (Feick et al., 1992). Before addressing this point, it is worthwhile to review the concepts of familiarity and expertise in detail, to facilitate future measurements.

2.4.1.5. Trust

Brand choice could be considered as the central problem of consumer behavior, while the perceived risk associated to buying decisions is a pivotal aspect of brand choice. Risk is often perceived to be painful in that it may produce anxiety, in which case it must be dealt in some manner by the consumer. Among the main functions of a brand from the consumers’ perspective is considered to be the minimization of perceived purchasing risk, which in turn helps cultivate a trust-based relationship (Keller, 1993). Trust is defined as the willingness to rely on an exchange partner in whom one has confidence. It exists when a party has confidence in an exchange partner’s reliability and integrity and when they share common goals and values. It is a consequence of interdependence due to stable customer experience of expectations being exceeded and of being provided the best value by the existing firm. Brand awareness can influence consumers’ perceived risk assessment and their confidence in the purchase decision, due to familiarity with the brand and its characteristics. Satisfaction over multiple interactions leads to a stage where the customer begins to have faith in the offering.
and its consistency in performance. Satisfaction leads to trust when some more antecedent conditions such as shared values and goals, dependence based on stable expectation/perception of performance and perceived switching costs are fulfilled. As per (Niall Fitzgerald, chairman- Unilever plc.), in order to function at all, human societies rely on the existence of trust. Good brands invite trust, earn trust, honor trust and reward trust. Good brands guard their reputations with their lives, and if by accident they transgress, they apologize with grace and true humility -quickly. Every change that we face in marketing today makes the establishment of trust and the maintenance of trust more necessary and more valuable, because for consumers the mounting complexity of choice will make the need for trust more urgent. It is as promising future for brands that live up to and deliver on these expectations.

2.4.1.6. Responsible towards the Customer

Customers get committed to a brand when the brand achieves personal significance for them. It happens when the consumers/buyers perceive it to be a part of them. Organizations were initially sensitive about their image and have now become very sensitive about their reputation. Image is a function of perception-the basis on which brand evaluations are formed. Reputation has more depth, is more involving: it is a judgment from the market which needs to be preserved. In any case, reputation has become a byword as witnessed by the annual surveys on the most respected companies (Aaker, 1995). Reputation signals that although the company has many stakeholders, each one reacting to a specific facet of the company (as employee, as supplier, as financial investor, as clients and above all as customers or buyers), in fact they all are sensitive to the global ability of the company to meet the expectations of all its stakeholders. As changes in the reputation affect all stakeholders, companies monitor and manage their reputation closely. Global reputation is a function of the companies’ responsibility towards the customer (Fombrun, Gragberg and Server, 2000). Companies which are responsible towards the customer gain more respect for the brand, have greater levels of consumer engagement and evangelism and above all, form a relationship with the consumer.
2.4.2 Brand Positioning

In this context, brand positioning gains importance as a strategic marketing function. It further becomes vital for organizations to recognize the consumer as a significant dimension in evaluating and positioning organizational brands. This can be achieved through adoption of appropriate brand management strategies. Our previous studies, as part of our research in the domain of Branding have indicated that building customer centricity in a brand is a significant strategic thought which organizations can explore in the wake of the rising vulnerabilities of brands, in the face of rising consumer empowerment. It creates new opportunities for brand-customer dialogue, knowledge creation, and, critically, provides a new context in which the interests of a corporation and those of its customers can be more closely aligned. Our research further shows that Consumer Brand Knowledge is an important contributor in the customer centricity of a brand.

2.4.3. The Brand Ecosystem

2.4.3.1. Brand Salience: Why It’s Important For Your Brand

Unfortunately, at purchase decision time, the vast majority of brands never show up at all. Getting consumers to “think” about the brand more often, and in more buying situations, is one of the most under-rated marketing challenges that brands face today.

2.4.3.2. Brand Salience — what is it?

Achieving the right brand identity involves creating brand salience with the customers. Brand Salience relates to aspects of the awareness of the brand, for example, how often and easily the brand is evoked under various situations or circumstances. Brand Salience is the degree to which the brand is thought about or noticed when a customer is in a buying situation. Strong brands have high Brand Salience and weak brands have little or none. This helps explain to some degree, why big brands are big and small brands are small: if consumers can not think about a brand at the moment of buying truth, the brand is going to be relegated to the dustbin of small and unnoticed brands. It is NOT the same thing as top of mind awareness. Top of mind awareness is simply what brands come to mind when consumers are asked to recall
brands within a category. Brand Salience is different. Why? Because it is what brands come to mind when consumers are in a purchase situation. More specifically, Brand Salience is the memory of a brand and its linkage to other important memory structures. The buying situation “mindfulness” and linkage to memory structures is what differentiates Brand Salience from top of mind awareness.

2.4.3.3. What Drives Brand Salience

This all sounds very simple. But there really is some science behind it. Various researches conducted in Ehrenberg-Bass Institute for Marketing Science in the domain of Brand Salience, and the findings are surprisingly simple, yet counter-intuitive, for Marketers. Brand Salience is a function of the quantity and quality of the consumer’s memory structures (Romaniuk and Sharp, 2007) of the. Brand Salience is the step before consideration— is your brand even “thought of” before the consumer considers a brand or brands and makes a final purchase decision? Or is it mentally screened-out, like the majority of brands?

2.4.3.3.1. Quantity of Memory Structures

In buying situations, consumers are often driven by mental “cues” that trigger their thoughts around brand consideration sets. For example, if one thinks about getting a quick meal for under Rs.50, a person is likely to consider McDonalds based on their ubiquitous Rs. 20 burger and low price menus. The more memory structures the brand is linked to, the more salient the brand the more likely it is to be thought of during a buying situation. The examples above point out something important: what buyers remember about brands isn’t always the same across buying decisions. So, the quantity of memory structures can make a difference.

2.4.3.3.2. Quality of Memory Structures

Researchers argue that the quality of Brand Salience is a function of the strength of the association and the attribute relevance. Taking the McDonalds example above, consumers have experienced several Rs. 20 Burgers or other Happy Price Menu creative executions, the linkage is very strong. Additionally, if value is important and relevant to them because of budget, this further increases Brand Salience.
So, to summarize: Brand Salience is a function of: a) the quantity of memory structures the brand is linked to; and b) the quality of these structures, as defined by the strength of association and relevance of the structure. By building the quantity and quality of memory structures, corporates can maximize the number of consumers who will think of their brand and the number of times they think of the brand in various buying situations.

2.4.3.4. Brand Recall

Brand Recall relates to consumers’ aptitude to retrieve the brand from memory given the product category, the needs fulfilled by the category or a purchase or usage situation as a cue. It requires consumers to correctly generate the brand from memory when given a relevant cue. It is the extent to which a brand name is recalled as a member of a brand, product or service class, as distinct from brand recognition. Common market research usage is that pure brand recall requires "unaided recall". For example a respondent may be asked to recall the names of any cars he may know, or any whisky brands he may know. Some researchers divide recall into both "unaided" and "aided" recall. "Aided recall" measures the extent to which a brand name is remembered when the actual brand name is prompted. An example of such a question is "Do you know of the "Honda" brand?" In terms of brand exposure, companies want to look for high levels of unaided recall in relation to their competitors. The first recalled brand name (often called "top of mind") has a distinct competitive advantage in brand space, as it has the first chance of evaluation for purchase.

2.4.3.5. Brand Personality

Distinct brand personality plays a key role in the success of a brand. It leads customers to perceive the brand personality and develop a strong connection to the brand (Doyle, 1990). A brand personality should be shaped to be long-lasting and consistent. Besides, it should also be different from other brands and meet consumer’s demands (Kumar et al., 2006). Hence, the consumers of those toys and video games are like the brand spokespersons and become the basis for suppliers to build brand personality. With the specific brand personality, consumers of varying personality traits will be attracted and their brand preference will then be further developed. In addition, a company can maintain a good relationship with customers through its brand personality (Aaker and Biel, 1993).
Since brands have their own particular personalities, consumers may treat brands as real human beings. In this case, consumers will expect the people’s words, attitudes, behavior or thoughts and so on to meet their respective personality traits (Aaker, 1996). Consumers may likely use the brand and products in line with their own personality traits, in other words, all the marketing activities are aimed at having consumers believe and recognize a brand personality, and reinforcing the communication between the brand and the consumer (Govers and Schoormans, 2005), in order to enhance the brand’s loyalty and equity. Brand personality has become a widely discussed issue in recent years. It has been emphasized in many brands and products, including durables goods, consumables goods, entertainment and luxury goods, and so on (Kumar et al., 2006; Govers and Schoormans, 2005; Mengxia, 2007). Consumers may have their own preference for the brand and product in compliance with their brand personality and personality traits or their own concepts (Govers and Schoormans, 2005). However, in fact, brand preference only involves in the affection in brand loyalty, it may not develop any purchase behavior (Dyson et al., 1996). Only a few researchers have simultaneously combined effective loyalty and behavioral loyalty into their investigation on the relationship of personality traits and brand personality with brand loyalty.

Brand personality can be defined as “a set of human characteristics associated with a brand.” (Aaker, 1997). Brand personality mainly comes from three sources: the first one is the association consumers have with a brand, secondly, the image a company tries hard to create, for example, using an advertising spokesperson to create a corporate image, and the third is about the product attributes, for example, product categories and distribution channels. Personality is a useful variable in the consumer’s choice of brands. The brands selected by consumers are usually in compliance with their own personalities. Hence, brand personality offers the functions of self-symbolization and self-expression (Keller, 1993). It is indicated that brand personality contains demographic features, such as gender, age and social class, and they may be directly influenced by the image of the brand users, personnel and product spokespersons, and indirectly affected by product attributes as well (Levy, 1959). For instance, Marlboro is a cigarette brand more likely to be smoked by males because “macho cowboys” are the brand image built up by Marlboro, Mercedes cars tend to be driven by those in higher social classes because Mercedes shows an image of high quality and high efficiency. It’s well noted that consumers usually select brands having self-concept
congruence (Kotler and Keller, 2005). However, sometimes, consumers will select a brand according to their ideal self-concept or the social self-concept. Thus, brand personality may have the function of demonstrating and expressing your own personality at the same time. (Karande et al., 1997) believed that product designers and marketing personnel may benefit from the features of brand personality, because they may develop their marketing plans according to the features. In addition, with brand personality, a product can be differentiated from other brands.

Furthermore, brand affection can also be developed by brand personality, which can in turn reinforce consumer’s brand personality. It’s well pointed out that brands have their own personalities, so users may choose the products matching their preferences and personalities according to perceived product images (Milewicz and Herbig, 1994). A successful brand knows how to build its distinct brand personality, which enable customers to perceive the unique brand persona, then developing a strong binding relationship with the brand (Doyle, 1990). The crucial element in constituting brand personality is to have a clear differentiation in conveying brand personality (Kumar et al., 2006). The personality shall be consistently and persistently cultivated over the long run. When trying to change the way a brand image is conveyed, the original brand personality and value should first be strengthened in order to reduce to the minimum a customer’s feelings of chaos and inconsistency.

(Aaker, 1997) used personality psychology to develop a “brand personality scale,” identified the five dimensions: sincerity, excitement, competence, sophistication and ruggedness of brand personality, and induce 15 facets and 42 traits. (Aaker et al., 2001) also conducted a brand personality study in Japan in 2007, for which they slightly modified the brand personality scale released in 2001 exclusive for Japan, by taking different local and culture backgrounds into account, and established a new brand personality scale befitting the Japan market.

Similar to the brand personality scale of the USA, the newly established brand personality scale is also constituted of five dimensions:

1. Excitement;
2. Competence;
3. Peacefulness;
4. Sincerity; and
5. Sophistication.

2.4.3.6. Brand Resonance

Brand Resonance (Keller, 2003) refers to the extent to which customers feel “in sync” with the brand. Just as we feel the vibe between ourselves and others, we also experience a vibe that resonates between ourselves and brands. There are four categories to brand resonance:

1. Behaviour - such as frequent purchase.
2. Attitude – when we say we “love” the brand.
3. Sense of community – such as the Harley Owner's Group (HOG).
4. Active engagement – where people invest time and money beyond purchase or consumption.

Resonance with clients and consumers is different for every brand. The good news is there is a brand for every customer, business and walk of life. The presence of social media and networking sites is proving this point better than any marketing researcher in history as organizations are witnessing instant feedback on their brands and campaigns. Brand resonance can be defined as how well a brand connects with its customer both formally and casually. Creating resonance with a brand means that the brand message has to permeate consumers’ minds and lives. More than ever, marketing needs to be impactful and emotive to create this type of resonance. While there is a formal brand presence defining what a company is, there is also a more casual side that says a brand is human. This is the way brands earn trust. Creating resonance means a brand offers consumers a solution to their unique problems by adding value.

The figure 2.2 below (adopted from Keller, 2003) shows the various levels it takes to build the brand resonance in terms of sustainable relationship between the consumer and the brand.
Chapter 2

Figure 2.3: Consumer Brand Resonance

(Source: Keller 2003)

The first level of the pyramid deals with establishing the identity of the brand. Keller suggests a single building block for this phase and terms it brand salience. In building a highly salient brand, he argues that it is important that awareness campaigns not only build depth (ensuring that a brand will be remembered and the ease with which it is) but also breadth (the range of situations in which the brand comes to mind as something that should be purchased or used).

The second layer of the pyramid deals with giving meaning to the brand and here Keller presents two building blocks: brand performance and brand imagery. Brand performance is the way the product or service attempts to meet the consumer’s functional needs. Brand performance also has a major influence on how consumers experience a brand as well as what the brand owner and others say about the brand.

Delivering a product or service that meets and, hopefully, exceeds consumer needs and wants is a prerequisite for successful brand building. In communicating brand performance, Keller identifies five areas that need to be communicated: primary ingredients and supplementary

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features; product reliability, durability and serviceability; service effectiveness, efficiency and empathy; style and design; and price.

Brand imagery deals with the way in which the brand attempts to meet customers’ psychological and social needs. Brand imagery is the intangible aspects of a brand that consumers pick up because it fits their demographic profile (such as age or income) or has psychological appeal in that it matches their outlook on life (conservative, traditional, liberal, creative etc). Brand imagery is also formed by associations of usage (at work or home) or via personality traits (honest, lively, competent, rugged, etc).

It is in this building block that advertising plays a major role in shaping the image of the brand, although word-of-mouth recommendations and a consumer’s own experience are equally important. However as brand imagery is built, it is important that brand managers and strategists craft strong, favorable and unique associations for a brand.

Having dealt with brand identity and meaning, we move upwards to the third tier of the pyramid to develop a consumer response to the brand. Keller proposes two building blocks for this tier, namely brand judgments and brand feelings. Judgments about a brand emerge from a consumer pulling together different performance and imagery associations. These judgments combine into a consumer’s opinion of a brand and whilst there are multiple judgments that an individual can make, Keller believes there are four that companies must pay attention to in their brand-building efforts. They are the perceived quality of the brand; brand credibility (the extent to which the brand is perceived as having expertise, being trustworthy and likable); brand consideration (the brand must be relevant to the consumer so that they are likely to purchase or use it); and brand superiority (the extent to which consumers view the brand as being unique and better than other brands).

Maintaining brand judgement is particularly important when a company embarks on brand extension as what counted as quality, credibility, consideration and superiority in one market can evaporate as the brand extends its product line and/or market reach. Baby food manufacturer Gerber tried to enter the adult food market in the 1970s by producing small helpings of fruits, vegetables, desserts, etc in the same jars it used for infant food. Unable to garner credibility (adult food is very different to baby food), consideration (how many adults
would think about buying food for themselves that is packaged in a well-established baby-food jar) and superiority (many other brands specialize in adult food) for its new product range, Gerber quickly ditched which was widely regarded as a spectacular failure.

Whereas brand judgments can be fairly logical, brand feelings are consumers’ emotional responses to the brand. Keller identifies six brand-building feelings that he regards as important emotions that a consumer can have towards a brand, namely warmth, fun, excitement, security, social approval and self-respect.

The first three are experiential and immediate and increase in the level of intensity whilst the latter three are private and enduring and increase in the level of gravity. These responses are likely to come together in different combinations for individual consumers and the distinct brands they are relating to.

What is important for the brand manager and strategist is that responses are positive and come to mind when a consumer thinks about the brand. Telecommunication companies often depict the emotional rewards of making a call such as a child bringing joy to his or her geographically-distant grandparents by speaking to them on the phone. Fun is a major component of brand communication with well-known South African examples such as Castrol’s “Boet and Swaer” and “Mad About Oil” campaigns and Vodacom’s “Yebo Gogo” and “Meerkat” campaign. Volvo plays on the brand feeling of security by emphasizing the safety of its cars. Investment management firm Allan Gray also targets the feeling of security by emphasizing the long-term performance of the investments it makes on behalf of its clients.

The final tier of the pyramid deals with the consumer’s relationship with the brand and here Keller introduces the sixth building block which he calls brand resonance. Resonance is characterized by the intensity of the psychological bond that customers have with the brand and their level of engagement with the brand. The challenge for the brand manager and strategist is to develop the bond and increase the number of interactions (repeat purchases of a product or service) through the development of marketing programs that fully satisfy all the customers’ needs, provides them with a sense of community built around the brand and even empowers them to act as brand champions.
In wrapping up this appraise of the pyramid model, it is useful to heed Keller’s advice not to take shortcuts: “The length of time to build a strong brand will therefore be directly proportional to the amount of time it takes to create sufficient awareness and understanding so that firmly held and felt beliefs and attitudes about the brand are formed that can serve as the foundation for brand equity.”

2.4.3.7. Brand Value

Brand value is defined by the Business Owner’s Toolkit as “the relationship of its quality to its price”. The old Marketing 101 definition of brand value is also the relationship of its quality to its price. A cursory glance through Google, a well-known internet search engine, reveals approximately 409,000 entries for the phrase “brand value”. This number, by itself, shows the importance of the concept. The academic literature on brand value, searchable by Google Scholar, reveals 4,880 references. The Google entries show both academic treatments of brand value as well as business entries from service providers. Brand value is, however, a concept that is not really well defined (Zeithaml, 1988). In general, it relates to the influence of a brand in the marketing mix or the impact of the brand name on reactions to other features of the marketing mix, such as the reactions to the actual product. What is quite interesting, however, is the inordinate amount of attention paid to this concept. From a commercial end, companies such as “Inter Brand” put dollar values on the concept of a company’s brand value (Farquhar et al., 1992). Indeed, brand value may enter into the sales and purchase price of a company, for brand value can endure when the actual physical products change, evolve, mature and die. Branding is, therefore, a major issue in a product strategy.

Academicians and industry leaders agree that brand equity is one of the pivotal sources of competitive advantage (Hitt et al., 2001). Brand equity reduces marketing costs as there is high brand awareness and loyalty, thereby providing companies with trade leverage in bargaining with retailers. Furthermore, brand equity allows the company to charge higher prices than those of its competitors because the brand has higher perceived quality. Finally, because brand equity is intangible, it is a source of a long-term competitive advantage. Intangible resources are more difficult to imitate, perhaps because they are harder to understand and, therefore, they cannot simply be reverse engineered. Most companies agree
that intangible resources such as brand equity produce clear revenues over time. Based on this perception, one may define brand equity and calculate its present net value of future profits (Farquhar et al., 1992). Coca Cola holds one of the most famous, and some will say, most expensive brands in the world. Some of the strongest world brands were born based on their creators’ belief that while everyday business activity focuses on profits, building brand equity focuses on stimulating the identification of a product resulting in customer loyalty.

2.4.3.8. Online Brand Presence

In recent years, the offline and online spheres of strategic brand management are becoming more and more inter-connected. This is not only because offline companies sell their products over the internet as an alternative distribution channel (Levin et al., 2003), or that firms more frequently run integrated brand communication campaigns both offline and online (Bartel-Sheehan and Doherty, 2001; Srisuwan and Barnes, 2008). The connection goes beyond these links, as companies that commercialize their products offline, now seem to cross over the offline borders and offer new products and services online. Apple is an example with the iPhone and the iTunes shop on the internet. Another example is Nokia with its Ovi web portal. The reverse is also possible, and online companies may benefit from launching products that are available on the offline market. For instance, Google has made its Google Docs useable without an internet connection (Martin, 2008). Recently, this company has just launched a new mobile phone that uses its own operating system. This new launch created expectations among consumers who waited patiently for the new product (Ricker, 2008). In a market research study as many as 20 percent of the respondents replied that they would be interested in purchasing a Google phone (Boulton, 2007).

Concerning brand management, the appearance of a brand both online and offline seem to be a powerful strategy as it allows firms to leverage established brand equity in both contexts. For offline brands, expansion online is all about adding brand value for consumers through additional availability and exposure via the internet (Rubinstein and Griffiths, 2001). For online brands on the other hand, expansion offline can create increased brand awareness as the brand is made more tangible by selling offline products, which may foster stronger trust (Snyder, 1998; Ries and Ries, 2000; Todaro, 2004; Delgado and Hernández, 2008).
2.4.3.9. Customer Centricity and CRM

As the various players in the marketing/branding space assemble and roll out their triple- and quadruple-play bundles, convergence is becoming an everyday reality for consumers. As companies strive to manage expanding product offerings, diminishing competitive differentiation, and increasingly powerful and demanding customers, the winners will be those products/brands that convince their customers to buy and keep more products and meet and exceed their customers’ expectations at all critical customer touch points. Faced with this challenge, traditional product-oriented organizational structures and systems are simply no longer up to the job. An alignment of the customer relationship management (CRM) program and supporting organizational structures, processes, and technologies is required to achieve a sustained excellence in customer experience, service, and responsiveness.

Customer centric marketing introduced, (Sheth et al., 2000) emphasizes understanding the needs, wants, and resources of individual consumers and customers rather than those of mass markets. Marketers determine whether to serve customers directly or via a third party. Accordingly, they analyze whether to create an offering that customizes the product and/or some other elements of the marketing mix or to standardize the offering. Ultimately it seeks to maximize the “effective efficiency” of marketing actions (Sheth and Sisodia, 1995). Thus, customer centric marketing ensures the efficiency and effectiveness of marketing activities by focusing only on profitable customers.

(Sheth et al., 2000) opine that customer centric marketing is distinct from one-to-one marketing, in the sense that the needs, wants, and resources of customers constitute the starting point in the planning process instead of focusing on the adaptation of product. It is also different from RM; customer centricity can be practiced without establishing, maintaining, and enhancing customer relationships, but its focus is required for effective relationship exchanges. Therefore, even transactional customer centric marketing can occur where the level of customer involvement and interest in an interactive relationship is low.

While discussing the antecedents of customer centric marketing, (Sheth et al., 2000) maintain that, besides increasing the efficiency and effectiveness of marketing processes, customer centric marketing is indispensable due to the diversity in both consumer and industrial
markets. Moreover, cost-effective technologies assist marketers to better meet the needs of individual customers. Further, they suggest that customer centric marketing leads toward supply management, which may also result in outsourcing a subset of customers. Finally, it culminates in the co-creation of products, pricing, and distribution.

In this context, (Bolton, 2004) discusses customer centric business processes as a culturally focused approach which attempts to place customers’ needs at the forefront of all core business operations. Apropos, it requires mechanisms to bring about changes in business process design and implementation, culture and organization structure. Thus, customer centric organizations ought to focus on business effectiveness through long-term dialogue with customers to improve customization and personalization of products, resulting into a more loyal customer base.

Contrary to popular belief, Customer Relationship Management (CRM) is not a system, or a technology, or a simple application. CRM is a holistic strategy that places customers at the center of all business operations. Some call this customer-centricity; others coin this approach as listening to the “voice of the customer.” Regardless of semantics, CRM is the integration of people, processes, and technology, which allow a company to leverage its information assets to identify, attract, and retain profitable customers. Effectively implementing a customer-focused business strategy requires a cultural shift that converts the focus from products to customer needs. Rather than heavily promoting products to create perceived needs, consider working collaboratively with customers to really understand how organizations can help them.

Both in literature and practice the concepts of customer and marketing orientations are mixed up. Marketing orientation is broader, not only including customers but also competitors and how markets function. This paper is focused on the customer, but at the same time wants to consider the customer as part of a larger context, a network of relationships. The border between customer and citizen is fuzzy. Since customer centricity reached the public sector in the 1980s it is claimed that patients are customers, students and parents are customers of the school, and so on.
Management often has doubts about the profitability of customer centricity. They are afraid that customer centricity incurs cost but contributes no revenue. And the cry for marketing accountability and marketing metrics is increasingly louder. It is not new; it has come and gone and different techniques and methods have been used for ages. The conviction that everything must be measured in numbers – “What gets measured gets done!” – is often driven too the extreme as everything cannot be forecast and measured. Marketing – like R&D, leadership and mergers – rests on judgment calls and visions only supplemented by certain key indicators. Marketing is complex and the outcome is dependent on planned action and uncontrollable events such as competitor activity, changed preferences among customers, and political decisions. Short-term cost slashing is cheered by shareholders and it therefore becomes tempting to downsize, outsource and automatize without proper knowledge about the effects on customers.

Customer centric companies are better off. Many efforts have been made to measure customer centricity and there is some evidence that point to a positive effect. Shah et al. (2006) propose that customer centricity can be implemented once it is more consistently managed throughout an organization. Measurement requires arbitrary definitions and simplifications and even if the numbers may appear as precise, validity may be uncertain. If the slogan “what gets measured gets done” should be true, financial indicators and proxies such as customer loyalty, customers share, and brand recognition together with unclear incentives can lead to the wrong decisions and activities.

CRM (customer relationship management) is a recent and sophisticated way of handling knowledge about customers. It is the traditional salesman’s card index with an address list of customers, notes about previous orders and so on which has been digitalized and can be used in wider applications. CRM rests on the tenet of relationship marketing that long-term customer relationships are antecedents to success. CRM systems are also connected to a company’s total business system and therefore the influence of marketing on profits can be more fully monitored. But everything builds on the relevance of the computer software and how well the users can analyze the data, make decisions and implement activities.

CRM or Customer Relationship Management is an enterprise wide initiative that belongs to all areas of an organization (Singh and Agrawal, 2003). It reflects the comprehensive strategy
and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer.

The Goals of CRM are-

1. Build long term and profitable relationships with chosen customers.
2. Getting closer to those customers with every point of contact with them (Shainesh and Sheth, 2006).

CRM is an enterprise wide approach to understanding and influencing customer behavior through meaningful communication to improve customer acquisition, customer retention, customer loyalty, and customer profitability. CRM can be viewed as an application of one-to-one marketing and relationship marketing, responding to an individual customer on the basis of what the customer says and what else is known about that customer (Peppers, 1999). It is a management approach that enables organizations to identify, attract, and increase retention of profitable customers by managing relationships with them (Hobby, 1999) and further identifying strategically significant customers (Buttle, 2001).

Increased competition reduces brand loyalty making the job of the marketers more complex. Further, customers also become indifferent to the myriad marketing messages being thrust upon them. As a result, marketing needs to be more well directed and specific, because customers, whether consumers or businesses, do not want more choices. They want exactly what they want, when, where and how they want it, and technology now makes it possible for companies to give it to them (Joseph et al, 1995). Customers have hidden or overt preferences which marketers can reveal by building a learning relationship. Earlier, marketers were attempting to interpret consumer needs on the basis of their buying behaviors. Now with the arrival of consumer generated media, marketers have another avenue to learn about the consumer. The objective is to keep the consumers satisfied and keep them loyal towards the company or brand. CRM, which has also been described as ‘information-enabled relationship marketing’ (Ryals and Payne, 2001), comprises processes used by organizations to manage consumer relationships which also include collecting, storing and analyzing data, and is often termed as data-driven marketing.
2.4.3.10. Blogs and Branding

Global enterprises are struggling today to understand how the use of the internet impacts their brands. Corporate management is witnessing a new level of activism from an influential constituency rarely heard from in the past – ordinary consumers. Many of these new consumer influencers are gaining a large share of voice in the market thanks to the power of the internet, and to technologies that bring together people who share common interests. Consumers are impacting brand equity as never before. This unnerves corporate marketing practitioners with responsibility for brand management. Companies feel pressure to control the brand conversation.

The truth is that corporate marketing never had control of the brand. The ownership of the brand and its reputation has always belonged to the consumer. Some companies outsource the solution to this problem to a digital marketing agency, which delivers services that focus on the technical development of internet-based marketing products. These services can include web design, e-mail marketing or microsite software development. Additional services may include viral marketing campaigns, banner advertising, search engine optimization, pod casting or widget development. Digital marketing agencies tend to emphasize web-based tool development as a means to an end, focusing on everything except the most important social media element: the quality of the relationship between the firm and the consumer.

With this increase, brand ownership is increasingly being shared among consumers and the brands themselves. Through social networks, blogs and videos, consumers are entrenched in the dissemination of information. Long gone are the days when media would communicate a brand’s message to consumers. Consumers are now the individuals broadcasting personal or second-hand stories to their social networks and the world. They are a brand’s storytellers and the new brand ambassadors.

The collaborative version of the internet, termed Web 2.0, as coined by Tim O’Reilly in 2005, has altered the manner in which information is published, consumed and utilized on the internet resulting in a paradigm shift in the way interactions take place within the organizational workspace as well as between the organization and the external customers. Web 2.0 is a collection of open-source, interactive and user-controlled online applications.
expanding the experiences, knowledge and market power of the users as participants in business and social processes. Blogging is shaping into a useful organizational tool for brand propagation and interaction with consumers with several corporates having effectively launched Corporate Blogs, thereby shaping consumer perception, by adding to consumer knowledge about organizations, brands and products. Blogs are no longer a subculture of the Internet; they have become a mainstream information resource. As blog audiences grow and persist over hundreds of posts, more of the ‘back story’ is contained in an archive or across conversations throughout the community and more and more is taken for granted as known.

The dictionary meaning of a blog is a frequent, chronological publication of personal thoughts and links. As millions of people use blogs as personal diaries on the internet, they are emerging as collaborative spaces that can be put to multiple uses and have emerged as the latest mode of computer mediated communication (Herring, 1993). This concept has found widespread acceptance in the corporate world with the emergence of ‘corporate’ or ‘organizational’ blogs. These are people who blog in an official or semi-official capacity at a company, or are so affiliated with the company where they work that even though they are not officially spokespeople for the company, they are clearly affiliated and endorsed explicitly or implicitly by the company. Also termed as a hybrid of the personal blog (Smudde, 2005), they are increasingly being explored by public relations practitioners and feature the insights, assessments, commentary, and other discourse devoted to a single company.

Organizational blogs seem to appear at the intersection of personal reflection and professional communication. They have evolved from both online and offline modes of communication and have characteristics of both personal and professional communication (Kelleher and Miller, 2006). Posts in blogs are tagged with keywords, allowing for content categorization and also for gaining access to the content through tagging as a theme based classification system. Linking is also an important part of the blogging activity as it deepens the conversational nature of the blogosphere and its sense of immediacy (Anderson, 2007). An effective blog fosters community and conversation, drives traffic to the product website, and serves as a medium for interaction with consumers thereby shaping consumer perception, eliciting responses, and through a two way thought exchange process, aids in fostering a connection with the consumers. Blogs have a comparative advantage of speedy publication-
they have a first mover advantage in socially constructing interpretive frames for current events (Kolari, et. al, 2007). Blogs are no longer a subculture of the Internet; they have become a mainstream information resource. They further provide a tremendous opportunity for forward-thinking companies and management to have a significant positive impact on their public perception. People who read organizational blogs perceive an organization’s relational maintenance strategies as higher than those who read traditional web content only, thereby making a blog a useful tool for creating and maintaining value laden relationships with current and potential customers. Launching a corporate brand blog is representative of an organizational desire to share information and engage in a conversation. This is especially true when the blog allows visitors to post their own comments. The informality of communication helps companies build trust, converse with people and even manage public perception by posting suitable responses. The ability of a blog to induce consumer participation by making consumers comment on the posts hosted by the organization creates a dialogue and helps the organization achieve consumer engagement. These web based interactions can aid in reducing the level of perceived indifference of a company, and at the same time reinforce a customer purchase decision, by offsetting the feeling of cognitive dissonance (Dwyer, 2007).

While the ability of a blog to achieve higher volumes of engagement in terms of volume of comments is significant, of greater importance is the knowledge capital created through exchange with consumers which can be mined to extract explicit information which can be leveraged by the organization as a decision support system for consumer segmentation and strategy formulation. The advantage of blogs is that posts and comments are easy to reach and follow due to centralized hosting and generally structured conversation threads. Currently, all major browsers support RSS technology, which enables readers to easily access posts without actually having to visit the blogs. From a blogging perspective, benefits to users are social as well as informational, and that connecting with their community is an important value sought by all types of users and heavy users of the system realize the greatest benefits (Daniel and Hair, 2007).
2.4.3.11. Brand Experience

Customers develop relationships with brands through direct experiences and base their perception of the brand on this experience, and how that brand compares to other brands they have experienced. The personal experience in which a consumer has with a firm is the key factor in developing or destroying trust (Petromilli and Morrison, 2002 referred to in Natalie Ann Ryan, 2002). 76 percent of consumers would find it difficult to trust a brand again, the first time did not meet their needs. Since a firm’s brand is a promise of a certain experience, the trust or distrust of a brand depends on the experience the consumer has (Dolliver, 2001 referred to in Natalie Ann Ryan, 2002). This is important because it is through this experience that customers will decide whether or not the brand is valuable to them and worth trust (Temporal and Lee, 2001 referred to in Natalie Ann Ryan, 2002). Generally, consumers believe firms have good intentions and work hard not to repeat mistakes. They believe most firms will do the right thing when faced with a problem with one of their goods. Still, the fact remains true that consumers find it more difficult to trust brands after the first time of having a bad experience with the brand (Dolliver, 2001 referred to in Natalie Ann Ryan, 2002). Customer relationships are longer with a firm, when customers gain high levels of cumulative satisfaction for a brand. Conversely, if a customer has a poor experience with the goods, they will be less satisfied. They will not seek a long relationship with a particular brand. When a consumer is satisfied with a brand, this means they are content with all parts of the goods that are related to their needs. Finally, they also trust this brand (Burton, 2002).

2.4.3.12. Digital Brand ecosystem

A brand is more than just a company’s products and services. It’s also the ecosystem that surrounds those products and services, the brand also develops a relationship with members of the ecosystem and their role in influencing the spread of a brand message. Ultimately, the strength of a brand is directly related to the connections within that ecosystem.

From a strategic perspective, brands can be designed to deliver greater customer value by building a “brand ecosystem” that includes the value networks and interactions of these value networks at each stage of brand value building. This concept is similar to several other value-delivery frameworks found in the literature. For example, (Porter, 1985) proposed the value chain as a framework to describe how the activities of a business contribute to its tasks of
designing, producing, delivering, communicating, and supporting its products to create value. In a similar way, (Kumar, 2004) presented a “3Vs” framework which includes valued customers (who to serve), a value proposition (what to offer) and a value network that will deliver the promised product and/or service. All activities in a value network are driven by the end-consumer’s intended experience and preferences (i.e. desired value proposition). It is well designed and presented as a holistic marketing framework to show how the interaction between relevant actors (customers, company, and collaborators) and value-based activities (value exploration, value creation, and value delivery) helps to create, maintain and renew customer value (Kotler and Keller, 2006).

Today, as consumers are demanding more social responsibility from the brands they use, a brand ecosystem as a whole must reflect the core values associated with the brand. In this respect, the brand’s identity provides the DNA for the entire ecosystem (Aaker and Keller, 1995), and ultimately brand equity. The importance of consistent high standards and values throughout the entire brand ecosystem cannot be ignored. Recognizing the holistic nature of a brand ecosystem requires an organization to fully understand and manage its value network(s) and their interactions that are driven by desires and preferences of the chosen target markets. In essence, the brand ecosystem places the brand and related customer experiences as the focal point.

The best brands in the world know that it’s essential to create a Brand Ecosystem a living breathing, organism that is all about stimulating and feeding off conversations that happen within it, then using that to build further brand stories. Millions of micro interactions that happen on the web (blogs, twitter, Facebook, YouTube, Google etc.) are conversations between people and many of the conversations happening in social media are about brands. So to break down the Brand-Ecosystem- it’s an organic model, where the role of the brand is to listen to the conversations happening around it, energise those conversations with interesting content and experiences. It’s all about giving the brand community to talk something about the brand, within their own personal social networks and influencers are then able to add velocity to the idea penetration about a brand.
2.4.3.13. Consumer Sentiment

Branding is an ongoing process of monitoring brand perception to ensure that a brand is always meeting consumer expectations and evolving with consumers’ changing needs. A brand’s growth is severely limited if it lacks an emotional connection with consumers. It’s up to you to create branded experiences that allow people to become emotionally involved in your brand. In branding, the process of creating emotional involvement begins with the emotional triggers created by the brand with their set of audiences (Mowen and Minor, 2001). If a brand doesn’t hone in on an emotional trigger, then it will have a much harder time generating word-of-mouth marketing and loyalty. People don’t often talk about things they have no feelings for or about (Joseph et al, 1995), and that applies to brands, too.

Once the organizations identify the most effective emotional triggers tied to their brand and understand the feelings consumers have for the brand and the competitors’ brands, it’s time to create branded experiences that allow emotional involvement in their brand to grow deeper. Branded experiences include the atmosphere in the organization’s brick-and-mortar location, the user experience and content on the corporate website (Payne et al, 2005), the conversations on product or brand blogs, the brand behavior and offerings at events, and so on. It is in the interest of the organizations to look for ways to allow consumers to experience their brand first-hand and develop their own emotional connections to it.

The brand that makes a connection with the consumer, wins their confidence and their business. Emotionally connecting consumers to a brand is essential. Without it, relationships are not formed, and loyalty can never develop.

The consumer has to be touched emotionally more than intellectually today. The key here is to fulfill consumers' desires over their basic needs. That is, to appeal to consumers' emotions over their reasoned, intellectual needs.

In the context, the study of the consumer sentiment assumes vital significance.

2.4.3.14. Customer Mindset

The basic premise of customer based brand equity (CBBE) model is that the power of a brand lies in what customers have learned, felt, seen, and heard about of the brand as a result of their experiences overtime. In other words, the power of a brand lies in what resides in the
minds of customers (Keller, 2003). The challenge for marketers in building a strong brand is ensuring that customers have the right type of experiences with products and services and their accompanying marketing programs so that the desired thoughts, feelings, images, beliefs, perceptions, opinions, and so on become linked to the brand (Aaker, 1995).

It is through customers learning about and experiencing a brand that they end up thinking and acting in a way that allows the firm to reap the benefits of brand equity. Although marketers must take responsibility for designing and implementing the most effective and efficient brand-building marketing programs possible, the success of those marketing efforts ultimately depends on how consumers respond. This response, in turn, depends on the knowledge that has been created in their minds for those brands.

Nevertheless, five dimensions have emerged from prior researches, as particularly important measures of the customer mindset (Lassar and Sharma; Agrawal and Rao, 1996):

1. **Brand Awareness**: The extent and ease with which the customers recall and recognize the brand and can identify the products and services with which it is associated.
2. **Brand Associations**: The strength, favorability, and uniqueness of perceived attributes and benefits for the brand.
3. **Brand Attitudes**: Overall evaluations of the brand in terms of its quality and the satisfaction it generates.
4. **Brand Attachments**: How loyal the customer feels towards the brand. A strong form of attachment, adherence, refers to consumer’s resistance to change.
5. **Brand Activity**: The extent to which the customers use the brand, talk to others about the brand, seek out the brand information, promotions, and events, and so on.

### 2.4.3.15. Sentiwordnet

Sentiwordnet 1.0, a lexical resource used for sentiment mining. Each synset of Wordnet 2.0 is associated with three numerical scores—obj, pos and neg. The pos scores were used for our study. For instance the word ‘like’ has a score of 0.5. For the purpose of this research, I describe SENTIWORDNET (version 1.0), a lexical resource in which each synset of WORDNET (version 2.0) is associated with three numerical scores Obj(s), Pos(s) and Neg(s), describing how Objective, Positive, and Negative the terms contained in the synset are.
assumption that underlies our switch from terms to synsets is that different senses of the same term may have different opinion-related properties. Each of the three scores ranges from 0.0 to 1.0, and their sum is 1.0 for each synset. This means that a synset may have nonzero scores for all the three categories, which would indicate that the corresponding terms have, in the sense indicated by the synset, each of the three opinion-related properties only to a certain degree. The synset SENTIWORDNET is freely available for research purposes, and is endowed with a Web-based graphical user interface.