CHAPTER II

REVIEW OF LITERATURE

2.1. Attributes of Educational Brand

Definitions of branding tend to reflect its multi-faceted nature. According to American Marketing Association (AMA), 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 competition” (AMA, 2003). This product-based definition focuses on the differentiating aspect of branding. Brands however serve a variety of key roles “at the interface between product design, customer relationships and marketing communication” (Rowley, 2001, p. 97). More encompassing interpretations of branding currently focus on added value, and the relationship between the user and the brand at the more intangible level of perception and prestige: A brand is essentially a marketer’s promise to deliver a specific set of features, benefits and services consistently to the buyer (Kotler, 2003, p. 420). People are the cornerstones of a brand’s growth. Students decide which Higher Educational Institutions to choose for their Higher Education based on a wide range of different factors. Students take account of information from family and friends. The ways and means by which students gather information about the educational institutions for their Higher Education are clearly depicted in the following diagram.
Ruben (2004) says that students are affected not only by the teaching environment but also by the learning environment, which includes facilities, accommodation, physical environment, policies and procedures, and more importantly, interpersonal relations and communication and from every encounter and experience. Students’ preferences, expectations and needs have always been intricately interwoven. Student expectations are not set in stone – they can be influenced and better managed by universities. Many student experience studies have identified that Branding of education has the potential to shape the expectations of the prospective students. Educational Brand has several signals/attributes. The major signals/attributes of Educational brand are price, service, quality and innovation.
Price

Price is a discovery process. There is no ultimate or given formula for arriving at the "right" price. Obviously the right price is the one a customer is willing to pay because there is a strong value-for-money proposition in favor of the customer. Price is obviously dependant on a wide variety of internal and external factors. A more fair and robust system of education will require significant increase in tuition fees and other fees. In order to facilitate higher education for the meritorious students from financially weaker backgrounds, adequate provisions for fellowships/soft loans will also need to be made. For example; Easy loans, at low interest are available to students of IIT's /IIM's etc. Some thing which they can pay back in a year or so! In USA and other countries, students take nearly 3 to 6 years to pay back their loans.
for education! Students of IBS pay about Rs.4 lakhs for the MBA Program. The meritorious students offer attractive merit scholarships up to 50% of the fees payable. More than 70% of the students finance their education through bank loans.

**Service**

Education comes under service industry. Differentiation comes through service. Educational Institutions should provide full service on an end-to-end basis. Students of IBS pay about Rs.4 lakhs for the MBA Program. Usually the pay back comes within one-and-half to two years, quite often in less than a year. Take another example in ICFAI there are more than 200 branches of ICFAI spread all over the country to provide primary services to all the students. 95% of the students deal with ICFAI using the Internet and make the payments using the secure Internet payment gateway established by ICFAI. All emails received from the students are responded within two hours after their receipt. ICFAI has also set up a dedicated call center for catering to the needs of the students. Higher education institutions are expected to be responsive to the diverse needs of students and the demands of other stakeholders including staff, employers of graduates, and clients of consulting services, industry, venture partners and regional communities. Cost effective continuing education possibilities are essential for citizens to be in tune with time. Excellence in education also requires improvement in infrastructure, well-crafted courses, e-learning materials, access to laboratories, computational facilities and above all industry exposure.

**Quality**

Higher education institutions must deliver high class teaching and enable excellence in research. Higher education institutions must provide services that are
worthy of continuing public and private investment and community confidence. Quality of an educational institution is reflected in many ways. For the students of campus programs the quality of instruction is at most important. Training can be provided in knowledge skills in addition to a series of programs aimed at improving soft skills. The focus should be on student centric learning rather than faculty centric teaching. Students should also be provided with well stock libraries and computer labs. Examinations can also be very innovatively formulated consisting of computer-assisted assignments based on objective type questions, applied theory questions, numerical problems, case-lets and case studies.

**Innovation**

Higher education institutions need to generate new ideas, solve problems, improve products or processes and adapt to new and changing environments. The need to be innovative relates not only to improvements in teaching and learning but also to the direction and commercialization of research, and engagement with industry, research institutions and other education providers. Good teachers can be in any part of the world. The university has to bring in this resource through innovative content generation in virtual class rooms. The entire success of an Educational Institution revolves around sustaining the attribute of innovation. There should be always something new and contemporary. Every educational Institution should adopt a philosophy, which merges academics with corporate culture.

**Image**

A Higher Educational Institutions image is not absolute, but relative to the images conveyed by other Higher Educational Institutions. Parameswaran and Glowacka (1995) in their study of university image found that higher education
institutions (HEIs) need to maintain or develop a distinct image to create a competitive advantage in an increasingly competitive market. It is, after all, this image that will impact on a student’s willingness to apply to that institution for enrolment, or a donor considering an endowment, or a company selecting an institution to do contracted research and development. At a time when HEIs around the globe face declining student numbers and decreasing funding grants, it becomes imperative for them to determine their images in the eyes of their various publics. It is for this reason that Institutions must understand the image that they portray, and make sure that the image is both an accurate and favourable reflection of the institution.

According to Gavin (as cited by Kotler and Fox, 1995): *An institution’s actual quality is often less important than its prestige, or reputation for quality, because it is the university’s perceived excellence which, in fact, guides the decisions of prospective students and scholars considering offers of employment, and federal agencies awarding grants.*

**External Exposure**

External exposure includes the Tie-ups of the Indian Higher Educational Institutions with Abroad Universities. It also includes the visits of Guest Faculty from top ranking foreign universities & IIT’s and executives from Industry for guest lectures in addition to core faculty. These kinds of exposures will surely attract the students nationally and internationally and also staffs and Employers which leads to achieve competitive advantage and to maintain its edge.
2.2. Brand Building: A conceptual Framework

Everyone has a will to win but very few have the will to prepare to win

– Vince Lombardi

The central concern of brand building literature experienced a dramatic shift in the last decade. Branding and the role of brands, as traditionally understood, were subject to constant review and redefinition. A traditional definition of a 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, p. 396). The American Marketing Association (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” (p. 404). Within this view, as Keller (2003a) says, “technically speaking, the n, whenever a marketer creates a new name, logo, or symbol for a new product, he or she has created a brand” (p. 3). 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, p. 119). Kotler (2000) mentions branding as “a major issue in product strategy” (p. 404). As the brand was only part of the product, the communication strategy worked towards exposing the brand and creating brand image. Aaker and Joachimsthaler (2000) mention that within the traditional branding model the goal was to build brand image; a tactical element that drives short-term results.
Kapferer (1997) mentioned that “the brand is a sign -therefore external- whose function is to disclose the hidden qualities of the product which are inaccessible to contact” (p. 28). The brand served to identify a product and to distinguish it from the competition. “The challenge today is to create a strong and distinctive image” (Kohli and Thakor 1997, p. 208). Concerning the brand management process as related to the function of a brand as an identifier, Aaker and Joachmisthaler (2000) discuss the traditional branding model where a brand management team was responsible for creating and coordinating the brand’s management program. In this situation, the brand manager was not high in the company’s hierarchy; his focus was the short-term financial results of single brands and single products in single markets. The basic objective was the coordination with the manufacturing and sales departments in order to solve any problem concerning sales and market share. With this strategy the responsibility of the brand was solely the concern of the marketing department (Davis 2002). In general, most companies thought that focusing on the latest and greatest advertising campaign meant focusing on the brand (Davis and Dunn 2002).

Brand Building Models

Kapferer (1997) mentions that before the 1980’s there was a different approach towards brands. “Companies wished to buy a producer of chocolate or pasta: after 1980, they wanted to buy KitKat or Buitoni. In other words, the shift in focus towards brands began when it was understood that they were something more than mere identifiers. Brands, according to Kapferer (1997) serve eight functions shown in Table 2.1: the first two are mechanical and concern the essence of the brand: “to function as a recognized symbol in order to facilitate choice and to gain time” (p. 29); the next three are for reducing the perceived risk; and the final three concern
the pleasure side of a brand. He adds that brands perform an economic function in the mind of the consumer, “the value of the brand comes from its ability to gain an exclusive, positive and prominent meaning in the minds of a large number of consumers” (p. 25). Therefore branding and brand building should focus on developing brand value.

**Table 2.1: The Functions of the Brand for the Consumer**

<table>
<thead>
<tr>
<th>Function</th>
<th>Consumer Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification</td>
<td>To be clearly seen to make sense of the offer, to quickly identify the sought-after products</td>
</tr>
<tr>
<td>Practicality</td>
<td>To allow savings of time and energy through identical repurchasing and loyalty</td>
</tr>
<tr>
<td>Guarantee</td>
<td>To be sure of buying the best product in its category, the best performer for a particular purpose</td>
</tr>
<tr>
<td>Optimization</td>
<td>To be sure of buying the best product in its category, the best performer for a particular purpose.</td>
</tr>
<tr>
<td>Characterization</td>
<td>To have confirmation of your self-image or the image that you present to others.</td>
</tr>
<tr>
<td>Continuity</td>
<td>Satisfaction brought about through familiarity and intimacy with the brand that you have been consuming for years.</td>
</tr>
<tr>
<td>Hedonistic</td>
<td>Satisfaction linked to the attractiveness of the brand, to its logo, to its communication</td>
</tr>
<tr>
<td>Ethical</td>
<td>Satisfaction linked to the responsible behaviour of the brand in its relationship towards society</td>
</tr>
</tbody>
</table>

_Adapted from Kapferer (1997)_
Kapferer’s view of brand value is monetary, and includes intangible assets. “Brands fail to achieve their value-creating potential where managers pursue strategies that are not orientated to maximizing the shareholder value” (Doyle 2001a, p. 267). Four factors combine in the mind of the consumer to determine the perceived value of the brand: brand awareness; the level of perceived quality compared to competitors; the level of confidence, of significance, of empathy, of liking; and the richness and attractiveness of the images conjured up by the brand. In Figure 2.1 the relationships between the different concepts of brand analysis, according to Kapferer (1997), are summarized.

**From Brand Assets to Brand Equity**

\[
\begin{align*}
\text{Brand Awareness} & \\
\quad + \text{Image} & \\
\quad + \text{Perceived quality} & \\
\quad + \text{Evocations} & \\
\quad + \text{Familiarity, liking} & \\
\end{align*}
\]

\[
\begin{align*}
\text{Brand added value perceived by customers} & \\
\quad - \text{Costs of branding} & \\
\quad - \text{Costs of invested capital} & \\
\end{align*}
\]

\[
\text{Brand financial value} = \text{(BRAND EQUITY)}
\]

*Kapferer 1997, p 37*

**Figure 2.3: Relationships between Concepts of Brand Analysis**

**Brand Orientation**

Urde (1999) presents Brand Orientation as another brand building model that focuses on brands as strategic resources. “Brand Orientation is an approach in which the processes of the organization revolve around the creation, development, and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages in the form of brands” (p. 117-118). Brand orientation focuses on developing brands in a more active and deliberate
manner, starting with the brand identity as a strategic platform. It can be said that as a consequence of this orientation the brand becomes an “unconditional response to customer needs and wants” (p. 120). This should be, however, considered carefully given that “what is demanded by customers at any given moment is not necessarily the same as that which will strengthen the brand as a strategic resource” (p. 121). Following this reasoning, “the wants and needs of customers are not ignored, but they are not allowed to unilaterally steer the development of the brand and determine its identity” (p. 122).

According to the brand orientation model, “the starting point for a process of brand building is to first create a clear understanding of the internal brand identity. The brand then becomes a strategic platform that provides the framework for the satisfaction of customers’ wants and needs” (Urde 1999, p. 129). The point of departure for a brand oriented company is its brand mission.

Urde’s Brand Hexagon (1999), shown in Figure 2.2, integrates brand equity and brand identity with a company’s direction, strategy and identity. The right side of the model reflects the reference function – product category and product, which are analyzed rationally, while the left side of the model reflects the emotional function – corporate and brand name, which are analyzed emotionally. “A brand is experienced in its entirety” (p. 126), which means that both emotions and rational thought are involved. The lower part of the model -mission and vision- reflects the company’s intentions towards the brand, while the upper part reflects the way that target consumers interpret the brand. At the center of the model lies the core process of brand meaning creation, which includes the positioning and core values.
In summary, “in a brand-oriented organization, the objective is -within the framework of the brand- to create value and meaning. The brand is a strategic platform for interplay with the target group and thus is not limited to being an unconditional response to what at any moment is demanded by customers” (Urde 1999, p. 130).

Additionally, in a later article, Urde (2003) mentions that the brand building process is two-part: internal and external. He defines the internal process as that used primarily to describe the relationship between the organization and the brand, with the internal objective being for the organization to live its brands. Conversely, the external process is that concerned with relations between the brand and the customer, with the external objective of creating value and forming relationships with the customer.
**Brand Leadership**

Aaker and Joachimsthaler (2000) leave behind the traditional branding model and introduce the brand leadership model, “which emphasizes strategy as well as tactics” (p.7). In this model, the brand management process acquires different characteristics: a strategic and visionary perspective; the brand manager is higher in the organization, has a longer time job horizon, and is a strategist as well as communications team leader; building brand equities and developing brand equity measures is the objective; and, brand structures are complex, as the focus is on multiple brands, multiple products, and multiple markets. In short, brand identity and creating brand value become the drivers of strategy. The brand leadership model is Aaker and Joachimsthaler’s (2000) proposal for building strong brands. They argue that there are four challenges, summarized in Figure 2.3, that must be addressed:

1) *The organizational challenge*: to create structures and processes that lead to strong brands, with strong brand leader(s) for each product, market or country. Also, to establish common vocabulary and tools, an information system that allows for sharing information, experiences and initiatives, and a brand nurturing culture and structure. Supporting this challenge, McWilliam and Dumas (1997) argue that everyone on the brand team needs to understand the brand building process, and they propose metaphors as intelligent tools to transmit the values of a firm. Doyle (2001b) adds that brand management must be seen as part of the total management process and not only as a specialist marketing activity.

2) *The brand architecture challenge*: to identify brands, sub-brands, their relationships and roles. It is also necessary to clarify what is offered to the consumer and to create synergies between brands; to promote the leveraging of brand assets; to understand the role of brands, sub-brands, and endorsed brands in order to know when to extend them;
and to determine the relative role of each brand of the portfolio. Aaker (2004a) renames brand architecture calling it instead brand portfolio strategy. He says that “the brand portfolio strategy specifies the structure of the brand portfolio and the scope, roles, and interrelationships of the portfolio brands” (p. 13).

3) The brand identity and position challenge: to assign a brand identity to each managed brand and to position each brand effectively to create clarity. Speak (1998) supports and adds to this stating that the brand identity challenge should have a long-term focus in order to integrate the brand building process into the fabric of the organization.

4) The brand building program challenge: to create communication programs and other brand building activities to develop brand identity that helps not only with the implementation but also in the brand defining process. In short, brand building must do what is necessary to change customer perceptions, reinforce attitudes, and create loyalty. One tactic to do so would be to consider alternative media in addition to advertising. Doyle (2001b) also adds that the brand strategy must maximize shareholder value.

**Figure 2.5: Brand Leadership Tasks**

<table>
<thead>
<tr>
<th>Organizational Structure and Processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Responsibility for brand strategy</td>
</tr>
<tr>
<td>- Management processes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Brand Architecture</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Brands/sub-brands/endorsed brands</td>
</tr>
<tr>
<td>- Roles of brands/sub-brands</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Brand Identity/Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Aspirational image</td>
</tr>
<tr>
<td>- Positioning the brand</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Brand-Building Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Accessing multiple media</td>
</tr>
<tr>
<td>- Achieving brilliance</td>
</tr>
<tr>
<td>- Integrating the communication</td>
</tr>
<tr>
<td>- Measuring the results</td>
</tr>
</tbody>
</table>

Aaker and Joachimsthaler 2008
Brand Asset Management

Davis (2002) also talks about a new way of managing brands. He argues that brands, along with people, are a company’s most valuable asset. “There is growing support for viewing and managing the brand as an asset and thus having the brand drive every strategic and investment decision” (Davis and Dunn 2002, p. 15). This becomes relevant given that the top three strategic goals for brand strategy nowadays are increasing customer loyalty, differentiating from the competition, and establishing market leadership (Davis and Dunn 2002). Davis (2000) defines Brand Asset Management as “a balanced investment approach for building the meaning of the brand, communicating it internally and externally, and leveraging it to increase brand profitability, brand asset value, and brand returns over time” (p. 12). Some of the shifts from traditional brand management to this new model are highlighted in figure 2.6.

**Figure 2.6: The Shift from Traditional Brand Asset Management**

<table>
<thead>
<tr>
<th>Traditional Brand Management</th>
<th>Brand Asset Management Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand management</td>
<td>Brand asset management strategy</td>
</tr>
<tr>
<td>Brand managers</td>
<td>Brand champions and ambassadors</td>
</tr>
<tr>
<td>Retention</td>
<td>Deep loyalty</td>
</tr>
<tr>
<td>One-time transactions</td>
<td>Lifetime relationships</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td>Customer commitment</td>
</tr>
<tr>
<td>Product-driven revenues</td>
<td>Brand-driven revenues</td>
</tr>
<tr>
<td>Three-month focus</td>
<td>Three-year focus</td>
</tr>
<tr>
<td>Market share gains</td>
<td>Stock price gains</td>
</tr>
<tr>
<td>Marketing manages the brand</td>
<td>All functional areas manage the brand</td>
</tr>
<tr>
<td>Awareness and recall metrics</td>
<td>Sophisticated brand metrics</td>
</tr>
<tr>
<td>Brand is driven internally</td>
<td>Brand is driven externally</td>
</tr>
</tbody>
</table>

Davis, 2002
The Brand Asset Management process, as shown in Figure 2.7, involves four phases and eleven steps. The first phase is to develop a brand vision, which consists of a single step: developing the elements of a brand vision. The basic objective of this step is to clearly state what the branding efforts must meet corporate goals. The second phase is to determine the company’s “BrandPicture” by understanding consumer perceptions about the brand with competitor brands. This phase consists of three steps: determining the brand’s image, creating the brand’s contract list of customer’s perceptions of all the current promises the brand makes, and crafting a brand-based customer model which allows for understanding how consumers act and think, and how and why they make their purchase decisions. The third phase is to develop a brand asset management strategy, in order to determine the correct strategies for achieving goals according to the brand vision. This phase consists of five steps: positioning, extending, communicating, leveraging, and pricing the brand. Finally, the fourth phase is to support a brand asset management culture. This final phase consists of two steps: creating a measure of the return on brand investment, and establishing a brand based culture.
Figure 2.7: Brand Asset Management Process

LOGMAN Model

The logical brand management or LOGMAN model, combines insights from Kaplan and Norton’s balanced scorecard method, BCG’s brand value creation method, the path analysis method, the gap analysis method, and the house of quality method (Logman 2004). The model proposes a logical brand consistency audit by presenting the following questions:
● Is there a logical interaction between the company’s brand drivers?
● Are the company’s brand drivers perceived by customers the way the company wants them to be?
● Are the company’s brand drivers perceived by customers the way the customers want them to be?
● Are the external brand drivers perceived by customers the way the company wants them to be?
● Is there logical consistency between the company’s brand drivers across the different customer segments addressed?
● Is there logical consistency between the company’s brand objectives at different perspective levels?
● Is there logical consistency between the brand’s drivers over time?

According to the author, answering these questions helps to identify real problems and key drivers for their solution, and to analyze brand policy in a specific context.

**Corporate Branding**

The most recent turn in branding literature emerged in the mid-nineties. Businesses began shifting their focus from product brands to corporate branding (de Chernatony 1999, Hatch and Schultz 2003). The corporate brand perspective supports, and could be a consequence of, the strategic view of brands. King (1991) is considered to be the first author to make a clear distinction between product and corporate brands, emphasizing the importance of a multidisciplinary approach in order to manage them. It is after 1995 when more research on corporate branding is published. Balmer and Gray’s (2003) literature review on corporate branding presents
different visions that have been developed during the years prior. They conclude that corporate brands are leading to the development of a new branch of marketing which should be known as “corporate-level marketing” (Balmer and Greyser 2003).

Aaker (2004a) defines a corporate brand as a brand that represents an organization and reflects its heritage, values, culture, people, and strategy. Corporate branding congruent with the strategic brand vision (Schultz and Hatch 2003), dwells on developing brands at an organizational level (Knox and Bickerton 2003) - which requires managing interactions with multiple stakeholders (Balmer and Gray 2003, Knox and Bickerton 2003, Hatch and Schultz 2003, Aaker 2004b). A corporate brand is defined primarily by organizational associations (Aaker 2004b), and thus can develop and leverage organizational characteristics, as well as product and service attributes (Aaker 2004a). Urde (2003) states that corporate brands must reflect organizational values. In other words, an organization’s core values must be the guiding light of the brand building process, both internally and externally. They must be built into the product, expressed in behavior, and reflected in communication. “Core values influence continuity, consistency and credibility in the building of a corporate brand” (p. 1036).

According to Balmer and Gray (2003), corporate and product brands are different in terms of their composition, constituencies, maintenance, management, and disciplinary roots. Hatch and Schultz (2003) distinguish six differences between product and corporate branding:

1) The shift in focus from product to corporation of the branding effort;
2) The different exposure the organization is subject to, which makes the firm’s behavior and its interaction with society much more visible;
3) The relation of the brand to all company stakeholders, not just customers;
4) The requirement of organization-wide support;
5) The temporal dimension of corporate brands includes past and future, not just present;
6) The greater reach of corporate brands than product brands means that they take on more strategic importance.

Given these differences, they describe a corporate branding framework, shown in Figure 2.8, which is based on three elements: strategic vision, organizational culture and corporate image. They argue that developing the corporate brand involves articulating and aligning these three elements, which can be achieved when an effective dialogue between top management, external stakeholders, and members of the organizational culture is established. Given the fact that corporate brands concern multiple stakeholders, Knox and Bickerton (2003) suggest that this framework should be extended in order to include a fourth variable: the competitive environment of the organization, both from the perspective of its current image and current culture.

Figure 2.8: Elements of Corporate Branding

Hatch and Schultz 2003
Knox and Bickerton (2003) identify six “conventions” of corporate brand building, illustrated in Figure 2.6. They are:

- **Brand context**: understanding where the brand stands
- **Brand construction**: how the brand is positioned in accordance to customer and stakeholder value
- **Brand confirmation**: the way the brand is articulated to the rest of the organization and all of its audiences
- **Brand consistency**: delivering clarity to all stakeholders through its communication channels
- **Brand continuity**: the alignment of business processes with the corporate brand
- **Conditioning**: the ability to monitor and manage the brand on a continual basis

**Figure 2.9: The six conventions of Corporate Branding**

In sum, from the corporate brand vision every activity of the company should be seen through the lens of the brand (Schultz and Hatch 2003).
BRAND EQUITY

The brand equity concept has been mentioned in more than one of the previously analyzed models. But what exactly is brand equity? Brand equity, as first defined by Farquhar (1989), is “the ‘added value’ with which a given brand endows a product” (p. 24). Apart from Farquhar’s first definition of brand equity, other definitions have appeared. According to Lassar, Mittal, and Sharma (1995), brand equity has been examined from a financial (Farquhar, Han, and Ijiri 1991; Simon and Sullivan 1993; Kapferer 1997, Doyle 2001b), and a customer-based perspective (Keller 1993; Shocker, Srivastava, and Rueckert 1994; Chen 2001). In other words, financial meaning from the perspective of the value of the brand to the firm, and customer-based meaning the value of the brand for the customer which comes from a marketing decision-making context (Kim, Kim, and An 2003).

Brand equity has also been defined as “the enhancement in the perceived utility and desirability a brand name confers on a product” (Lassar, Mittal and Sharma 1995, p. 13). High brand equity is considered to be a competitive advantage since: it implies that firms can charge a premium; there is an increase in customer demand; extending a brand becomes easier; communication campaigns are more effective; there is better trade leverage; margins can be greater; and the company becomes less vulnerable to competition (Bendixen, Bukasa, and Abratt 2003). In other words, high brand equity generates a “differential effect”, higher “brand knowledge”, and a larger “consumer response” (Keller 2003a), which normally leads to better brand performance, both from a financial and a customer perspective.
Financial Perspective

Financial value-based techniques extract the brand equity value from the value of the firm’s other assets (Kim, Kim, and An 2003). Simon and Sullivan (1993) define brand equity as “the incremental cash flows which accrue to branded products over and above the cash flows which would result from the sale of unbranded products” (p. 29). These authors estimate a firm’s brand equity by deriving financial market estimates from brand-related profits. Taking the financial market value of a firm as a base, they extract the firm’s brand equity from the value of the firm’s other tangible and intangible assets, which results in an estimate based on the firm’s future cash flows. Along the same line of thought, Doyle (2001b) argues that brand equity is reflected by the ability of brands to create value by accelerating growth and enhancing prices. In other words, brands function as an important driver of cash flow.

Customer Perspective

According to Lassar, Mittal and Sharma (1995), five dimensions configure brand equity: performance, value, social image, trustworthiness, and commitment. Aaker and Joachimsthaler (2000) define brand equity as brand assets linked to a brand’s name and symbol that add to, or subtract from, a product or service. According to them, these assets, shown in Figure 2.10, can be grouped into four dimensions: brand awareness, perceived quality, brand associations, and brand loyalty.

Figure 2.10: Brand Equity

Aaker and Joachimsthaler (2000)
These dimensions have been commonly used and accepted by many researchers (Keller 1993; Motameni and Shahrokhi 1998; Yoo and Donthu 2001; Bendixen, Bukasa, and Abratt 2003; Kim, Kim, and An 2003). Brand awareness affects perceptions and taste: “people like the familiar and are prepared to ascribe all sorts of good attitudes to items that are familiar to them” (Aaker and Joachimsthaler 2000, p. 17). Perceived quality influences brand associations and affects brand profitability. Brand associations are anything that connects the consumer to the brand, including “user imagery, product attributes, organizational associations, brand personality, and symbols” (p. 17). “Brand loyalty is at the heart of brand’s value. The concept is to strengthen the size and intensity of each loyalty segment” (p. 17). Any way that brand equity is considered, it can be understood as the incremental value a brand name grants a product (Srivastava and Shocker 1991).

Keller (1993) introduces the Customer-Based Brand Equity (CBBE) model, which “approaches brand equity form the perspective of the consumer -whether it be an individual or an organization” (Keller 2003a, p. 59). The model is based on the premise “that the power of a brand lies in what customers have learned, felt, seen and heard about the brand as a result of their experiences over time” (p. 59). He defines CBBE “as the differential effect that brand knowledge has on consumer response to the marketing of that brand” (p. 60), which emerges from two sources: brand awareness and brand image.

According to Keller (2003a), brand awareness consists of brand recognition – the “consumer’s ability to confirm prior exposure to the brand when given a brand as a cue” (p. 67)- and brand recall -the “consumer’s ability to retrieve the brand form memory when given the product category, the needs fulfilled by the category, or a
purchase or usage situation as cue” (p. 67). On the other hand, “brand image is created by marketing programs that link strong, favorable, and unique associations to the brand in the memory” (p. 70). These associations are not only controlled by the marketing program, but also through direct experience, brand information, word of mouth, assumptions of the brand itself -name, logo-, or with the brand’s identification with a certain company, country, distribution channel, person, place or event.

The way to build a strong brand, according to the CBBE model, is by following four sequential steps, each one representing a fundamental question that customers ask about brands: 1) Ensuring the identification of the brand with a specific product category or need in the customer’s mind -who are you?, 2) Establishing the meaning of the brand in the customer’s mind by strategically linking tangible and intangible brand associations with certain properties -what are you? 3) Eliciting customer responses to the brand identification and meaning -what about you? 4) Converting the response into an active, intense and loyal relationship between the customers and the brand -what about you and me? The CBBE model is built by “sequentially establishing six ‘brand building blocks’ with customers” (Keller 2003a. p. 75), that can be assembled as a brand pyramid, shown in Figure 2.8. Brand salience relates to the awareness of the brand. Brand performance relates to the satisfaction of customers’ functional needs. Brand imagery relates to the satisfaction of customers’ psychological needs. Brand judgments focus on customers’ opinions based on performance and imagery. Brand feelings are the customers’ emotional responses and reactions to the brand. Brand resonance is the relationship and level of identification of the customer with a brand.
Combined Perspective

Some authors have linked both the financial and the customer-based perspectives of brand equity. Motameni and Shahrokhi (1998) developed a model called “Global Brand Equity (GBE)” that estimates brand equity and shows its sources of value. They use an interdisciplinary approach that is able to quantify value components and apply financial techniques. Baldauf, Cravens, and Binder (2003) state that cash flow and short-term parameters are what usually firms use as indicators of performance, without considering brand-based performances. In their study, they suggest using perceived quality, brand loyalty, and brand association as measures of brand equity, and they find that firms with higher levels of these measures have higher levels of performance. This confirms the importance of brand equity as an indicator of performance. Dyson, Farr, and Hollis (1996), after recognizing the financial value attached to brands, propose a consumer driven system of measuring equity. They argue that economic value is created in transactions which are the source of equity. Therefore, they developed a model called the “Consumer Value Model” that predicts transactions in order to bridge the gap between the intangible perceptions and the tangible revenues generated by a brand.
OTHER CONCEPTS

In addition to the brand building models discussed above, it is worth mentioning some other relevant concepts found in literature.

Brand Identity

Park, Jaworski and MacInnis (1986) say that brand image is the “understanding consumers derive from the total set of brand-related activities engaged by the firm” (p. 135). De Chernatony (1999) suggests passing from brand management to identity management by placing special importance on the internal aspect of brand building. He argues that more emphasis needs to be placed on brand identity. Identity, he mentions, “is about ethos, aims and values that present a sense of individuality differentiating the brand” (p. 165). He conceptualizes the brand’s identity in terms of vision and culture, which drive positioning, personality, and any other subsequent relationships. In this sense, employees and staff members’ vision and culture affect the brand building process. He therefore argues that more attention should be placed on internal aspects of branding, such as the role staff plays in shaping a brand’s values.

Building Services Brands

In a subsequent article, a particular perspective for building services brands is suggested by de Chernatony and Segal-Horn (2001). Given the unique characteristics of services - intangibility, inseparability of production and consumption, heterogeneity of quality, and perishability-, “delivery of the services brand is about the experience of the customer at the interface with the service provider” (p. 648). Therefore, the authors argue, it is not correct to use the classical branding models for the service sector, given that the staff plays “an important role in services branding, influencing brand quality and brand values through interactions they have with
consumers” (p. 665). Underwood, Bond, and Baer (2001) contribute to the discussion about building service brands by using the sports marketplace as an example. They provide a conceptual foundation for understanding the role of social identity in the services brand building process. They identify four characteristics of the sports environment and propose that brands can be strengthened by fostering group experiences, establishing a unique history or traditions, initiating rituals, and designing a physical facility where the brand identity and an experience can be shared.

**Brand Personality**

Aaker (1997) develops the concept of brand personality, or “the set of human characteristics associated with a brand” (p. 347). She creates a reliable, valid, and generalizable brand personality measurement scale “based on an extensive data collection involving ratings of 114 personality traits on 37 brands in various product categories by over 600 individuals” (Keller 2003a p. 447). In her resulting framework, shown in Figure 2.9, five dimensions are distinguished -the “big five”- that help to explain the symbolic and self-expressive functions of a brand: sincerity, competence, excitement, sophistication, and ruggedness.

**Figure 2.12: A Brand Personality Framework**

![Brand Personality Diagram](Aaker 1997)
Brands as a Relationship

Fournier (1998) suggests that a brand can be viewed as a relationship partner. One way to achieve this is by understanding “the ways in which brands are animated, humanized, or somehow personalized” (p. 344). She mentions three brand animating processes: through the spirit of a past or present other, by using brand-person associations, and through a complete anthropomorphization of the brand. Brand relationships happen at the level of consumers’ lived experiences” (p. 360). These relationships offer meanings to the consumer, some being functional and utilitarian, while others are psychological or emotional.

Brand Origin

Thakor and Kohli (1996) argue that in addition to the traditional concepts identified as brand equity influencers, brand origin must also be considered. They define brand origin as “the place, region or country to which the brand is perceived to belong by its customers” (p. 27). Brand origin can be more or less salient for some brands or others, and therefore, the use of origin cues should be subtle and implicit when the brand concept relies more on symbolism, while more explicit when the brand concept relies more on features. In a later article, Thakor and Lavack (2003) state that even more important than the brand origin itself is the perceived brand origin as a source of brand appeal. In their study the authors show “that country of corporate ownership is a strong determinant of brand origin perceptions… furthermore, country of perceived corporate ownership may also be a stronger influence than actual country of corporate ownership” (p. 403). It is similarly important that less concern be given to the place where brands manufacture their products, and more to the place where people perceive the brand’s country of origin to be.
Brand Communities

Brand communities (Muniz and O’Guinn 2001; Mc Alexander, Schouten, and Koenig 2002) is another concept found in literature that can strengthen brand equity, while also reinforcing the social nature of brands. “Brand communities carry out important functions on behalf of the brand, such as sharing information, perpetuating the history and culture of the brand, and providing assistance. They provide social structure to the relationship between marketer and consumer” (Muniz and O’Guinn 2001, p. 427). Muniz and O’Guinn (1991) define a brand community as a “specialized, nongeographically bound community, and based on a structured set of relationships among admirers or a brand” (p. 412). According to their research, brand communities share three core characteristics: the existence of a consciousness of a kind, the presence of shared rituals, and a sense of moral responsibility between members.

Experiential Branding

Schmitt’s (1999) experiential marketing concept also adds to the traditional view of the branding concept. He explicitly states how the brand as an identifier has evolved to become a provider of experiences. The experiential marketing approach views brands as an integrated holistic experience, which is possible to create through nurturing sensory, affective and creative relations, as well as associating a lifestyle with the brand.

Brand Stewardship

Brand Stewardship, as Speak (1998) defines it, “is the leadership of and the accountability for the long-term well-being of the organizational brand equities” (p. 33). A brand that develops a stewardship process - meaning that it engages an executive leadership in articulating a vision for key market relationships, imbues the
brand building process to the whole marketing process, and obtains the compromise of the whole organization to transmit the brand promises through every action taken—will generally obtain brand-loyal customers.

**Emotional Branding**

Gobé (2001) believes that the emotional aspect of brands is what makes a key difference for consumers. He argues that people are interested in buying emotional experiences, and he calls the brands that are able to create an emotional bond with their client’s emotional brands. According to him, emotional brands share a set of common values that make them highly sought. These values are:

- a great corporate culture focused on people,
- a communication style and philosophy that stands out, and
- an emotional hook that draws consumers to their promise.

**Citizen Brands**

Extending his ideas, Gobé (2002) says that today consumers do not want to be romanced by brands, but want to establish multifaceted, holistic relationships with them. People’s emotional bond with brands is influenced by knowing if brands behave well and are actively involved in making the world a better place. People not only expect brands to be good philanthropists, but to become compassionate friends or neighbors. Therefore, he introduces the concept of citizen brands which exist in firms that take into consideration the impact on people, both internally and externally, of every decision they make. In other words, a citizen brand is a socially responsible brand.

**Corporate Social Responsibility**

Finally, corporate social responsibility (CSR) must be mentioned as another concept that is influencing the development of brands nowadays, especially corporate
brands. Both branding and CSR have become crucially important now that the organizations have recognized how these strategies can add or detract from their value (Blumethal and Bergstrom 2003). Criticism of business is more far-reaching than ever before due to higher expectations of businesses today (Smith 2003). As Smith and Alcorn (1991) mention, corporations have integrated marketing strategy and social responsibility, and this integrated strategy has been labeled cause marketing. Because corporations already invest in both branding and philanthropy, the rationale for integrating branding and CSR derives from the synergies created when both strategies merge (Blumethal and Bergstrom 2003).

CSR literature is ample and it is not the subject of this thesis to analyze it. However, it is necessary to establish how closely related is brand building towards social values to this concept. CSR refers to the obligations of the firm towards society (Smith 2003). It also refers to the consideration of and response to issues beyond the narrow economic, technical, and legal requirements a firm has in order to accomplish social benefits along with traditional economic gains (Husted 2003). An example of a CSR governance structure is a collaborative scheme, which involves a partnership between the firm and an organization in which the firm transfers resources to the organization in order to carry out CSR activities jointly (Husted 2003). This same structure is necessary to implement the brand building towards social values model that is described in the following sections.

CSR can be defined in terms of legitimate ethics or from an instrumentalist perspective where corporate image is the prime concern (McAdam and Leonard 2003). Brand building towards social values relates to CSR in both ways. Given that brand building is strategic, and according to strategy the brand must reflect the values of a
firm, the corporate responsibility values projected by a brand must be legitimate. If not, the risk of being perceived as dishonest or untrustworthy creates a lack of congruence that can negatively affect brand image. While corporate image is not the prime concern here, as just explained, it is an important element in the branding process.

Blumenthal and Bergstrom (2003) expose four key reasons for integrating CSR under the umbrella of the brand which are: recognizing the magnitude of the brand promise; maintaining customer loyalty; maximizing investment that would be placed in CSR regardless of the brand; and avoiding conflict with shareholders. In other words, “branded CSR turns philanthropy from implicit delivery of the promise to an explicit one” (p. 337). This becomes everyday more important as the public wants to know what, where, and how much brands are giving back to society.

2.3. Brand Building in Higher Educational Institutions

Like businesses competing for talented workers, colleges and universities vie vigorously for talented students and calculate ways to improve the conversion rate from accepted to enrolled student. The solution to the challenges schools face: Build world-class brands, just as smart companies strive to do. Branding has become the latest fashion statement in the marketing of higher education. Higher education institutions need to be certain that the development of a brand and market positioning strategy encompasses much more than a logo or slogan. These are the overriding objectives of our approach to branding. Over the last 10 years, a paradigm shift has occurred with regard to the role of marketing in higher education. In the early 1990s, most colleges and universities had admission offices and development teams. These offices were fundamentally responsible for “selling” the institution to prospective
students and donors. Unlike commercial organizations, higher education lacked the “marketing” function completely. We had the equivalent of a sales team, but no marketing department.

An institution’s brand should drive marketing strategies but that it should also give the institution something to live up to. Volvo invests millions of dollars annually to live up to its brand of manufacturing safe automobiles. Nordstrom provides extensive training to employees to live up to its brand of offering superior customer service. A brand which is not supported by an organization’s strategic business decisions is hollow and ineffective. Research is required to identify an institution’s current brand associations and relevant differentiators. Institutions of higher learning are inherently inwardly focused; but effective branding requires a critical understanding of consumer needs and perceptions. Every university should have a documented positioning statement and brand strategy. Marketing plans are fluid and change over time as new information and opportunities become available. But, the brand strategy should remain in tact over a long period of time. Faculty and staff should be intimately involved in developing a university’s brand strategy.

If a Higher Educational Institution doesn’t build its brand as quickly as possible, someone else may take the position that they want. That’s just a hard fact. There are two issues at stake here. First, the stakeholders will create an image of the institution in their mind’s eye nearly immediately. So you need to be ready from the word-“go”. Secondly, there’s a lot of competition in the world of branding; direct competitors may be the fast followers who have entered the market soon after your launch. The earlier they establish their brand, the more stakeholders’ loyalty they’ll gain ideally, before a competitor tries to knock Indian Higher Educational Institutions
out of the market; they have established their higher educational institutions as the leader in a certain area. Keller (1993) introduces the Customer-Based Brand Equity (CBBE) model, which “approaches brand equity form the perspective of the consumer -whether it be an individual or an organization” (Keller 2003a, p. 59). The model is based on the premise “that the power of a brand lies in what customers have learned, felt, seen and heard about the brand as a result of their experiences over time” (p. 59). He defines CBBE “as the differential effect that brand knowledge has on consumer response to the marketing of that brand” (p. 60), which emerges from two sources: brand awareness and brand image. According to Keller (2003a), brand awareness consists of brand recognition “consumer’s ability to confirm prior exposure to the brand when given a brand as a cue” (p. 67) and brand recall -the “consumer’s ability to retrieve the brand form memory when given the product category, the needs fulfilled by the category, or a purchase or usage situation as cue” (p. 67). On the other hand, “brand image is created by marketing programs that link strong, favorable, and unique associations to the brand in the memory” (p. 70). These associations are not only controlled by the marketing program but also through direct experience, brand information, word of mouth, assumptions of the brand itself -name, logo-, or with the brand’s identification with a certain company, country, distribution channel, person, place or event.

The way to build a strong brand, according to the CBBE model, is by following four sequential steps, each one representing a fundamental question that customers ask about brands: 1) Ensuring the identification of the brand with a specific product category or need in the customer’s mind -who are you?, 2) Establishing the meaning of the brand in the customer’s mind by strategically linking tangible and intangible brand associations with certain properties -what are you? 3) Eliciting customer responses to the brand identification and meaning -what about you? 4)
Converting the response into an active, intense and loyal relationship between the customers and the brand - what about you and me? The CBBE model is built by “sequentially establishing six ‘brand building blocks’ with customers” (Keller 2003a, p. 75). Brand salience relates to the awareness of the brand. Brand performance relates to the satisfaction of customers’ functional needs. Brand imagery relates to the satisfaction of customers’ psychological needs. Brand judgments focus on customers’ opinions based on performance and imagery. Brand feelings are the customers’ emotional responses and reactions to the brand. Brand resonance is the relationship and level of identification of the customer with a brand. Based on Keller’s model of CBBE, an extended model has been proposed by adding one more building block, Attitudes. By having Keller’s model as pedestal, the following Brand Building Pyramid for Higher Education is developed.

**Figure 2.13: Brand Building Blocks of Educational Brand**
- **Who are you? (Brand Identity)**
- **What are you? (Brand Meaning)**
- **What do I think or Feel about you? (Brand Response)**
- **What about you & me? What kind of association and how much of a connection would I like to have with you? (Brand Relationships)**

**Salience**

Achieving the right brand identity involves creating brand salience with customers. Brand Salience relates to aspects of the awareness of the brand. Brand awareness refers to the ability to recall and recognise the brand, as reflected by their ability to identify the brand under different conditions. Brand awareness also involves linking – the brand name, logo, symbol, and so forth to certain associations in memory.

**Performance**

Brand Performance relates to the ways in which the product or service attempts to meet customers’ more functional needs. Thus Brand Performance refers to the intrinsic properties of the Brand in terms of inherent product or service characteristics. Brand Performance transcends the ingredients and features that make up the product or service to encompass aspects of the brand that augment these characteristics. There are five important types of attributes and benefits that often underlie brand performance. They are Primary ingredients & supplementary features, Product reliability, durability & serviceability, Service effectiveness, efficiency and empathy, style & design and price.

**Brand Imagery**

The other main type of Brand meaning involves brand imagery. Brand Imagery deals with the extrinsic properties of the product or service, including the ways in which the brand attempts to meet customers’ psychological or social needs.
Brand imagery is how people think about a brand abstractly, rather than what they think the brand actually does. Imagery associations can be formed directly (from a customer’s own experiences and contact with the product, brand, target market or usage situation) or indirectly (through the depiction of these same considerations as communicated in brand advertising or by some other source of information, such as word of mouth). It also includes User Profiles, Purchase and usage situations, Personality and values and History, heritage and experiences.

**Judgements**

Brand judgements focus on customers’ personal opinions and evaluations with regard to the brand. Brand Judgements involve how customers put together all the different performance and imagery associations of the brand to form different kinds of opinions. Brand Judgements include, Brand Quality, Brand credibility, Brand consideration and Brand superiority.

**Feelings**

Brand feelings are customers’ emotional responses and reactions with respect to the brand what feelings are evoked by the marketing program for the brand or by other means.

**Attitude**

Brand Attitudes are defined in terms of consumers’ overall evaluations of a brand. Brand attitudes are important because they often form the basis for actions and behaviour that consumers take with the brand

**Resonance**

The final step of the model focuses on the ultimate relationship and level of identification that the customer has with the brand. Brand resonance refers to the
nature of this relationship and the extent to which customers feel that they are in synchronise with the brand. Resonance is characterised in terms of intensity or the depth of the psychological bond that customers have with the brand, as well as the level of activity engendered by this loyalty. Specifically, Brand Resonance can be broken down into four categories: Behavioural Loyalty, Attitudinal attachment, Sense of community and Active engagement.

Hence a research attempt has hence made to barrow and bench mark some strategies of Branding and Brand Building from industry to apply the same for Higher Educational Institutions. After a careful review and the directions of the members of the Jury some strategies were matched with some identified dimensions as discussed in the next chapter.