



## SYLLABUS

### B.B.A. V SEM

#### Subject – Advertising & Brand Managing

UNIT – I	Advertising industry: advertisers, agencies, media companies and other organizations. The communication model: communication process, stages and challenges. Economic, social, ethical and regulatory aspects of advertising. Demand creation role or advertiser in primary and secondary demand. How advertising works" Hierarchy of effects model advertising objectives, routes to persuasion.
UNIT – II	Customer behavior and advertising: segmentation, motivation analyses, and value proposition. Advertising message: message objectives, recall, attitude, emotions and feelings. Message tact creative approaches. Copy writing Creative aspects of advertising: copy writing, advertising artwork, copy in conventional media and Cyberspace.
UNIT – III	Advertising, Objectives: goals and objectives, DAGMAR, Media strategy: budgeting, approach and allocation. Media planning types, class, vehicle, scheduling and new media forms.
UNIT – IV	Advertising effectiveness; pro and post launch research. Advertising in the evolving marketing environment.
UNIT – V	Branding context: assets and the asset, concept of value, brand and marketing metrics; Brand meaning: brand image and personality, brand and product; Brand planning; brand vision and visioning process, business of brand: Brand audit brand reality check and brand appraisal.
UNIT – VI	Brand positioning; choice of context, parity and differentiation. Repositioning brand equity: brand assets and liabilities, equity creation and management

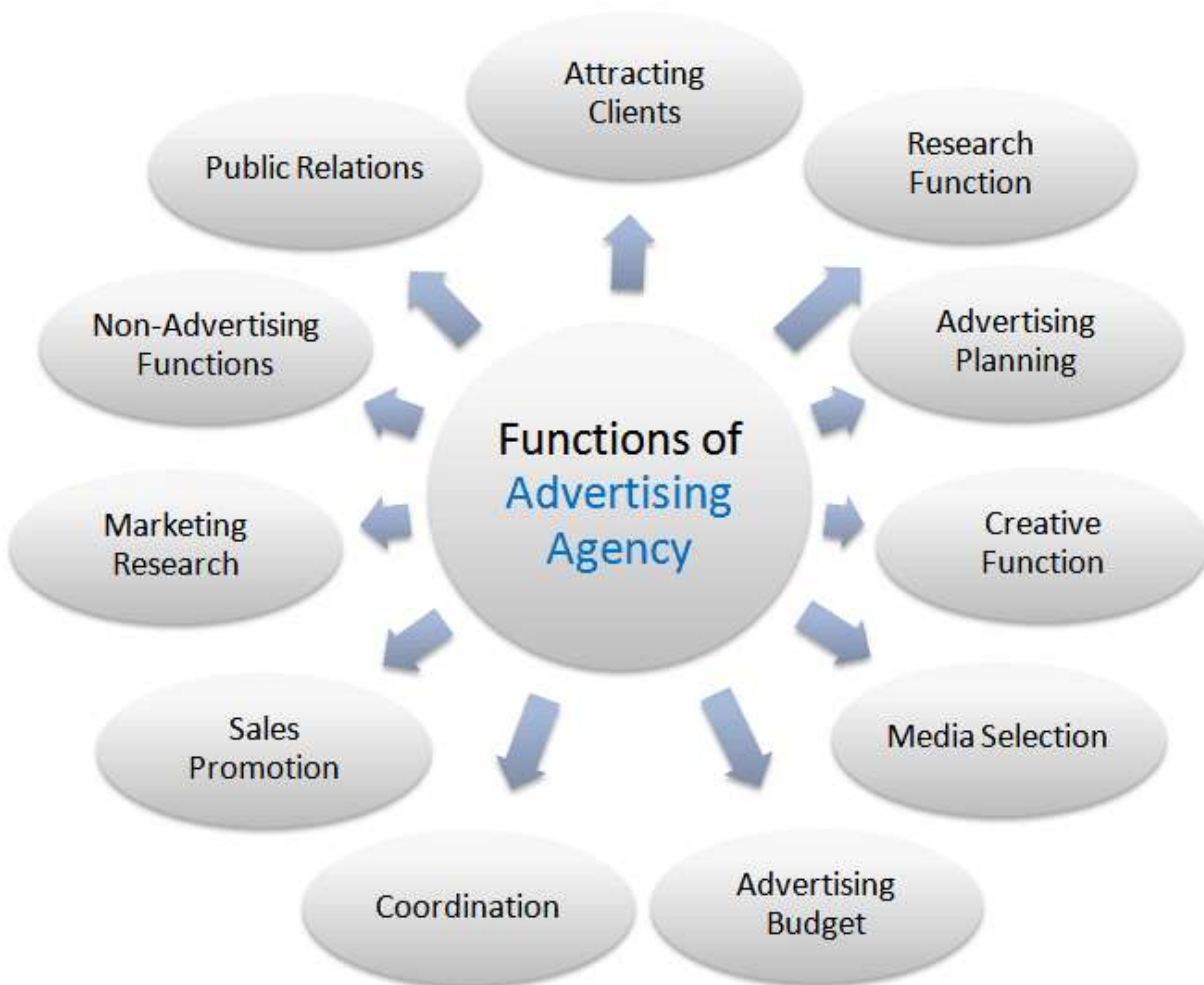


## Unit 1

### Advertising Agencies

An **advertising agency**, often referred to as a creative agency, is a business dedicated to creating, planning, and handling advertising and sometimes other forms of promotion and marketing for its clients. An ad agency is generally independent from the client; it may be an internal department or agency that provides an outside point of view to the effort of selling the client's products or services, or an outside firm. An agency can also handle overall marketing and branding strategies promotions for its clients, which may include sales as well.

### Functions of Advertising Agencies



### Advertising Model

#### **The DAGMAR Model**

DAGMAR is an acronym for defining advertising goals and measuring advertising results. Each of these words stands for goals that are of the utmost importance to a business attempting to reach and make an impression on their target audience. The model also specifies five phases that potential customers pass through as they are made aware of your business or product: unaware, aware, comprehension, conviction and, finally, action. With both the goals and the audience's cycle in mind, a business can apply the theory as a framework for developing its advertising and promotional mix. Ideally, when the theory of the model is



used, the target audience moves smoothly through the five phases, which are based in psychology and common decision-making patterns people follow when deciding whether or not to buy something.

### **The AIDA Model**

AIDA is similar to the DAGMAR model in that it focuses on the buying and selling process. AIDA is an acronym for attention, interest, desire and action, which are the four phases of the psychological process people pass through as they decide whether or not to buy something. In later versions of this model, which has been around since the late 1800s, a fifth element, "permanent Satisfaction" was sometimes added to the list, as it looks to the importance of repeating sales with prior customers.

### **Ehrenberg Model**

Andrew Ehrenberg's theories are wide-reaching in the marketing and advertising world, and his research contributed a great deal to the modern field of advertising. One of his more commonly used models is the "Weak" theory, which includes the following components: awareness, trial, reinforcement and nudging. When used in order as part of an advertising campaign, Ehrenberg suggested these components could nudge consumers' behavior and persuade them to buy your products. "Awareness" serves to let a customer know of your existence, "trial" inspires the customer's interest, "reinforcement" encourages trust and finally "nudging" seals the sale.

### **The DRIP Model**

The DRIP advertising model relies on the theory that repeated, carefully planned contact with the customer will increase sales. DRIP is an acronym for differentiate, remind, inform and persuade. Advertising based on the DRIP model uses repeat contact to stand out from the competition, remind potential customers of your company's existence, inform your target market about what you do and sell and then finally, convince them to buy from you. Experts say the DRIP model is most effective if you, the seller, have some research and insight into your target market's buying cycle.

### **Advertising communication model**

**Advertising communication models** are theories about "how advertising works." These theories or **models** attempt to explain and describe, at the individual buyer or consumer level, the process by which **advertising** communicates with and effectively persuades individuals to take action.

Advertising is the broad and direct communication that introduces your brand to the public, educates about your products and services, prompts people with an interest to take action and provides urgency when you convey special promotions. In fishing for business, branding is the pole because it reflects the character of the fisherman; marketing is the line because it conveys the message to the appropriate area of the pool of customers and advertising is the hook that carries the bait.

### **Branding**

The first objective of advertising is to introduce a brand to a broadly-targeted market. Through the use of regional newspapers, radio and television, online and mobile device targeting and event sponsorship, advertising presents a psychologically-crafted message to a broad group of potential customers. Colors, shapes, slogans and other sensory triggers are used to arouse an image in the minds of the viewers. That image governs how they relate to the company introduced in the advertising and products.

A classic example of branding through advertising is the Coca-Cola commercial that showed an ethnically, age and gender-diverse group of people on a hill singing "I want to teach the world to sing in perfect harmony." Of course, the image of Santa Claus in his red and white snowsuit is from a 1930s Coca-Cola ad in the Saturday Evening Post.

### **Education**

Advertising also introduces the product and conveys information regarding that product. Again, Coca-Cola's classic bottle with condensation that a smiling and clearly refreshed person is holding is an example how, in a print ad, Coca-Cola gets across the value of its product as a cold, refreshing drink that makes the consumer



happy. Predominant red and white colors recall the good feelings of previous branding and the distinctive bottle shape identifies the product as Coca-Cola, even if the label is not readable.

#### **Call to Action**

Are you ready to drink a Coca-Cola right now? That is the call to action. When you see a smiling person drinking one, it reminds you that you would like to drink one too. The tag line "The pause that refreshes" validates your feeling and creates urgency. In fact, by the time you have seen a few years of Coca-Cola advertising, you are psychologically primed to respond to the red and white colors, the bottle shape and the brand name. You immediately consider whether you want to buy a Coca-Cola.

#### **Urgency**

Advertising also spreads the word of special promotions that create urgency. When you see an ad that proclaims a Memorial Day sale on items you want to buy, you know you must buy on the day of the sale if you want to get the attractive price. Ads with coupons provide the same sense of urgency. Not only does the coupon generally have an expiration date but it psychologically represents someone giving you the money to buy the advertised item. It creates a priority to spend the coupon on acquiring the item, even if its purchase had not been a priority before receiving the coupon.

### **Demand Creation Role In Advertising of Primary and Secondary Demand**

#### **Primary Demand Stimulation**

Primary demand stimulation refers to advertising messages that promote the merits of an entire product category rather than a particular brand. It can be thought of as growing the overall pie, rather than taking a bigger piece of the pie from competitors.

The major purpose of primary demand stimulation is either to inform customers about a brand new product or technology that they are unfamiliar with, or to persuade customers that they haven't recognized the benefits of a given product. Primary demand is typically used in one of two scenarios: to launch a completely new product category or to garner more attention to an under-appreciated category. The idea behind new product primary demand is that before a pioneer can promote its benefits, the product category must be explained to target customers. This is especially true in complex categories like technology, where innovative leaders must inform audiences about the new product category before investing in secondary demand stimulation.

General guidelines to use primary demand stimulation is if you meet the following criteria: (1) you own significant market share, (2) all or most of the growth will go to you, or (3) if you are advertising on behalf of a trade association.

#### **Secondary Demand Stimulation**

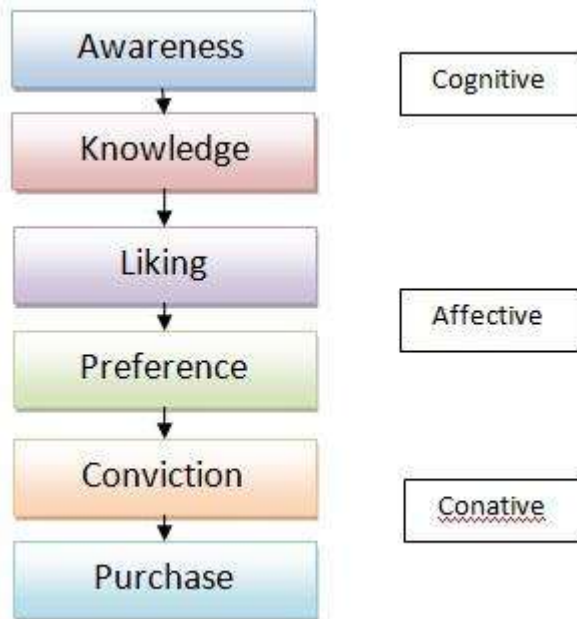
Secondary demand stimulation, also called selective demand stimulation, is the better recognized form of traditional marketing. Secondary demand stimulation ads try to take a bigger piece of the pie from competitors by distinguishing the products unique advantages.

#### **Social, Economic and Ethical Issues in Advertising**

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#### **How Advertising Works ? Hierarchy of Effects Model**

The hierarchy of effects model is a model which tells advertisers to make an advertisement in such a way that the customer goes through all these six stages namely awareness, knowledge, liking, preference, conviction and purchase. It is created by Robert J Lavidge and Gary A Steiner in 1961, the hierarchy of effects model suggests six steps to consumer buying behavior.



### Hierarchy of Effects Steps

The steps are defined as below:

**1. Awareness:** This is the most crucial step and the starting point for purchase. Brands must make sure that the consumer is aware of the presence of your brand in a particular product segment.

For example, if Tina wants to buy a toothbrush, and you as the marketing manager of Coolgate wants her to buy your brand's toothbrush, you have to make sure that you advertise well so that she is aware of the existence of such a brand for toothbrushes.

**2. Knowledge:** This is where your product will be evaluated against other brands by the consumer. Make sure enough (positive) knowledge is available about your product – through the internet, retail stores and the product package itself.

For example, now Tina, aware that there is a Coolgate brand will try figure out what unique features and benefits you are offering over any other brand like Colgate and Oral-B.

**3. Liking:** This is where the consumer builds a liking to your product. This is where your product is being considered for its emotional benefits; be sure to make them prominent.

For example, now Tina has evaluated the pros & cons of buying a Coolgate brush but might not like the colour of it, or might feel that this brush is for the elderly. As the marketing manager of Coolgate, you have to make sure that these features, that leave emotional impact, are taken care of properly in the marketing communication program.

**4. Preference:** By this time consumer may be convinced to try out your product, but may like other brands of toothbrush too. So what is it that will make her prefer Coolgate over the other brands? These points of differentiations or unique selling points need to be highlighted to make sure that the consumer likes your brand more than the others in her consideration list.

For example, Tina now may be actually considering buying a Coolgate toothbrush. But is she thinking that she'll buy it to try it only or is she thinking that the next buy will also be a Coolgate brush?

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For example, Tina tried the brush you gave her for a month and then when time came to buy one, she bought an Oral-B one. Make sure that doesn't happen and that trial builds loyalty. Incorporate such unique features in your brand that will encourage purchase.

**6. Purchase:** The last and the most crucial stage of the consumer buying cycle is the purchase. You need to make sure that purchase experience is easy and perhaps even enjoyable for the consumer. Some of the ways to encourage purchase is by keeping simple and multiple paying options, making the product available easily, easy to understand usage instructions, offers etc.

For example, now that Tina has decided to buy your brand after trying it out for a month, make sure she knows where to buy it from and how she can pay. You may also give her a tube of toothpaste free to delight her.

The main aim of this tool that serves as a marketing communication tool is to encourage consumers to go through the six steps that end in purchase of product. It is not necessary that consumers always go through all the six steps but the aim is to land a purchase.

### Hierarchy of Effects Consumer Behaviour Stages

Lavidge and Steiner further grouped these six stages into three main stages of consumer behaviour:

#### 1. Cognitive

#### 2. Affective

#### 3. Conative

1. Cognitive: Also called the "thinking" stage, this is where the consumer gathers knowledge about the product and becomes aware of it. This can be said to be a rational step where pros and cons, product specifications etc. of a product are evaluated.

2. Affective: Also called the "feeling" stage is when the consumer starts developing a liking for the product, and may even develop strong positive (or negative) feelings toward it.

3. Conative: This is the "behaviour" stage of the process. This is when the consumer, after weighing the pros and cons, and deciding his/her preference actually buys the product.

The model is named so because of the fact that the buying process is a step by step process where the number of people willing to participate at each level keeps decreasing. Say you started with 10 people who are aware of your brand; 5 people who considered buying it and only 2 of those 10 actually bought the product.

The hierarchy of effects model is a model which tells advertisers to make an advertisement in such a way that the customer goes through all these six stages namely awareness, knowledge, liking, preference, conviction and purchase.

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Advertising is one of the most creative fields and is a part of Marketing. In fact, Advertising has become so big that many [people](#) get confused about the differences between marketing and advertising. Nonetheless, the objectives of Advertising are completely different from Marketing.

In summary, it is the objective of advertising to carry out communications between the [brand](#) and the customer. Before the adoption of digital marketing and advertising, most of the communication between the brand and the customer was one way. However, nowadays even digital advertising like sponsored ads are a chance of two-way communication.



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Without further ado, we present to you the 11 objectives of advertising and the goals which advertising can achieve for an organization.

11 Objectives of Advertising



1) Introduce a product

The most common reason Advertising is used is to introduce a new [product](#) in the market. This can be done by existing brands as well as new brands. Have a look at the latest iPhone in the market or a [Samsung](#) smartphone and you will find a lot of advertisement for these new [products](#). The objective of advertising here is to tell customers – “Here is the [new product](#) we have launched”

2) Introduce a brand

There are many startups in the market today and many of them are services. Services are generally marketed as a brand rather than marketing their [individual](#) service product. Thus, [Uber](#) will market its own brand and introduce that Uber has started servicing customers in a new market. Same goes for [Oracle](#) or [Accenture](#) – Companies which market their brand and their presence in the market rather than marketing an individual product.

3) Awareness creation



According to the AIDA model, the most important job of advertising is to get attention which is nothing but Awareness creation. Advertising [needs](#) to capture the attention of people and make them aware of the products or their features in the market.

Example – Most of the Bank ads that you see are awareness campaigns. The ads that advertise the benefits of savings / mutual funds or benefits on credit and debit cards are all awareness creation ads.

#### 4) Acquiring customers or Brand switching

One of the major objectives of advertising and the first objective of many advertising campaigns is to acquire more customers. This is also known as making the customers switch brands. This can happen by passing on a strong message so that the potential customer leaves the brand which he is tied up with and comes to your brand.

Example – Most telecom companies launch plans and strategies just to acquire customers and then advertise these strategies in the market so that the customer switches brands. There is hardly any differentiation in the telecom market – thus advertising is a major way to acquire customers. The [Vodafone Zootoo](#) campaign was just that – Influence the customers and create passion in such a way that they do [brand switching](#),

#### 5) Differentiation and value creation

A most important aspect of Advertising is to [differentiate](#) the product or the service from those of the competitor. A customer can only differentiate between services based on the value the firms provides over that of competitors.

If a competitor is just advertising the features, whereas your firm advertises the promises and commitments that it will keep, naturally more customers will “trust” your brand over others. This is the reason that advertising is used commonly to create value and to differentiate one brand from another.

[Coca cola](#), [Toyota](#), [Amazon](#) are some of the most trusted brands in the market. It is no doubt that these brands are also amongst the top advertisers in their respective segments. These brands [target](#) value creation as well as differentiation via their advertising campaigns.

#### 6) Brand building

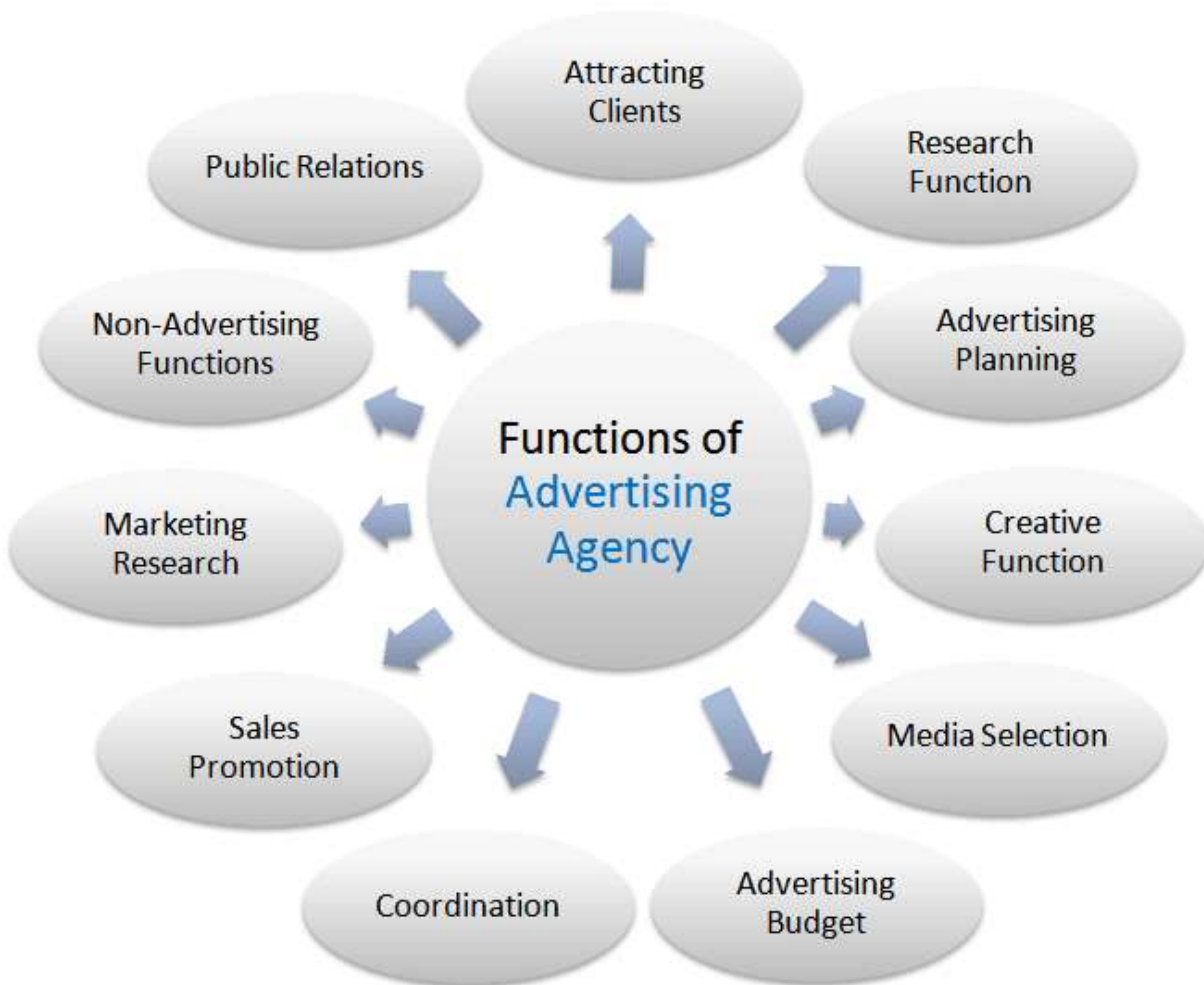
When a brand regularly advertises and delivers quality products and fulfills the promises it makes, automatically the value of the brand is built. However, there are many other aspects of brand building. One of the first ones is to advertise via [ATL](#) and BTL campaigns etc.

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**renaissance**

college of commerce & management

**B.B.A. V Sem**

**Subject- – Advertising & Brand Managing**

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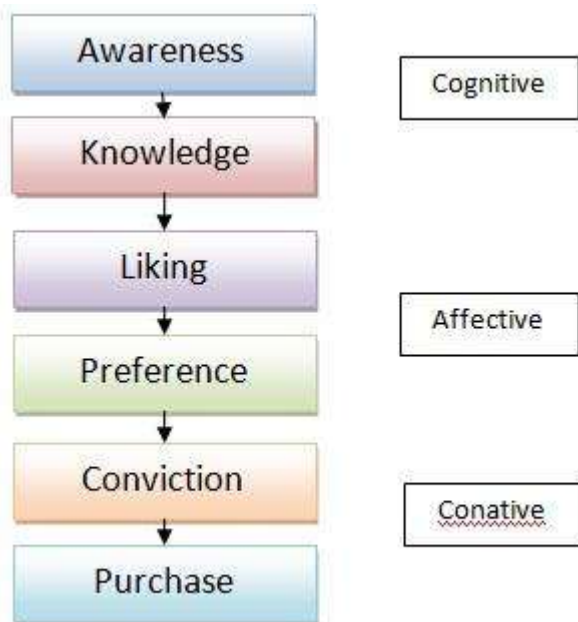
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## OBJECTIVES OF ADVERTISING

1 Introduce a Product

2 Introduce a Brand

3 Awareness Creation

4 Acquire Customers

5 Differentiation

6 Brand Building

7 Positioning

8 Increase Sales

9 Increase Profits

10 Create Desire

11 Call to Action

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A most important aspect of Advertising is to differentiate the product or the service from those of the competitor. A customer can only differentiate between services based on the value the firms provides over that of competitors.

If a competitor is just advertising the features, whereas your firm advertises the promises and commitments that it will keep, naturally more customers will “trust” your brand over others. This is the reason that advertising is used commonly to create value and to differentiate one brand from another.

Coca cola, Toyota, Amazon are some of the most trusted brands in the market. It is no doubt that these brands are also amongst the top advertisers in their respective segments. These brands target value creation as well as differentiation via their advertising campaigns.

### 6) Brand building

When a brand regularly advertises and delivers quality products and fulfills the promises it makes, automatically the value of the brand is built. However, there are many other aspects of brand building. One of the first ones is to advertise via ATL and BTL campaigns etc.





Brands have different objectives of Advertising. Brands like P&G and HUL regularly invest funds in building a good brand value for the parent brand. By doing so, even if one brand is affected, the parent brand is untouchable.

Recently we observed the problems of Maggi in India where Maggi was banned completely due to high lead content. However, this did not affect the parent brand Nestle much and neither affected its other brands like Nescafe which had done their own brand building and were independent of the parent brand. This brand was built by good products and constant advertising towards building brand equity and making a connect with the audience.

## 7) Positioning the product – Product and brand recall

One of the key factors in the actual purchase of a product is the products recall and the brand recall at the time of purchase. Amongst the objectives of advertising, one objective is to correctly position the brand in the minds of the customer.

Examples include premium brands like Ralph Lauren, Gucci, Hermes or others which are clearly positioned premium. This position is achieved by first having a very premium product line which is high priced but it is also achieved by buying premium advertising and placing the ads in media vehicles which are very premium.

Besides premium marketing, we can also look at niche marketing. Kent is a company which has focused all its advertising on its purification capability. They claim they are the masters of water purifiers. Their repeated advertising creates a high product and brand recall in the minds of the customers thereby positioning them as the top purchased brand in the water purifier segment.

## 8) Increase sales

Naturally, with so many steps being taken to advertise the product, it is no doubt that one of the objectives of advertising is to increase sales. Many a times this objective is achieved via advertising. However, if the campaign is improper or the audience is not targeted properly, then advertising can fail in its objective.

Nonetheless, there are many seasonal products wherein an immediate increase in sale is observed due to advertising. The best example is Ice cream brands which advertise heavily during the summer months because they know that advertising will immediately influence the sales figures. They do not waste money in advertising during the winter season at all.

Similarly, you will see many ads of raincoats during rainy season and ads of winter wear during winter seasons. All these ads are placed to increase the sale of the product immediately.

## 9) Increase profits

With the value being communicated and the brand being differentiated as well as sales being increased, there is no doubt that advertising can contribute a lot to increasing profits. Advertising should never be looked at as an expense or a liability. In fact, it is an investment for a firm just like a brand is an investment.



Look at the likes of Siemens or Bosch – Brands which have invested heavily in positioning themselves on the basis of their German engineering. As a result, today they demand high profits in whatever segments they operate in or whatever products they sell.

## 10) Create Desire

Again, referring to the AIDA model, one of the key factors in advertising is to create a desire for the product so that the customer wants the product. Brands which are known to do this are BMW, Audi, Harley Davidson, Adidas and others. These brands are master of advertising where they create so much desire for the product that the customer absolutely wants a product even if he doesn't need it.

There are many stories of Harley Davidson as a brand wherein customers have saved money for years to buy a particular bike of Harley Davidson. Same stories can be heard about an Audi or a BMW. A unique example in this case are the bottles of AbsolutVodka. Absolut Vodka is so famous for its bottles that there are collectors who desire to collect all different bottle types of Absolut Vodka. Such desire creation is an effect of advertising + brand building + the fan following over time.

## 11) Call to action

One of the most common objectives of digital advertising and digital marketing is to get a call to action. Brands invest in banner ads, link ads as well as social ads to get their potential customers to take an action. This action can be filling up an Email form, clicking on a link, watching a video, giving a survey or what not.

There are brands which have done ATL advertising and shown half the ads and then attracted customers to their YouTube channel so that they could track their viewers and get them to take some action. Call to actions are also one of the objectives of advertising in which case the actions differ from time to time based on what the marketer wants to achieve.

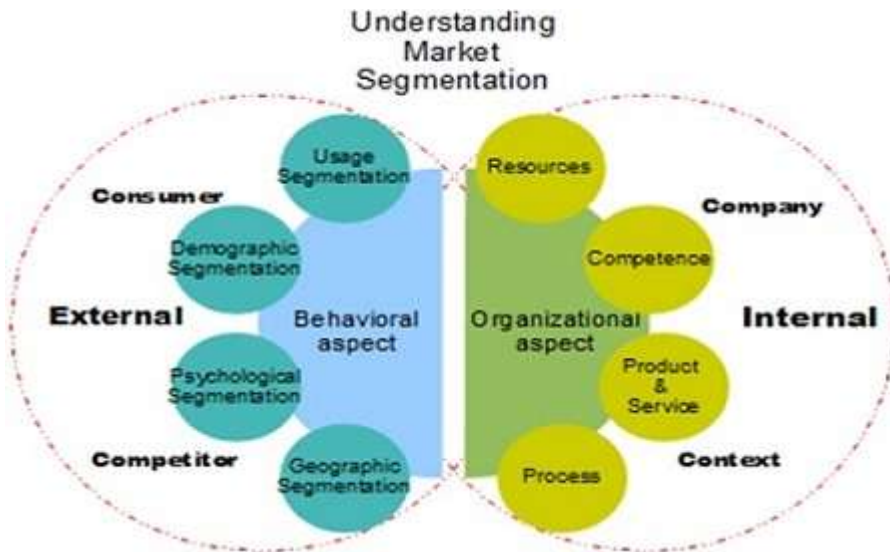
The above are the different types of Objectives of Advertising. Naturally, a firm can have 2-3 objectives for advertising their products or services.

Some of these objectives might be short term like advertising to increase seasonal sales whereas other objectives might be long term like Brand building and increasing profits. Depending on the current standing of the firm in their market, they can choose their advertising objective and come up with an advertising campaign.

## UNIT II

### Consumer Behavior - Market Segmentation

Market segmentation depends on two levels – the **strategic level** and the **tactical level**. At a strategic level, it has a direct link with the decisions on positioning. At a tactical level, it relates with the decision of which consumer groups are to be targeted. We will discuss here the parameters based on which a market can be segmented.



## Geographic Segmentation

Prospective customers are in local, state, regional or national marketplace segment. If a firm is selling a product such as a farm equipment, the geographic location will remain a major factor in segmenting the target markets because their customers are located in specific rural areas.

In case of retail stores, geographic location of the store is one of the most important considerations. Here, urban areas are preferred.

Segmentation of customers based on geographic factors are –

- Region – Segmentation by continent / country / state / district / city.
- Size – Segmentation on the basis of size of an urban area as per the population size.
- Population Density – Segmentation on the basis of population density such as urban / sub-urban / rural etc.

## Demographic Segmentation

Market segmentation can be done based on demographic factors such as Age. For example, Rico watches have segmented their product portfolio according to different age groups of people.

## Psychographic Segmentation

Psychographic Segmentation focuses on group customers according to their life-style and purchasing psychology. Many businesses offer products based on the attitudes, beliefs and emotions, ideas, and perceptions of the target market. Psychographic segmentation includes variables such as Activities, Interests, Opinions, Attitudes, and Values.

## Behavioralistic Segmentation



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Markets can be segmented on the basis of buyer behavior. It is because the buying behavior of consumers differ based on the geographic, demographic and psychographic factors. Marketers often find practical benefits in using buying behavior as a separate segmentation basis in addition to factors like geographic, demographics, and psychographics.

## Motivation – Capturing Consumers' Attention

Physics tell us that an object at rest will remain at rest unless a force acts upon it to create movement. Thus it is with consumers. They will go on merrily, not buying your product or service unless motivated to do so. The first step is to motivate action. This involves advertising creative that breaks through the clutter and captures consumers' attention. It also includes targeting the right consumers, at the right times, through the right channels. But, it doesn't stop there.

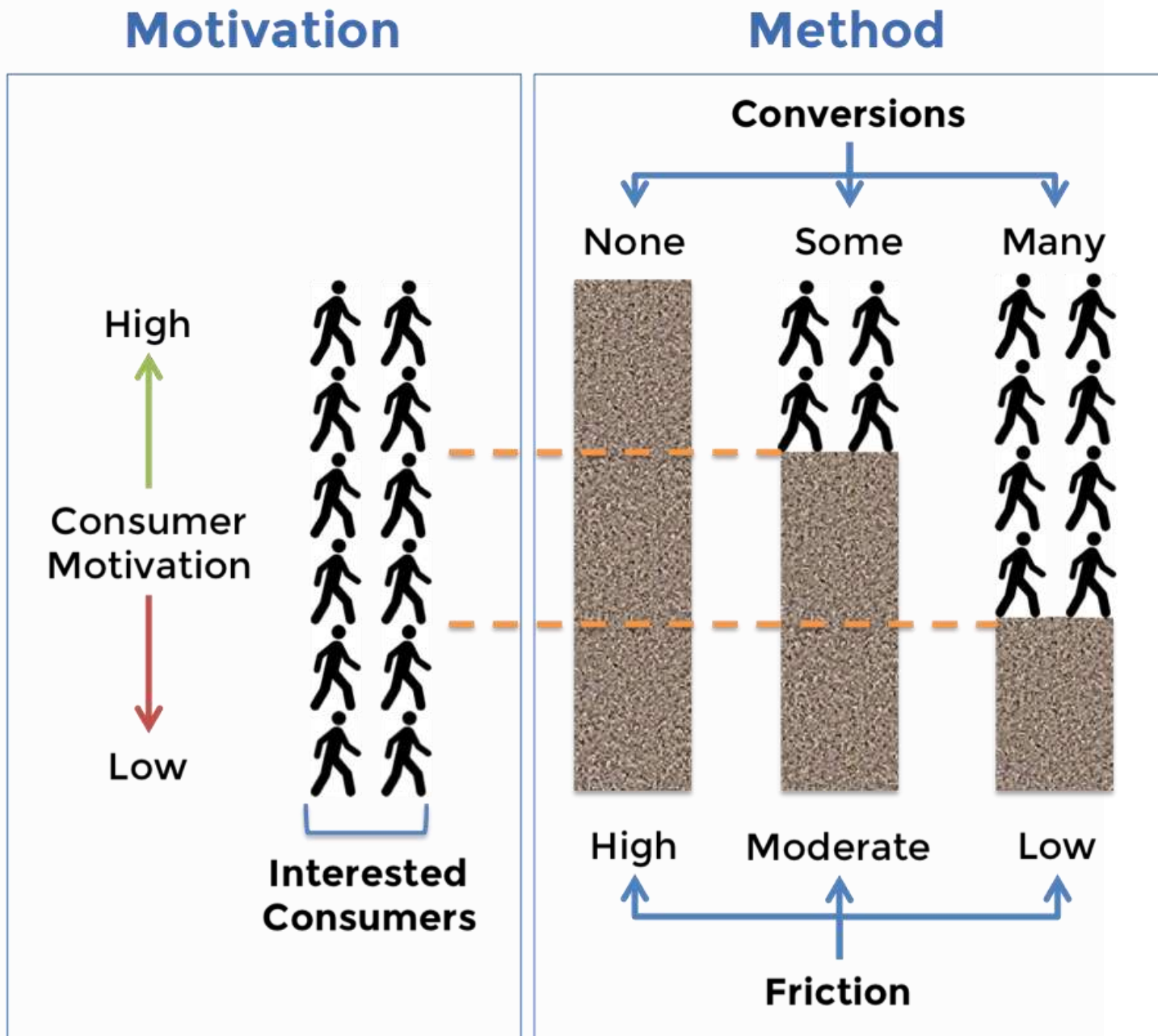
Again, like in Newtonian physics, you can motivate a consumer to move in the direction of a product purchase, but another force, friction, may block the conversion. What many people don't recognize or simply ignore in marketing is the friction to conversion. Friction in conversion is the extra effort required to complete the transaction. A lightly motivated consumer cannot overcome a lot of friction, such as remembering an 800 number or URL or driving an hour to a retail store to later claim an advertised offer.

Beyond motivating consumers, advertisers must ensure that friction to conversion does not exceed the motivation level. All advertising will reach consumers that represent a spectrum of motivation. Some will be highly motivated by the offer, while others will be lightly motivated or somewhere in between. The lower the

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level of friction to convert, the more of those consumers will be captured. This is where method comes into play.

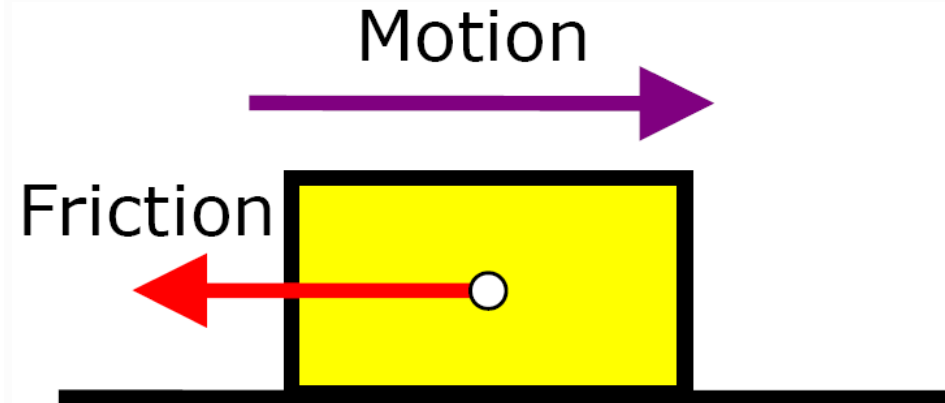


## Method – Reducing Friction for Conversions

Amazon is famous for both motivation and method. It motivates purchases by showing how popular specific items are, providing reviews that offer consumer endorsements on products and suggesting items that may fit a consumer's interests. However, Amazon is also laser focused on methods to reduce friction. The most famous of these is [one-click ordering](#). The subject of a controversial patent, one-click ordering is designed for spontaneity and convenience. If you want something, a single click will execute a purchase and begin the shipping process.



There are no forms to fill out. You're free to get on with your day.



Conversion methods are less exciting to marketers than the creative process and often involve other stakeholders to execute them effectively. With that said, conversion friction is ignored at your peril. High friction in the conversion process reduces customer acquisition. The question for every marketer should be: “What methods are you employing to reduce conversion friction?”

In audio advertising, conversion friction remains high. For terrestrial radio, the only way for a consumer to engage with an advertised offer is to stop what they are doing and consciously take a step to do something else suggested by the ad. Internet radio reduces this friction somewhat by having an on-screen tile to click. However, with [79% of listeners](#) now using smartphones, consumers still must take the smartphone out of their pocket or purse, key in their PINs, open the app and then click. It is not exactly convenient or spontaneous.

XAPP Ads provide audio advertisers the lowest level of conversion friction available by enabling “voice clicks.” If a consumer is interested in an ad, they simply say the prompted phrase and the offered connection is delivered. Whether it is an [app download](#), a coupon, a streamlined purchase or a [phone call](#), it is automatic and instantaneous. The connection is made hands free and eyes free.

## Reducing Friction and Measuring Results

We introduced XAPP Ads to reduce conversion friction and make consumer interaction simple, spontaneous and convenient. XAPP Ads are a tool for marketers and agencies to take great audio ad creative and deliver higher conversion rates through reduced friction. By measuring the results, you can also determine which creative is having the biggest impact by channel or which ads need to be replaced. Whether you are using XAPP Ads or other ad formats, make sure you consider how to reduce conversion friction when planning your next campaign. Otherwise you may be cheating yourself out of new customers.

### Definition: Advertising Message

The underlying message or point that the customer should get upon seeing the ad is called the advertising message.

Advertising messages tend to have the following common components:

**The Appeal** – It is the component that captures the attention of the consumer. It may be humorous like in Mentos ads, adventurous like in Thums-Up ads or emotional as in insurance ads etc.

**The Value Proposition** – This component includes the basic value proposition offered to the consumer. This forms the main part of the advertising message.



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**The Tagline / Catchphrase** – Every good ad campaign has a tagline, slogan or catchphrase that is repeated across all the different media in order to place firmly the product in the consumer's mind.

Browse the definition and meaning of more terms similar to Advertising Message. The Management Dictionary covers over 7000 business concepts from 6 categories.

### **CREATIVITY IN ADVERTISING**

Advertising has a very important and vital role in the image building and marketing of products and or services in this rapidly changing competitive world. In this lecture we will explain the creativity in advertising, its meaning aspects and different steps in the creative process. Simultaneously we will also explore the concept of research along with how to create major selling ideas and style of selling. This will help in understanding various creative stages and their importance

### **CREATIVITY IN ADVERTISING**

Creativity is at the heart of everything we do our ability to transform strategic thinking into ideas enables us to develop creative communications that work in the market whether it is print, radio or television add, a corporate broacher or an annual report creativity makes our work standout.

Creativity means being novel and appropriate. It is the ability to generate fresh unique and appropriate ideas that can be use as solution to communication problem.

There are three difference stages of creativity in advertising namely, create, creation and creative.

**CREATE:** It means to bring something in to being and originate a new and unique idea.

**CREATION:** After the process of creating or originating a new idea be created original product of human invention or imagination leads to creation.

**CREATIVE:** In order to understand the creativity or being creative can be translated into seeing same thing as everybody else but thinking differently.

### **Three aspects are most accepted:**

For advertising being creative three aspects are universally most accepted these are the creative process, creative person and in this perspective the creative situation. These aspects are explained below:

•

The creative process. It means receiving most of attention, focusing on mechanism & phases involved during the process one partakes in a creative act.

•

The creative person. This relates to the personality traits of creative people who are responsible and central to this process.

•

The creative situation. In this situation the criteria & characteristics of creativity are considered to provide workable, acceptable and practical aspects of the situation.

### **Four Rules of Creativity:**

There are generally four basic rules to be kept in mind during the creativity process these are mentioned below:

1. Make the product relevant to customer.
2. It should be promise to the customer.
3. Don't let it stand alone.
4. Always put product in the centre of the commercial

## **VU**

### **THE CREATIVE PROCESS**

To understand the creative process it is essential that the different avenues and steps of this may be identify and understood there are five different steps in the effort of the creative process:

•

**IMMERSION** This tantamount to gathering raw material information through background research and immersing yourself in the problem.

•

**DIGESTION** -- This means taking the information, working with it and thinking about it in the mind.

•

**INCUBATION** This step helps you to put the problem out of your conscious mind



and putting the information to do the work.

•

**ILLUMINATION** As a result of first three steps the birth of an idea takes place.

•

**VERIFICATION** Basically the purpose of this step is to study the idea to see if its still looks good or solve the problem and subsequently shaping the idea for practical benefit

### Copy writing

Copywriting is the skill of choosing the right words and technique of arranging them smartly to promote business, product, service, idea, or a person. The selection of words and its presentation largely depends upon the media through which it is planned to convey. For example, depending on whether it is a newspaper, magazine, hoarding, radio, television, or internet, the script will vary accordingly.

However, whatever is the type of media, the purpose of copywriting is the same i.e. promotion. Therefore, it should be persuasive enough to be instantly attention grabbing.

## Elements of Copywriting

Copywriting has some essential elements required to develop a convincing ad. Following are the significant elements –

- **Heading** – Headline gives the first impression and lasts on readers' mind, therefore, it should be eye-catching. Heading should tell – what it is all about your ad in a very few words, ranging from 3 to 30 words.
- **Body copy** – Write body copy in such a way that it seems as the continuity of the heading. Provide details of all the features and benefits that you are claiming for. The language should be promising and trustworthy.
- **Slogans** – Think of "*The ultimate driving machine*" (BMW); "*Just do it*" (Nike); "*Because I'm worth it*" (L'Oréal), what comes to your mind? The moment, you hear the slogans, you link it with the respective brand not only because you have heard it many times, but rather it works. A well-written and effective slogan is a trustworthy brand representative. However, your slogan should be small and crispy giving meaning to your brand.
- **Taglines** – Taglines are usually used for literary products to reinforce and strengthen the audience's memory of a literary product. For example, "she went in search of answers, and discovered a love she never expected," Book Name "Faithful" and Writer - Janet Fox. Thus, tagline tells the gist of the products for marketing purpose. Like, a slogan, it should be small and eye-catching.
- **Jingle Lyrics** – More often accompanied with background music, iingle lyric is a short slogan, tune, or verse written to be easily remembered (especially used in advertising). For example, Fanta: "Wanna Fanta, Don't You Wanna?" It should be small, crisp, and rhythmic (like a song) so that it registers with people at once and they remember it.
- **Scripts** (for audio and video ad) –Scripts are the descriptions of an ad that narrates the dialogues, actions, expression, and movements of characters. Since, script is a complete guidelines of an ad; therefore, it should be written meaningfully, orderly, and nicely.
- **Others** – (White Paper, Press Release, & other written material such as emails, articles, and blog (for the internet)): These are all promotional write-ups written purposefully to promote a particular product/service. So, while writing white





paper, press release, articles, blog, or even an email you need to focus or emphasize ONLY on one product that you want to promote. You need to describe all features and offers of the respective product in simple and plain language.

## Copywriting Techniques

Following are the techniques of persuasive copywriting –

- **Use Action Words** – Such as watch, look, ask, get, etc.
- **Use of Buzzwords** – Normally, buzzwords are eye-catching such as now, today, etc.
- **Use Exciting or Emotive words** – Such as amazing, wonderful, beautiful, etc.
- **Use Alliteration** – Use meaningful words of similar sound. For example, Don't be vague, ask for Haig.
- **Use Colloquial words** – Colloquialisms in copywriting is pretty popular and effective. For example, 'Pick 'n Choose.'
- **Use Punctuation** – Proper use of punctuations and grammar is an important aspect so that you can pass the right message.

### Unit III

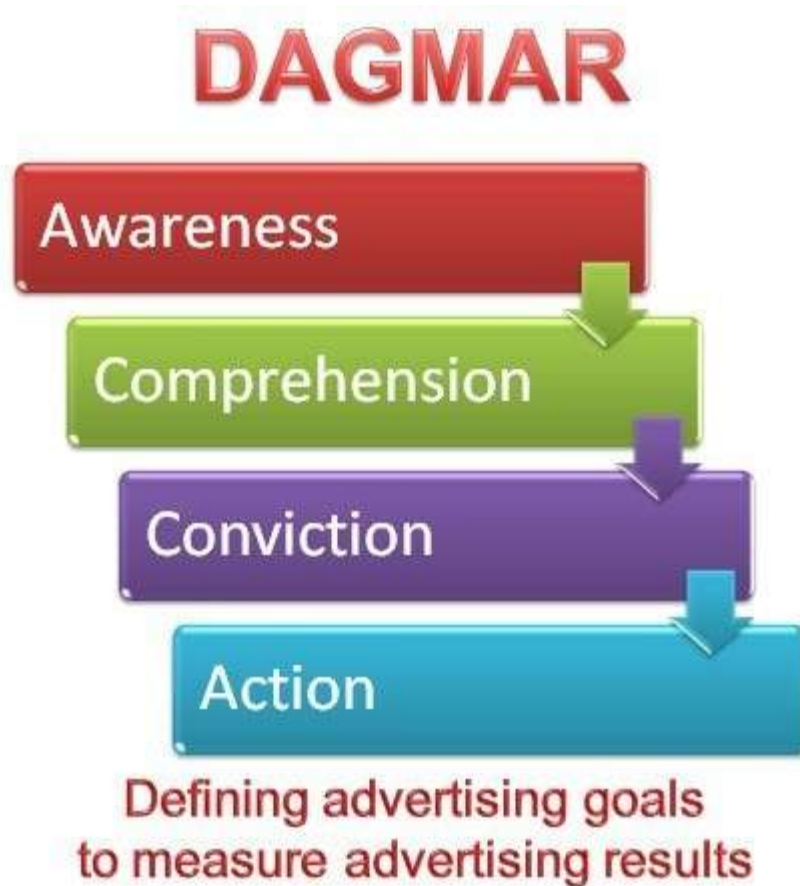
#### Advertising objective

##### DAGMAR

The DAGMAR approach of advertising was devised by Mr Russell Colley who was much appreciated for his work, as till date, DAGMAR is a concept used in advertising to set advertising objectives and goals. DAGMAR is an abbreviation for “Defining advertising goals to measure advertising results”.

Instead of giving a complicated explanation, I will give a simple one. Russell colley observed that although people were investing in advertising, they had to invest a lot of time in other marketing activities to get the ROI of advertising. This is because the ROI from advertising was unknown.

Hence, Russell suggested 2 main ways that maximum ROI could be achieved with the usage of Advertising alone. Hence, a company which was thinking of 10 different ways to market its products, could check the ROI from advertising, when it wanted to study how effective it's advertising was.



The 2 core things on which the DAGMAR Model stood were

1. Creation of a communication task to achieve goals
2. Defining the objective of the communication tasks in a manner that the results can be measured.

A) The communication tasks involved in the DAGMAR approach.

A marketing task is a combination of an advertising activity, a branding activity and possibly a customer service activity. The work of marketing is holistic and hence it has to look at the whole organization. The work of Advertising is more individualistic and hence the organization is not considered.

To measure that a task assigned to advertising, is later on measured only in advertising terms, Russell Colley designed the communication tasks. Creating a communication task, which involves communications between the company and the consumer, was solely the responsibility of the Advertising department.

The goal of the communication tasks in DAGMAR was as follows



1. **Awareness** – Communication tasks involved making the consumer aware of the brand or the product.
2. **Comprehension** – These tasks also helped the consumer in understanding the attributes and the features of the product and what the product will do for the consumer.
3. **Conviction** – The communication task convinced the customer that this product was meant for them
4. **Action** – Ultimately, after conviction, the customer was to be enticed to take action.
5. However, in the DAGMAR model, the issue does not end at just creating the communication task. Because creating this task is very difficult if the objectives of advertising are not known. If you don't know WHY you are communicating to the customer, then how will you communicate? Thus, DAGMAR then also involved defining the Objectives for communications.

## B) Defining objectives in the DAGMAR approach.

6. The second most important task of DAGMAR was defining the objectives of advertising or of the communication tasks which were to be created. Once you defined the objectives, then the measuring of advertising results was comparatively easier.
7. With this move, Russell Colley also gave more responsibilities to the advertising department. Not only were they responsible for the ads made, they were also responsible for how well they understood the objective of advertising, and how they incorporated these objectives in their communication tasks.

In this modern age, we know that advertising is used for introducing a product, building brand equity, for sales promotions or for plain old brand recall. However, all these are the objectives of advertising and form the 2nd part of DAGMAR.

The objectives of advertising in DAGMAR (which are used to create communication tasks) are as follows

1. **Concrete and measurable tasks** – The tasks need to be a precise statement of what the advertiser wants to achieve through the communication. Does he want to strengthen the brand image, maximise the brand presence, penetrate new markets or increase overall sales?
2. **Define the target audience** – Before the communication task commences, the target audience needs to be defined as precisely as possible. Are you targeting youngsters, adults, elderly? Any of the various forms of segmentation can be used to define the target audience.
3. **Degree of change sought** – What level of perception, attitude or awareness of the customer do you want to change? If a customer is aware of the product, do you want his negative attitude to change to positive? Or if the market is completely unaware, do you want the whole market to be aware or only partially the target group itself? These degrees of change which are going to be the objective of the communication task need to be defined in advance.
4. **Time period** – To achieve the objectives of the communication tasks, how much time are you ready to allot. If you think that in a month, the product can create awareness in the complete market, then you are very wrong. That's why major advertisers try to introduce the product for 3 months, and then communicate the features and benefits in the next 3 months so that the brand recall is high and the brand acceptance is high as well. A defined time period gives better measurability.



So as you could see from above, the DAGMAR approach involved defining the objective of a communication task, and then creating communication tasks which were themselves measurable.

The DAGMAR approach is used by many promotional planners to set plans of advertising and marketing. This approach is also used to set advertising objectives and to measure the results against the plan. Russell Coley's work has led to the improvement of the advertising world, because these communication tasks were not only sales driven, they achieved various goals of the organization only through Advertising.

## 1. Establish Your Strategic Goals

The first step to creating a superstar marketing plan is to [establish the goals](#) of the campaign. Unfortunately, most budgets are never broken down into [multiple buckets](#). Since you are bringing a new product to market, you decide that you need to break your budget into three parts:

1. Build awareness around the brand
2. Educate consumers about the product's "points of differentiation"
3. Drive traffic to the product's e-commerce site

## 2. Allocate Budgets

Now that we know our marketing objectives, it's time to think about how we want to allocate the three budget buckets mentioned above. Some common advertising considerations may include:

- Marketing objectives (such as the three above)
- Customer segmentation and targeting
- Target audience habits
- Seasonality
- Go-to-market consideration
- Public relations
- Events or shows



### 3. Plan Your Timeline

Planning your [budget timeline](#) is vital for two reasons: First, you need to make sure it matches your marketing objectives and other considerations (such as product roadmap or seasonality). And, second, you need to make sure that your finance and accounting department knows what bills are going to be coming. Trust me, you don't want to surprise the money counters!

### 4. Establish Messaging and Creative Assets

Now that you know your objectives, it's time to work with the creative team to develop creative assets that match the media plan. In this case, your creative team does...well...whatever creative people do, and they come up with some amazing and compelling omni-channel materials that achieve those objectives.

### 5. Get Budget Approvals

Before spending any money on media, you need to have it all approved by the budget owner. The two most important things you can do to protect yourself and maintain accountability is to make sure that there is an audit trail of those approvals and that everyone on your team knows what has been approved. Email and PDFs are simple, but version control can be a nightmare and a miscommunication can be a major liability.

#### Demographic Segmentation

Market segmentation can be done based on demographic factors such as Age. For example, Rico watches have segmented their product portfolio according to different age groups of people.

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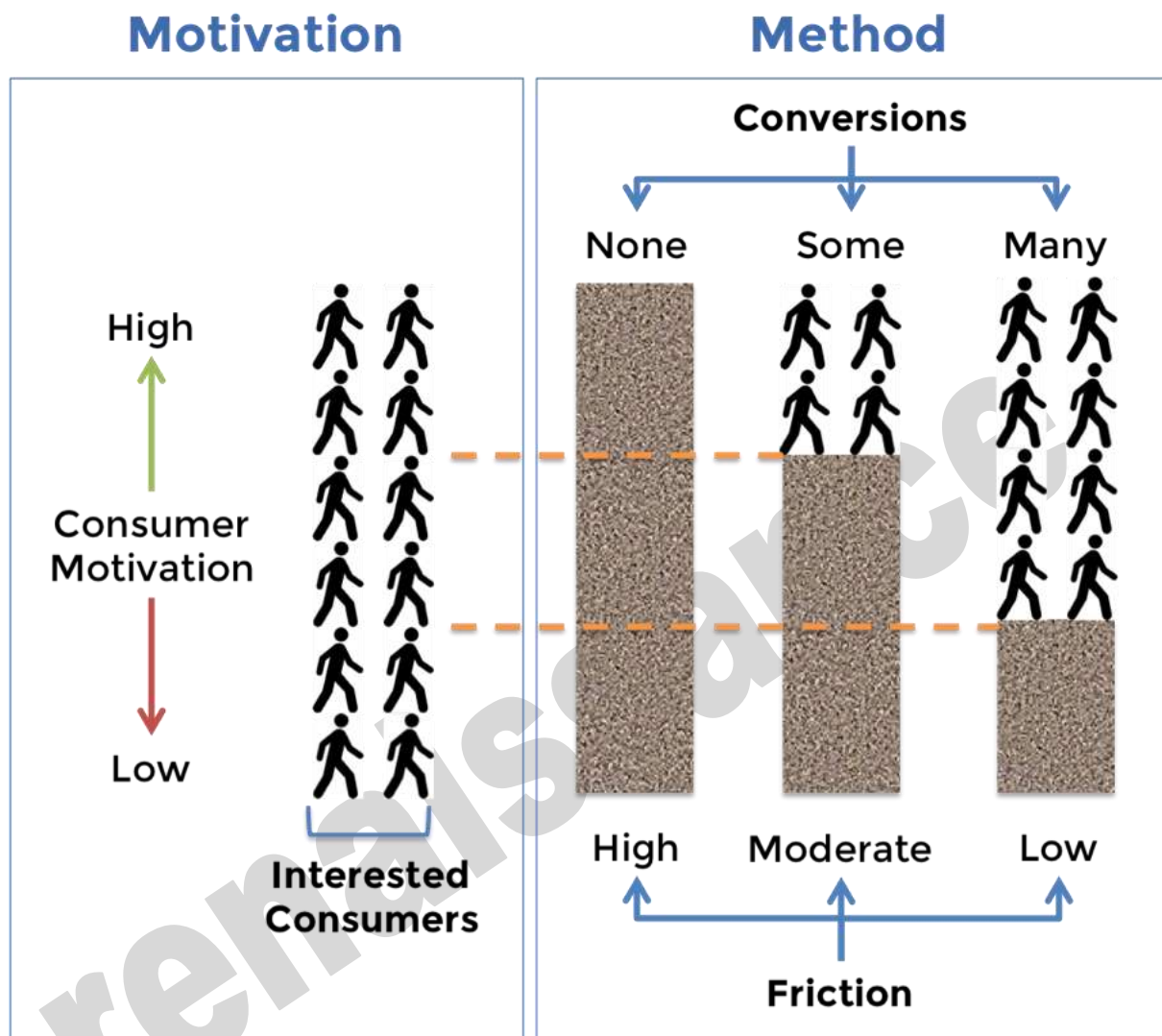
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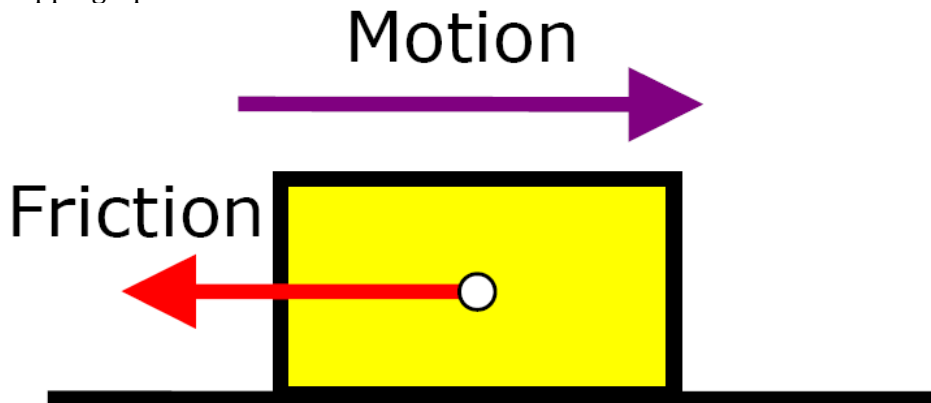
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The creative person. This relates to the personality traits of creative people who are responsible and central to this process.

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The creative situation. In this situation the criteria & characteristics of creativity are considered to provide workable, acceptable and practical aspects of the situation.

### **Four Rules of Creativity:**

There are generally four basic rules to be kept in mind during the creativity process these are mentioned below:

1. Make the product relevant to customer.
2. It should be promise to the customer.
3. Don't let it stand alone.
4. Always put product in the centre of the commercial

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### **THE CREATIVE PROCESS**

To understand the creative process it is essential that the different avenues and steps of this may be identify and understood there are five different steps in the effort of the creative process:

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**IMMERSION** This tantamount to gathering raw material information through background research and immersing yourself in the problem.

**DIGESTION** -- This means taking the information, working with it and thinking about it in the mind.

**INCUBATION** This step helps you to put the problem out of your conscious mind and putting the information to do the work.

**ILLUMINATION** As a result of first three steps the birth of an idea takes place.

**VERIFICATION** Basically the purpose of this step is to study the idea to see if its still looks good or solve the problem and subsequently shapingthe idea for practical benefit

### Copy writing

Copywriting is the skill of choosing the right words and technique of arranging them smartly to promote business, product, service, idea, or a person. The selection of words and its presentation largely depends upon the media through which it is planned to convey. For example, depending on whether it is a newspaper, magazine, hoarding, radio, television, or internet, the script will vary accordingly.

However, whatever is the type of media, the purpose of copywriting is the same i.e. promotion. Therefore, it should be persuasive enough to be instantly attention grabbing.

#### Elements of Copywriting

Copywriting has some essential elements required to develop a convincing ad. Following are the significant elements –

- **Heading** – Headline gives the first impression and lasts on readers' mind, therefore, it should be eye-catching. Heading should tell – what it is all about your ad in a very few words, ranging from 3 to 30 words.
- **Body copy** – Write body copy in such a way that it seems as the continuity of the heading. Provide details of all the features and benefits that you are claiming for. The language should be promising and trustworthy.
- **Slogans** – Think of "*The ultimate driving machine*" (BMW); "*Just do it*" (Nike); "*Because I'm worth it*" (L'Oréal), what comes to your mind? The moment, you hear the slogans, you link it with the respective brand not only because you have heard it many times, but rather it works. A well-written and effective slogan is a trustworthy brand representative. However, your slogan should be small and crispy giving meaning to your brand.
- **Taglines** – Taglines are usually used for literary products to reinforce and strengthen the audience's memory of a literary product. For example, "she went in search of answers, and discovered a love she never expected," Book Name "Faithful" and Writer - Janet Fox. Thus, tagline tells the gist of the products for marketing purpose. Like, a slogan, it should be small and eye-catching.
- **Jingle Lyrics** – More often accompanied with background music, iingle lyric is a short slogan, tune, or verse written to be easily remembered (especially used in advertising). For example, Fanta: "Wanna Fanta, Don't You Wanna?" It should be small, crisp, and rhythmic (like a song) so that it registers with people at once and they remember it.
- **Scripts** (for audio and video ad) –Scripts are the descriptions of an ad that narrates the dialogues, actions, expression, and movements of characters. Since, script is a complete guidelines of an ad; therefore, it should be written meaningfully, orderly, and nicely.
- **Others** – (White Paper, Press Release, & other written material such as emails, articles, and blog (for the internet)): These are all promotional write-ups written purposefully to promote a particular product/service. So, while writing white paper, press release, articles, blog, or even an email you



need to focus or emphasize ONLY on one product that you want to promote. You need to describe all features and offers of the respective product in simple and plain language.

#### Copywriting Techniques

Following are the techniques of persuasive copywriting –

- **Use Action Words** – Such as watch, look, ask, get, etc.
- **Use of Buzzwords** – Normally, buzzwords are eye-catching such as now, today, etc.
- **Use Exciting or Emotive words** – Such as amazing, wonderful, beautiful, etc.
- **Use Alliteration** – Use meaningful words of similar sound. For example, Don't be vague, ask for Haig.
- **Use Colloquial words** – Colloquialisms in copywriting is pretty popular and effective. For example, 'Pick 'n Choose.'
- **Use Punctuation** – Proper use of punctuations and grammar is an important aspect so that you can pass the right message.

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### Advertising objective

#### DAGMAR

The DAGMAR approach of advertising was devised by Mr Russell Colley who was much appreciated for his work, as till date, DAGMAR is a concept used in advertising to set advertising objectives and goals. DAGMAR is an abbreviation for “Defining advertising goals to measure advertising results”.

Instead of giving a complicated explanation, I will give a simple one. Russell colley observed that although [people](#) were investing in advertising, they had to invest a lot of time in other marketing activities to get the ROI of advertising. This is because the ROI from advertising was unknown.

Hence, Russell suggested 2 main ways that maximum ROI could be achieved with the usage of Advertising alone. Hence, a company which was thinking of 10 different ways to market its [products](#), could check the ROI from advertising, when it wanted to study how effective it's advertising was.



The 2 core things on which the DAGMAR Model stood were

3. Creation of a communication task to achieve goals
4. Defining the objective of the communication tasks in a manner that the results can be measured.

#### **A) The communication tasks involved in the DAGMAR approach.**

A marketing task is a combination of an advertising activity, a branding activity and possibly a [customer service](#) activity. The work of marketing is [holistic](#) and hence it has to look at the whole organization. The work of Advertising is more individualistic and hence the organization is not considered.

To measure that a task assigned to advertising, is later on measured only in advertising terms, Russell colley designed the communication tasks. Creating a communication task, which involves communications between the company and the consumer, was solely the responsibility of the Advertising department.

The goal of the communication tasks in DAGMAR was as follows



8. **Awareness** – Communication tasks involved making the consumer aware of the [brand](#) or the [product](#).
9. **Comprehension** – These tasks also helped the consumer in understanding the attributes and the features of the product and what the product will do for the consumer.
10. **Conviction** – The communication task convinced the customer that this product was meant for them
11. **Action** – Ultimately, after conviction, the customer was to be enticed to take action.
12. However, in the DAGMAR model, the issue does not end at just creating the communication task. Because creating this task is very difficult if the objectives of advertising are not known. If you don't know WHY you are communicating to the customer, then how will you communicate? Thus, DAGMAR then also involved defining the Objectives for communications.

B) Defining objectives in the DAGMAR approach.

13. The second most important task of DAGMAR was defining the objectives of advertising or of the communication tasks which were to be created. Once you defined the objectives, then the measuring of advertising results was comparatively easier.
14. With this move, Russell Colley also gave more responsibilities to the advertising department. Not only were they responsible for the ads made, they were also responsible for how well they understood the objective of advertising, and how they incorporated these objectives in their communication tasks.

In this modern age, we know that advertising is used for introducing a product, building brand equity, for sales [promotions](#) or for plain old [brand recall](#). However, all these are the objectives of advertising and form the 2nd part of DAGMAR.

The objectives of advertising in DAGMAR (which are used to create communication tasks) are as follows

5. **Concrete and measurable tasks** – The tasks need to be a precise statement of what the advertiser wants to achieve through the communication. Does he want to strengthen the [brand image](#), maximise the brand presence, penetrate new [markets](#) or increase overall sales?
6. **Define the target audience** – Before the communication task commences, the target audience [needs](#) to be defined as precisely as possible. Are you [targeting](#) youngsters, adults, elderly? Any of the various forms of [segmentation](#) can be used to define the target audience.
7. **Degree of change sought** – What level of perception, [attitude](#) or awareness of the customer do you want to change? If a customer is aware of the product, do you want his negative attitude to change to positive? Or if the market is completely unaware, do you want the whole market to be aware or only partially the target group itself? These degrees of change which are going to be the objective of the communication task need to be defined in advance.
8. **Time period** – To achieve the objectives of the communication tasks, how much time are you ready to allot. If you think that in a month, the product can create awareness in the complete market, then you are very wrong. That's why major advertisers try to introduce the product for 3 months, and then communicate the features and benefits in the next 3 months so that the brand recall is high and the brand acceptance is high as well. A defined time period gives better measurability.

So as you could see from above, the DAGMAR approach involved defining the objective of a communication task, and then creating communication tasks which were themselves measurable.

The DAGMAR approach is used by many promotional planners to set plans of advertising and marketing. This approach is also used to set advertising objectives and to measure the results against the plan. Russell Colley's work has led to the improvement of the advertising world, because these communication tasks were not only sales driven, they achieved various goals of the organization only through Advertising.

## 1. Establish Your Strategic Goals



The first step to creating a superstar marketing plan is to [establish the goals](#) of the campaign. Unfortunately, most budgets are never broken down into [multiple buckets](#). Since you are bringing a new product to market, you decide that you need to break your budget into three parts:

4. Build awareness around the brand
5. Educate consumers about the product's "points of differentiation"
6. Drive traffic to the product's e-commerce site

## 2. Allocate Budgets

Now that we know our marketing objectives, it's time to think about how we want to allocate the three budget buckets mentioned above. Some common advertising considerations may include:

- Marketing objectives (such as the three above)
- Customer segmentation and targeting
- Target audience habits
- Seasonality
- Go-to-market consideration
- Public relations
- Events or shows

## 3. Plan Your Timeline

Planning your [budget timeline](#) is vital for two reasons: First, you need to make sure it matches your marketing objectives and other considerations (such as product roadmap or seasonality). And, second, you need to make sure that your finance and accounting department knows what bills are going to be coming. Trust me, you don't want to surprise the money counters!

## 4. Establish Messaging and Creative Assets

Now that you know your objectives, it's time to work with the creative team to develop creative assets that match the media plan. In this case, your creative team does...well...whatever creative people do, and they come up with some amazing and compelling omni-channel materials that achieve those objectives.

## 5. Get Budget Approvals

Before spending any money on media, you need to have it all approved by the budget owner. The two most important things you can do to protect yourself and maintain accountability is to make sure that there is an audit trail of those approvals and that everyone on your team knows what has been approved. Email and PDFs are simple, but version control can be a nightmare and a miscommunication can be a major liability.

## What Is Media Planning?

You are creating advertising for a new product. To complete this task, you need to go through the media planning process. **Media planning** in advertising is the making of decisions to deliver a message to the target audience.

## The Process

Now that you understand what media planning is, it is time to review the process. The process includes:

- Market analysis
- Establishing the media objective
- Setting the strategy
- Implementation
- Evaluation and follow-up

Let's look at these steps in more detail.



### *Market Analysis*

Performing a market analysis involves determining who your audience is. The **audience** is the number and type of people your advertising targets. The audience can be classified according to age, sex, income, occupation, etc. Performing this analysis will help you to project costs and determine the right media for your campaign.

### *Establishing the Media Objective*

The **media objective** is the goal of the media plan. To establish this objective, you must determine your goal for reach, frequency, circulation, cost, and penetration. **Reach** is the amount of people the message is in front of over a period of time. **Frequency** is the average number of times the message is in front of those people. **Circulation** is used for printed advertisements. This is the number of prints that are produced and sent out. **Cost** is broken down into two different sections: cost per thousand (CPM) and cost per person (CPP). It is important to understand the cost as you are budgeting. The cost will tell you which form of media is the best option for your business. **Penetration** is the number of audience members reached by the advertising. The company must determine if it wants to take over a market or just reach a certain group prior to setting the penetration goals and strategies.

### *Setting the Strategy*

Now that you understand who you are marketing to and how much it will cost you, you will need to make a decision about what type of media you will use. Some options include Internet, television, radio, newspaper, consumer and business publications, and interactive media platforms. Which option reaches the largest audience? How often will it reach the audience? Does it fit in your budget?

### *Implementation*

Now you have a plan. Now it's time to set it in motion. This is when you buy media. **Media buying** is the purchasing of the space in the selected media. This involves committing to the media provider, submitting the ad, and paying the bill. This is the exciting part. You see all your hard work come together.

### *Evaluation and Follow-up*

After everything is said and done, it is time to see how successful your media plan was. To do so, you need to follow-up and evaluate the results. Ask yourself, 'Did we meet media objectives? How successful were the strategies?' The success of this media plan will determine future media plans.

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## Unit IV

### Quality of a successful sales personal.

What separates successful sales people from everyone else? I believe that most successful sales people, in virtually any industry, possess the following characteristics:

1. They are persistent. Selling or running a business for a living requires a tremendous amount of persistence. Obstacles loom in front of us on a regular basis. But it's what you do when faced with these barriers that will determine your level of success. I believe it was Brian Tracy who once said that a person will face the most challenging obstacle just before they achieve their goal. The most successful people in any industry have learned to face the obstacles that get in their way. They look for new solutions. They are tenacious. They refuse to give up.
2. Successful sales people are avid goal setters. They know what they want to accomplish and they plan their approach. They make sure their goals are specific, motivational, achievable yet challenging, relevant to their



personal situation, and time-framed. They visualize their target, determine how they will achieve their goal, and take action on a daily basis.

3. Great sales people ask quality questions. The best sales people ask their clients and prospects plenty of quality questions to fully determine their situation and buying needs. They know that the most effective way to present their product or service is to uncover their customer's goals, objectives, concerns and hesitations. This allows them to effectively discuss the features and benefits of their product and service that most relate to each customer.

4. Successful sales people listen. Most sales people will ask a question then give their customer the answer, or continue to talk afterwards instead of waiting for their response. Great sales people know that customers will tell them everything they need to know if given the right opportunity. They ask questions and listen carefully to the responses, often taking notes and summarizing their understanding of the customers' comments. They have learned that silence is golden.

5. Successful sales people are passionate. They love their company and they exude this pride when talking about their products and services. The more passionate you are about your career, the greater the chance you will succeed. The reason for this is simple—when you love what you do you are going to put more effort into your work. When you are passionate about the products or services you sell, your enthusiasm will shine brightly in every conversation. If you aren't genuinely excited about selling your particular product or service, give serious consideration to making a change. You are not doing yourself, your company or your customers any favors by continuing to represent something you can't get excited about.

6. Successful sales people are enthusiastic. They are always in a positive mood - even during difficult times - and their enthusiasm is contagious. They seldom talk poorly of the company or the business. When faced with unpleasant or negative situations, they choose to focus on the positive elements instead of allowing themselves to be dragged down.

7. Successful sales people take responsibility for their results. They do not blame internal problems, the economy, tough competitors, or anything else if they fail to meet their sales quotas. They know that their actions alone will determine their results and they do what is necessary.

8. Successful sales people work hard. Most people want to be successful but they aren't prepared to work hard to achieve it. Sales superstars don't wait for business to come to them; they go after it. They usually start work earlier than their coworkers and stay later than everyone else. They make more calls, prospect more consistently, talk to more people, and give more sales presentations than their coworkers.

9. Successful sales people keep in touch with their clients. They know that constant contact helps keep clients so they use a variety of approaches to accomplish this. They send thank-you, birthday, and anniversary cards. They make phone calls and schedule regular 'keep in touch' breakfast and lunch meetings. They send articles of value to their customers and send an email newsletter. They are constantly on the lookout for new and creative ways to keep their name in their customers' minds.

10. Successful sales people show value. Today's business world is more competitive than ever before and most sales people think that price is the only motivating buying factor. Successful sales people recognize that price is a factor in every sale but it is seldom the primary reason someone chooses a particular product or supplier. They know that a well-informed buyer will usually base much of her decision on the value proposition presented by the sales person. They know how to create this value with each customer, prospect, or buyer they encounter.





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## UNIT V

### BBA UNIT 5- BRANDING CONTEXT

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#### Brand

Brand is the "name, term, design, symbol, or any other feature that identifies one seller's product distinct from those of other sellers." [1] Brands are used in business, marketing, and advertising. Initially, livestock branding was adopted to differentiate one person's cattle from another's by means of a distinctive symbol burned into the animal's skin with a hot branding. A modern example of a brand is Coca-Cola which belongs to the Coca-Cola Company.

In accounting, a brand defined as an intangible asset is often the most valuable asset on a corporation's balance sheet. Brand owners manage their brands carefully to create shareholder value, and brand valuation is an important management technique that ascribes a money value to a brand, and allows marketing investment to be managed (e.g.: prioritized across a portfolio of brands) to maximize shareholder value. Although only acquired brands appear on a company's balance sheet, the notion of putting a value on a brand forces marketing leaders to be focused on long term stewardship of the brand and managing for value.

The word "brand" is often used as a metonym referring to the company that is strongly identified with a brand.

Marque or make are often used to denote a brand of motor vehicle, which may be distinguished from a car model. A concept brand is a brand that is associated with an abstract concept, like breast cancer awareness or environmentalism, rather than a specific product, service, or business. A commodity brand is a brand associated with a commodity.

A logo often represents a specific brand.

#### *Concepts*

Effective branding can result in higher sales of not only one product, but of other products associated with that brand. For example, if a customer loves Pillsbury biscuits and trusts the brand, he or she is



more likely to try other products offered by the company - such as chocolate-chip cookies, for example. Brand is the personality that identifies a product, service or company (name, term, sign, symbol, or design, or combination of them) and how it relates to key constituencies: customers, staff, partners, investors etc.

Some people distinguish the psychological aspect (brand associations like thoughts, feelings, perceptions, images, experiences, beliefs, attitudes, and so on that become linked to the brand) of a brand from the experiential aspect. The experiential aspect consists of the sum of all points of contact with the brand and is known as the brand experience. The brand experience is a brand's action perceived by a person. The psychological aspect, sometimes referred to as the brand image, is a symbolic construct created within the minds of people, consisting of all the information and expectations associated with a product, service or the company(ies) providing them.

People engaged in branding seek to develop or align the expectations behind the brand experience, creating the impression that a brand associated with a product or service has certain qualities or characteristics that make it special or unique. A brand can therefore become one of the most valuable elements in an advertising theme, as it demonstrates what the brand owner is able to offer in the marketplace. The art of creating and maintaining a brand is called brand management. Orientation of an entire organization towards its brand is called brand orientation. Brand orientation develops in response to market intelligence.

Careful brand management seeks to make the product or services relevant to the target audience. Brands should be seen as more than the difference between the actual cost of a product and its selling price – they represent the sum of all valuable qualities of a product to the consumer.

A widely known brand is said to have "brand recognition". When brand recognition builds up to a point where a brand enjoys a critical mass of positive sentiment in the marketplace, it is said to have achieved brand franchise. Brand recognition is most successful when people can state a brand without being explicitly exposed to the company's name, but rather through visual signifiers like logos, slogans, and colors.[11] For example, Disney successfully branded its particular script font (originally created for Walt Disney's "signature" logo), which it used in the logo for go.com.



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Consumers may look on branding as an aspect of products or services, as it often serves to denote a certain attractive quality or characteristic (see also brand promise). From the perspective of brand owners, branded products or services can command higher prices. Where two products resemble each other, but one of the products has no associated branding (such as a generic, store-branded product), people may often select the more expensive branded product on the basis of the perceived quality of the brand or on the basis of the reputation of the brand owner

### *The Types of Brands*

Different types of brands work for different marketing approaches that your business might take.

Basically, there are a few general types of brands that your business could fall into:

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- **Product brands:** Products (commodities) become branded products when you win awareness in the marketplace that your product has compelling characteristics that make it different and better than others in the product category.

Branding is a powerful tool that differentiates your offering in ways that create consumer preference and allow you to command premium pricing.

- **Service brands:** Services are products that people buy sight-unseen. People buy services purely based on their trust that the person or business they're buying from will deliver as promised. If you sell a service or run a service business, you absolutely, positively need to develop and manage a strong, positive brand image.
- **Business brands:** You can brand your business, itself, in addition to or instead of branding your products or services.

If you can only build one brand — and that's the best advice to any business that's short on marketing expertise or dollars — make it a business brand because this brand can attract job applicants, investors, and (maybe most importantly) customers.

- **Personal brands:** Whether you know it or not, you have a personal brand. If people know your name or recognize your face, they hold your brand image in their minds.
- **Personality brands:** Personality brands are personal brands gone big-time. They're individual brands that are so large and strong that they not only deliver wide-reaching personal celebrity but also create significant value when associated with products or services. Think Martha Stewart, Emeril Lagasse, or Oprah, and you're on the right track. Sure, these are all just people, but their names are associated with a superior quality and subject expertise that speaks to their personality branding.

### *Strategic Brand Management Process*

The process of strategic brand management basically involves 4 steps:

#### **1. Identifying and establishing brand positioning.**

Brand positioning is defined as the act of designing the company's offer and images so that it occupies a distinct and valued place in the target consumer's mind.

#### **Key Concepts:**

- **Points of difference:** convinces consumers about the advantages and differences over the competitors

- **Mental Map:** visual depiction of the various associations linked to the brand in the minds of the Consumers
- **Core Brand Associations:** subset of associations i.e. both benefits and attributes which best characterize the brand.
- **Brand Mantra:** that is the brand essence or the core brand promise also known as the Brand DNA.

## 2. Planning and Implementation of Brand Marketing Programs

### Key Concepts:

- **Choosing Brand Elements:** Different brand elements here are logos, images, packaging, symbols, slogans, etc. Since different elements have different advantages, marketers prefer to use different subsets and combinations of these elements.
- **Integrating the Brand into Marketing Activities and the Support Marketing Program:** Marketing programs and activities make the biggest contributions and can create strong, favorable, and unique brand associations in a variety of ways.
- **Leveraging Secondary Associations:** Brands may be linked to certain source factors such as countries, characters, sporting or cultural events, etc. In essence, the marketer is borrowing or leveraging some other associations for the brand to create some associations of the brand's own and then to improve its brand equity.

## 3. Measuring and Interpreting Brand Performance Key

### Concepts:

- **Brand Audit:** Is assessment of the source of equity of the brand and to suggest ways to improve and leverage it.
- **Brand Value chain:** Helps to better understand the financial impacts of the brand marketing investments and expenditures.
- **Brand Equity Measurement System:** Is a set of tools and procedures using which marketers can take tactical decision in the short and long run.

## 4. Growing and Sustaining Brand Equity: Key

## Concepts:

- **Defining the brand strategy:** Captures the branding relationship between the various products / services offered by the firm using the tools of brand-product matrix, brand hierarchy and brand portfolio
- **Managing Brand Equity overtime:** Requires taking a long-term view as well as a short term view of marketing decisions as they will affect the success of future marketing programs.
- **Managing Brand Equity over Geographic boundaries, Market segments and Cultures:** Marketers need to take into account international factors, different types of Consumers and the specific knowledge about the experience and behaviors of the new Geographies or market segments when expanding the brand overseas or into new market Segments.

### *Keller's Brand Equity Model*

#### Building a Powerful Brand



Use Keller's Brand Equity Model pyramid to strengthen your customers' perception of your brand.

Do you know what makes a brand strong? And if you had to make yours stronger, would you know how to do it?

Many factors influence the strength of a particular product or brand. If you understand these factors, you can think about how to launch a new product effectively, or work out how to turn a struggling brand into a successful one.

In this article, we'll look at Keller's Brand Equity model. This tool highlights four steps that you can follow to build and manage a brand that customers will support.

#### Overview

Keller's Brand Equity Model is also known as the Customer-Based Brand Equity (CBBE) Model. Kevin Lane Keller, a marketing professor at the Tuck School of Business at Dartmouth

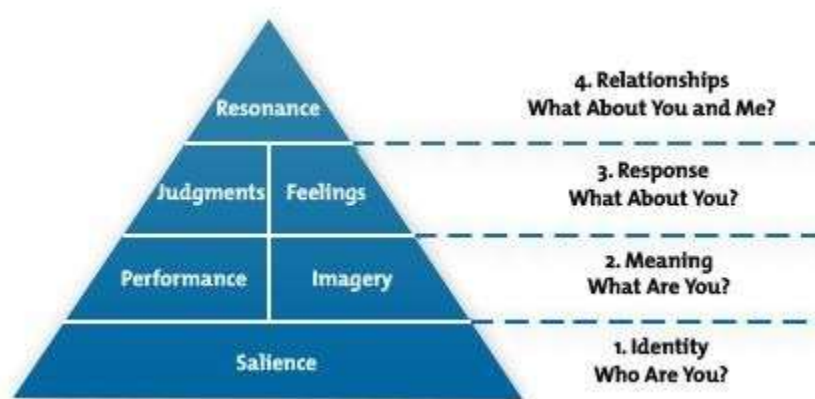
College, developed the model and published it in his widely used textbook, "Strategic Brand Management."

The concept behind the Brand Equity Model is simple: in order to build a strong brand, you must shape how customers think and feel about your product. You have to build the right type of experiences around your brand, so that customers have specific, positive thoughts, feelings, beliefs, opinions, and perceptions about it.

When you have strong brand equity, your customers will buy more from you, they'll recommend you to other people, they're more loyal, and you're less likely to lose them to competitors.

The model, seen in Figure 1, illustrates the four steps that you need to follow to build strong brand equity.

Figure 1 – Keller's Brand Equity Model



From "Strategic Brand Management: Building, Measuring, and Managing Brand Equity" by Kevin Lane Keller. © Pearson Education Limited 2013.

The four steps of the pyramid represent four fundamental questions that your customers will ask – often subconsciously – about your brand.

The four steps contain six building blocks that must be in place for you to reach the top of the pyramid, and to develop a successful brand.

Applying the Model



Let's look at each step and building block in detail, and discuss how you can apply the framework and strengthen your brand.

### **Step 1: Brand Identity – Who Are You?**

In this first step, your goal is to create "brand salience," or awareness – in other words, you need to make sure that your brand stands out, and that customers recognize it and are aware of it.

You're not just creating brand identity and awareness here; you're also trying to ensure that brand perceptions are "correct" at key stages of the buying process.

#### Application

To begin, you first need to know who your customers are. Research your market to gain a thorough understanding of how your customers see your brand, and explore whether there are different market segments with different needs and different relationships with your brand.

Next, identify how your customers narrow down their choices and decide between your brand and your competitors' brands. What decision-making processes do your customers go

through when they choose your product? How are they classifying your product or brand? And, when you follow their decision making process, how well does your brand stand out at key stages of this process?

You are able to sell your product because it satisfies a particular set of your customers' needs; this is your unique selling proposition, or USP. You should already be familiar with these needs, but it's important to communicate to your customers how your brand fulfills these. Do your clients understand these USPs when they're making their buying decisions?

By the end of this step, you should understand whether your clients perceive your brand as you want them to, or whether there are specific perceptual problems that you need to address – either by adjusting your product or service, or by adjusting the way that you communicate your message. Identify the actions that you need to take as a result.

### **Step 2: Brand Meaning – What Are You?**

Your goal in step two is to identify and communicate what your brand means, and what it stands for. The two building blocks in this step are: "performance" and "imagery."

"Performance" defines how well your product meets your customers' needs. According to the model, performance consists of five categories: primary characteristics and features; product reliability,

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

"Imagery" refers to how well your brand meets your customers' needs on a social and psychological level. Your brand can meet these needs directly, from a customer's own experiences with a product; or indirectly, with targeted marketing, or with word of mouth.

A good example of brand meaning is Patagonia®. Patagonia makes high quality outdoor clothing and equipment, much of which is made from recycled materials.

Patagonia's brand performance demonstrates its reliability and durability; people know that their products are well designed and stylish, and that they won't let them down. Patagonia's brand imagery is enhanced by its commitment to several environmental programs and social causes; and its strong —reduce, reuse, recycle— values make customers feel good about purchasing products from an organization with an environmental conscience.

#### Application

The experiences that your customers have with your brand come as a direct result of your product's performance. Your product must meet, and, ideally, exceed their expectations if you want to build loyalty. Use the Critical to Quality Tree and Kano Model Analysis models to identify your customers' needs, and then explore how you can translate these needs into a high quality product.

Next, think carefully about the type of experience that you want your customers to have with your product. Take both performance and imagery into account, and create a "brand personality." Again, identify any gaps between where you are now and where you want to be, and look at how you can bridge these.

### **Step 3: Brand Response – What Do I Think, or Feel, About You?**

Your customers' responses to your brand fall into two categories: "judgments" and "feelings." These are the two building blocks in this step.

Your customers constantly make judgments about your brand and these fall into four key categories:

**Quality:** Customers judge a product or brand based on its actual and perceived quality.

Credibility: Customers judge credibility using three dimensions – expertise (which includes innovation), trustworthiness, and likability.

Consideration: Customers judge how relevant your product is to their unique needs.

Superiority: Customers assess how superior your brand is, compared with your competitors' brands.

Customers also respond to your brand according to how it makes them feel. Your brand can evoke feelings directly, but they also respond emotionally to how a brand makes them feel about themselves. According to the model, there are six positive brand feelings: warmth, fun, excitement, security, social approval, and self-respect.

### Application

First, examine the four categories of judgments listed above. Consider the following questions carefully in relation to these:

What can you do to improve the actual and perceived quality of your product or brand? How can you enhance your brand's credibility?

How well does your marketing strategy communicate your brand's relevancy to people's needs?

How does your product or brand compare with those of your competitors?

Next, think carefully about the six brand feelings listed above. Which, if any, of these feelings does your current marketing strategy focus on? What can you do to enhance these feelings for your customers?

Identify actions that you need to take as a result of asking these questions.

### **Step 4: Brand Resonance – How Much of a Connection Would I Like to Have With You?**

Brand "resonance" sits at the top of the brand equity pyramid because it's the most difficult – and the most desirable – level to reach. You have achieved brand resonance when your customers feel a deep, psychological bond with your brand.

Keller breaks resonance down into four categories:

Behavioral loyalty: This includes regular, repeat purchases.

**Attitudinal attachment:** Your customers love your brand or your product, and they see it as a special purchase.

**Sense of community:** Your customers feel a sense of community with people associated with the brand, including other consumers and company representatives.

**Active engagement:** This is the strongest example of brand loyalty. Customers are actively engaged with your brand, even when they are not purchasing it or consuming it. This could include joining a club related to the brand; participating in online chats, marketing rallies, or events; following your brand on social media; or taking part in other, outside activities.

## Application

Your goal in the last stage of the pyramid is to strengthen each resonance category.

For example, what can you do to encourage behavioral loyalty? Consider gifts with purchase, or customer loyalty programs.

Ask yourself what you can do to reward customers who are champions of your brand. What events could you plan and host to increase customer involvement with your brand or product? List the actions that you could take.

## Example

Julie has recently been put in charge of a project to turn around an under-performing product. The product is a high quality, fair trade, organic tea, but it's never achieved the sales and customer loyalty that the organization expected. Julie decides to use the brand equity pyramid to think about the turnaround effort.

### Step 1: Brand Identity

Julie's target customers are mid to high income, socially conscious women.

After careful analysis, she knows that she is marketing in the correct category, but she realizes that her marketing efforts aren't fully addressing customer needs. She decides to change the message from "healthy, delicious tea," to "delicious tea, with a conscience," which is more relevant and meaningful to her target market.

### Step 2: Brand Meaning

Next, Julie examines the product's meaning, and looks at how the company communicates that meaning to its customers.

The performance of the tea is already moderately high; it's a single-source, fair trade tea of a higher quality than the competition's product. After assessing the organization's service effectiveness, Julie is disappointed to find that many of her representatives lack empathy with customers who complain. So, she puts everyone through a comprehensive customer service class to improve responses to customer complaints and feedback.

Last, Julie decides to post to the company's website personal stories from the fair trade farmers who grow and pick the tea. By doing this, she aims to educate customers on how beneficial this practice is for people around the world.

### Step 3: Brand Response

After going over the four brand response judgments, Julie realizes that perceived quality might be an issue. The tea itself is high quality, but the pack size is smaller than the ones her competitors use. Julie doesn't want to lower the price, as this might affect how customers assess quality, so she decides to offer more tea in each box in order to surpass customer expectations.

She also decides to enhance the tea's credibility by becoming fair trade certified through an independent third-party organization.

### Step 4: Brand Resonance

Julie knows that her target customers care deeply about fair trade. She decides to promote the organization's efforts by participating in a number of fair trade events around the country.

She also sets up a social networking framework to involve customers in the organization's fair trade efforts, and she creates a forum on the company website where customers can discuss issues surrounding fair trade. She also commits to championing the efforts of other fair trade organizations.

## *Brand personality*

What is Brand Personality?

Brand personality is the way a brand speaks and behaves. It means assigning human personality traits/characteristics to a brand so as to achieve differentiation. These characteristics signify brand behaviour through both individuals representing the brand (i.e. it's employees) as well as through advertising, packaging, etc. When brand image or brand identity is expressed in terms of human traits, it is called brand personality. For instance - Allen Solley brand speaks the personality and makes the individual who wears it stand apart from the crowd. Infosys represents uniqueness, value, and intellectualism.

Brand personality is nothing but personification of brand. A brand is expressed either as a personality who embodies these personality traits (For instance - Shahrukh Khan and Airtel, John Abraham and Castrol) or distinct personality traits (For instance -Dove as honest, feminist and optimist; Hewlett Packard brand represents accomplishment, competency and influence). Brand personality is the result of all the consumer's experiences with the brand. It is unique and long lasting.

Brand personality must be differentiated from brand image, in sense that, while brand image denote the tangible (physical and functional) benefits and attributes of a brand, brand personality indicates emotional associations of the brand. If brand image is comprehensive brand according to consumers' opinion, brand personality is that aspect of comprehensive brand which generates it's emotional character and associations in consumers' mind.

Brand personality develops brand equity. It sets the brand attitude. It is a key input into the look and feel of any communication or marketing activity by the brand. It helps in gaining thorough knowledge of customers feelings about the brand. Brand personality differentiates among brands specifically when they are alike in many attributes. For instance - Sony versus Panasonic. Brand personality is used to make the brand strategy lively, i.e, to implement brand strategy. Brand personality indicates the kind of relationship a customer has with the brand. It is a means by which a customer communicates his own identity.

Brand personality and celebrity should supplement each other. Trustworthy celebrity ensures immediate awareness, acceptability and optimism towards the brand. This will influence consumers' purchase decision and also create brand loyalty. For instance - Bollywood actress Priyanka Chopra is brand ambassador for J.Hampstead, international line of premium shirts.

and personality not only includes the personality features / characteristics, but also the demographic features like age, gender or class and psychographic features. Personality traits are what the brand exists for.

### ***The Five Dimensions of Brand Personality (Elements)***

As we focus this month on Brand Communities, it is important to recognize that this is far from a new idea.

For more than four decades, marketers have used sophisticated techniques to segment their consumer universes into psychographic sets, the progenitors of today's online communities. These techniques have been able to reveal hidden truths underlying group actions as in the case of Helicopter Parents or Metrosexuals. As a result, they have allowed marketers to dig deeper than simple demographic to target messages much closer to the heart of action than general measures like age or sex. In fact, a case can be made that these older groupings have had far deeper roots than today's like- and tweet-based communities.

At the core of psychographic segmentation lies the recognition that all human behavior derives from a small set of fundamentals, the so-called Big Five Personality Traits. All the broad variation in human action, at heart, comes down to different mixes of these elemental traits. By isolating

these human behavioral fundamentals using analytical techniques, marketers can build up full profiles of what is driving the behavior of their target customers and prospects.

The Big Five was originally propounded way back in 1961, but only came into broader use in the 1980s. Since then, it has become a hallmark of marketing and psychology. Everyone who ever took a –personality test at work has experienced an expression of the Big Five. The Big Five attributes are:

- Openness to experience – (inventive/curious vs. consistent/cautious). Appreciation for art, emotion, adventure, unusual ideas, curiosity, and variety of experience. Openness reflects the degree of intellectual curiosity, creativity and a preference for novelty and variety. Some disagreement remains about how to interpret the openness factor, which is sometimes called –intellect rather than openness to experience.
- Conscientiousness – (efficient/organized vs. easy-going/careless). A tendency to show self-discipline, act dutifully, and aim for achievement; planned rather than spontaneous behavior; organized, and dependable.
- Extraversion – (outgoing/energetic vs. solitary/reserved). Energy, positive emotions, surgency, assertiveness, sociability and the tendency to seek stimulation in the company of others, and talkativeness.
- Agreeableness – (friendly/compassionate vs. cold/unkind). A tendency to be compassionate and cooperative rather than suspicious and antagonistic towards others.

Neuroticism – (sensitive/nervous vs. secure/confident). The tendency to experience unpleasant emotions easily, such as anger, anxiety, depression, or vulnerability.

- Neuroticism also refers to the degree of emotional stability and impulse control, and is sometimes referred to by its low pole – –emotional stability.

So much for the history lesson. Now for the 64-dollar question for modern Social brand communities: Do brand personalities all derive from The Big Five, as if brands were themselves people? Or, does each brand create its own unique universe, with its own unique set of core behavior elements driving the brand's personality?

What researchers have found falls in the middle ground. Brands personality, in fact, is not derived directly from The Big Five, but neither does it stem from random, unique brand universes. Rather, there appears to be a separate set of universal markers that delineate brand personalities. People don't react to brands as people, but do, if appears, react to brands in a consistent, measurable way, call it the Brand Five.

## FIVE DIMENSIONS OF BRAND PERSONALITY

NAME	DIMENSION	TRAITS WITH THE HIGHEST ITEM-TO-TOTAL CORRELATION
Sincerity	1	Domestic, honest, genuine, cheerful
Excitement	2	Daring, spirited, imaginative, up-to-date
Competence	3	Reliable, responsible, dependable, efficient
Sophistication	4	Glamorous, pretentious, charming, romantic
Ruggedness	5	Tough, strong, outdoorsy, rugged

The personalities of brands devolve from this separate Brand Five as noted in this chart:

The emergence of these two sets of fundamental markers for human behavior has made it possible for statisticians, and the marketers who rely on them, to craft rich and measurable analytical images of brands and their customers. These actionable —brand personalities— and the psychographic sets they define have transformed the way marketers can approach target audiences. They have led to the creation of techniques that drive the development of today's vibrant, social-network driven brand communities.



## UNIT VI

### Brand Positioning

#### Brand Positioning - Definition and Concept

Brand positioning refers to—target consumer's|| reason to buy your brand in preference to others. It is ensured that all brand activity has a common aim; is guided, directed and delivered by the brand's benefits/reasons to buy; and it focuses at all points of contact with the consumer.

Brand positioning must make sure that:

- Is it unique / distinctive vs. competitors?
- 
- Is it significant and encouraging to the niche market?
- 
- Is it appropriate to all major geographic markets and businesses?
- 
- Is the proposition validated with unique, appropriate and original products?
- 
- Is it sustainable- can it be delivered constantly across all points of contact with the consumer?
- 
- Is it helpful for organization to achieve its financial goals? Is it able to support and boost up the organization?

In order to create a distinctive place in the market, a niche market has to be carefully chosen and a differential advantage must be created in their mind. Brand positioning is a medium through which an organization can portray its customers what it wants to achieve for them and what it wants to mean to them. Brand positioning forms customer's views and opinions.

Brand Positioning can be defined as an activity of creating a brand offer in such a manner that it occupies a distinctive place and value in the target customer's mind. For instance- Kotak Mahindra positions itself in the customer's mind as one entity- —Kotak || - which can provide customized and one-stop solution for all their financial services needs. It has an unaided top of mind recall. It intends to stay with the proposition of —Think Investments, Think Kotak|| . The positioning you choose for your brand will be influenced by the competitive stance you want to adopt.

Brand Positioning involves identifying and determining points of similarity and difference to ascertain the right brand identity and to create a proper brand image. Brand Positioning is the key of marketing strategy. A strong brand positioning directs marketing strategy by explaining the brand details, the uniqueness of brand and its similarity with the competitive brands, as well as the reasons for buying and using that specific brand. Positioning is the

base for developing and increasing the required knowledge and perceptions of the customers. It is the single feature that sets your service apart from your competitors. For instance-Kingfisher stands for youth and excitement. It represents brand in full flight.

There are various positioning errors, such as-

1. **Under positioning-** This is a scenario in which the customer's have a blurred and unclear idea of the brand.
2. **Over positioning-** This is a scenario in which the customers have too limited a awareness of the brand.
3. **Confused positioning-** This is a scenario in which the customers have a confused opinion of the brand.
4. **Double Positioning-** This is a scenario in which customers do not accept the claims of a brand.
5. **Brand positioning** describes how a brand is different from its competitors and where, or how, it sits in a particular market. These differences might be real ones, but not have any motivating qualities about them. They would still, however, give a brand a 'positioning' in a market. For example, a beer might have the positioning of being an

'Alaskan beer', but this might not be very motivating to the consumer.

6. If the positioning of being an 'Alaskan beer' is motivating to consumers then this value begins to accrue propositional values as well as positional ones. It begins to literally 'propose' to the consumer. Much of marketing research is in fact involved in the task of evaluating whether the positional characteristics of a brand (or a product) can be transformed into propositional ones. This is, in many ways, what marketing is.
7. The two terms - positionings and propositions - are often confused together because, of course, many values and terms have BOTH some positioning and some propositional aspects. The terms 'economy' and 'premium' are good examples of this. They can be used to describe a brand's positioning in a market, but they also deliver

meaning and motivational qualities to consumers as well. Despite these degrees of overlap, the concepts of positioning and proposition are, however, still working along quite distinct dimensions. A positioning describes how a brand is different in a market. A proposition encapsulates what it might mean to a consumer.

### **Brand Equity & Brand Positioning Concepts**

Brand equity is the value your company name has in the marketplace beyond what your accounting records show. Positioning is the use of marketing to project differentiation in your company, products or services to targeted customers. Building and maintain a strong brand is a primary communication objective for successful companies.

### **Product Differentiation**

Differentiation means to develop and communicate something bigger, better or distinct about your offering. If you don't present something distinct to the marketplace, you rely solely on arbitrary decision-making on the part of consumers. Developing a distinct and desired benefit mix and clearly telling your market segments about it helps drive customers to your business or products. Organic food makers or resellers pin their differentiation on the natural, healthy advantages their products provide.

### **Market Segmentation**

Along with differentiation, the other key component of brand positioning is the target market to whom you position. You may offer an excellent, distinct benefit, but if you don't present it to the right market segment, it won't matter. Offering the lowest price to a highly affluent market segment doesn't make much sense, for instance, because customers with money typically look for superior product benefits or excellent service. Identifying customers based on shared demographic, geographic, behavioral or lifestyle qualities and focusing your efforts on them improves your potential for brand equity.

### **Customer Loyalty-**

Customer loyalty is very closely tied to both brand positioning and brand equity. Customer loyalty is the penultimate goal in marketing communication. Once a customer becomes loyal, you have an emotional commitment from her. You generate this loyalty based on the effectiveness of your positioning in both promotion and delivery of a positive customer experience. A strong, loyal customer base is a major factor in brand equity. If your customers can easily get pulled away by a new or competing brand, it is hard to say that your brand has significant value beyond its financial assets.

### **Brand Extension**

A brand extension occurs when you leverage your brand equity to market a new business or product to a new customer market. A prominent company example was Gap launching Gap Kids. Leading toilet paper brand Charmin expanded its brand by offering a lower-end option, Charmin Basic, to price-conscious consumers. Brand extensions only work if you have strong brand equity, because you essentially rely on your proven reputation to attract new business.

*Brand Positioning: Selecting A Point Of Difference*

The selection of a brand's points of difference begins with its competitive strengths and insight about consumers' motivations for using the category and/or brand. The goal is to find a feature or benefit that distinguishes the brand from competitors in the same category and that is valued by consumers. When the point of difference is a benefit (rather than a product feature), the claim is strengthened by providing reasons to believe the benefit claim.

Fast-food chain Subway offers healthier meals than other quick-serve restaurants because its sandwiches have fewer grams of fat. Here, the healthier benefit is supported by an attribute "reason to believe": fewer grams of fat. Although attributes can offer a compelling way to support a benefit point of difference, in many cases they are readily imitable. For this reason, brand positions often rely on image to provide a rationale for a benefit point of difference—the type of person who uses the brand and the type of uses it has. Nike, for example, has used professional athletes to support the brand's claim of superior performance in athletic shoes rather than relying on attributes such as unique technology in product design. Image is also used when a category's attributes are not relevant to consumers. The endorsement of celebrities such as Mariah Carey, Kim Kardashian, or Paris Hilton provides consumers with a reason to believe that a particular brand of fragrance will enhance their personal appeal. Image brand positions are sustained by marketing support that links the image with the brand.

Leading brands typically adopt the benefit that motivates category use as their point of difference, whereas "follower" brands choose a niche. Tide, the leading detergent, is simply superior at cleaning clothes. Follower brands make narrower claims: Cheer cleans clothes in cold water and Wisk is strong against stains.

In choosing a point of difference, brand marketers usually prefer benefits that reflect an existing consumers' belief. For example, Honey Nut Cheerios developed a strong brand franchise by capitalizing on consumers' beliefs that honey is more nutritious than sugar (it is not) and that Cheerios is among the most nutritious brands of cereal. If, however, a brand is distinguished on a benefit or belief that consumers have not yet accepted, efforts can be made to change consumers' opinions. Prompting such change is generally more costly than adopting accepted consumer beliefs about benefits, but it is possible. Along these lines, Listerine mouthwash was successful in overcoming consumers' negative perceptions of its taste by convincing consumers that the unpleasant taste indicated that it was working to kill bacteria and combat bad breath.

For most brands, a single benefit serves as the point of difference. This enables the marketer to convince the consumer more simply and easily of the benefit's importance when making a brand choice. However, there are several circumstances in which a position is based on multiple benefits. When competitors are each focusing on a particular benefit, a brand might compete by claiming to do it all. In the soap category, Ivory is positioned as offering superior cleaning, Dove as providing better moisturizing, and Zest as ensuring greater deodorizing. When Lever 2000 was launched, it was positioned as the bar soap that does it all. This placed Lever 2000 in its own category as the one that offered all the benefits, with the other brands

being lumped together as incomplete. As a result, Lever 2000 enjoyed rapid growth in the bar soap market.

Multiple features are also used to position a brand on the basis of its value. A value position may be represented by the following equation:

$$\text{Value} = \frac{\text{Functional Benefits} + \text{Psychic Benefits}}{\text{Monetary Costs} + \text{Time Costs}}$$

Monetary Costs + Time Costs

This equation is conceptual, with the benefits of a brand presented in the numerator and the costs in the denominator. Value is enhanced by increasing the benefits and reducing the costs.

To illustrate the value equation, consider UPS's positioning. UPS is the leading ground parcel firm in the United States and second in air freight deliveries. UPS offers value by ensuring that packages and letters get to their destination on time. They do this by offering early-morning delivery (8:30 a.m.) and by routing their trucks to make as many right-hand turns as possible so as not to be slowed by oncoming traffic. One benefit of these services is psychic—customers are confident that packages will get to their destination on time. UPS saves companies money because its reliable delivery allows firms to produce product on demand, and thus limit the inventory required. And UPS's wireless tracking of shipments saves managers time by enabling them to monitor the progress of the packages while engaging in other activities. Thus, UPS enhances value by increasing the functional and emotional benefits and by reducing the monetary and time costs.

When selecting multiple benefits, it is important to assess their fit with each other. Specifically, brands possessing potentially opposing benefits can undermine consumer confidence in the brand's position. For example, when the value proposition is that a brand has high quality, a low price might undermine this belief. Similarly, when a food brand offers superior nutrition, consumers might be skeptical of a superior taste claim. And if a car is positioned as safe, consumers may doubt the claim that it also offers exceptional acceleration.

Finally, brand marketers should use caution in selecting benefits to convey a brand's point of difference on the basis of what consumers say. Consumers profess an interest in some benefits not because of the benefit's importance to their brand choice, but because they feel peer pressure to do so. Thus, consumers often indicate high interest in a car's safety and fuel efficiency even though there is not a correlation between these reports and actual brand choice.

### *Choosing POP "s and POD "s*

#### CHOOSING POPs AND PODs

Points-of-parity (POP) are driven by the needs of category membership to create category of POPs and the necessity of negating competitors' Points of Difference (POD) to create competitive POPs. In choosing points-of-difference, two important considerations are that consumers find the POD desirable and that the firm has the capabilities to deliver on the POD.

### **There are three key consumer desirability criteria for PODs,**

#### **1. Relevance:**

Target consumers must find the POD personally relevant and important. The Westin Stamford hotel in Singapore advertised that it was the world's tallest hotel, but a hotel's height is not important to many tourists.

#### **2. Distinctiveness:**

Target consumers must find the POD distinctive and superior. When entering a category where there are established brands, the challenge is to find a viable basis for differentiation. Splenda sugar substitute overtook Equal and Sweet 'n Low to become the leader in its category in 2003 by differentiating itself on its authenticity as a product derived from sugar, without any of the associated drawbacks.

#### **3. Believability:**

Target consumers must find the POD believable and credible. A brand must offer a compelling reason for choosing it over the other options. Mountain Dew may argue that it is more energizing than other soft drinks and support this claim by noting that it has a higher level of caffeine. Chanel No. 5 perfume may claim to be the quintessential elegant French perfume and support this claim by noting the long association between Chanel and haute couture.

### **There are three key deliverability criteria.**

#### **1. Feasibility:**

The firm must be able to actually create the POD. The product design and marketing offering must support the desired association. Does communicating the desired association involve real changes to the product itself, or just perceptual ones as to how the consumer thinks of the product or brand? It is obviously easier to convince consumers of some fact about the brand that they were unaware of and may have overlooked than to make changes in the product and convince consumers of these changes. General Motors had to work to overcome public perceptions that Cadillac is not a youthful, contemporary brand.

#### **2. Communicability:**

It is very difficult to create an association that is not consistent with existing consumer knowledge or that consumers, for whatever reason, have trouble believing. Consumers must be given a compelling reason and understandable rationale as to why the brand can deliver the desired benefits. What factual, verifiable evidence or "proof points" can be given as support so that consumers will actually believe in the brand and its desired associations? Substantiates often come in the form of patented, branded ingredients, such as Nivea Wrinkle Control Crème with Q10 co-enzyme or Herbal Essences hair conditioner with Hawafena.

### 3. Sustainability:

Is the positioning preemptive, defensible, and difficult to attack? Can the favorability of a brand association be reinforced and strengthened over time? If yes, the positioning is likely to be enduring. Sustainability will depend on internal commitment and use of resources as well as external market forces.

#### Point of difference

Point of difference is a term used for an outcome of product differentiation. In business economics, differentiation is seen as an important strategic move for companies to make. Because of an overwhelming variety of products and services on the market, those that stand out in some manner are better noticed by consumers. There are various (positive and negative) ways of being different compared to competitors in the same market. Differentiation is the term given to the positive way in which a company's product differs from its competitors. Points of difference (PODs) describe the individual factors of differentiation.

The key points of difference of a company are synonymous with its unique selling proposition (USP) although not interchangeable, and are critical in defining its competitive advantage and branding strategy. They must be attributes or benefits that consumers strongly, uniquely, and positively associate with the company's brand; and not with any competing brand. Once points of difference have been clearly communicated to consumers, the company and its brand are set apart from its competitors. Brand loyalty depends upon the ability of the company to establish and maintain clarity of communication with the consumer regarding their brand; and to maintain and expand the points of difference that define the brand.

#### Points-of-parity / points-of-difference

#### Definitions

Points-of-difference (PODs) – Attributes or benefits consumers strongly associate with a brand, positively evaluate and believe they could not find to the same extent with a competing

brand i.e. points where you are claiming superiority or exclusiveness over other products in the category.

**Points-of-parity (POPs)** – Associations that are not necessarily unique to the brand but may be shared by other brands i.e. where you can at least match the competitors' claimed benefits.

While POPs may usually not be the reason to choose a brand, their absence can certainly be a reason to drop a brand.

While it is important to establish a POD, it is equally important to nullify the competition by matching them on the POP. As a late entrant into the market, many brands look at making the competitor's POD into a POP for the category and thereby create a leadership position by introducing a new POD.

Assessment

The assessment of consumer desirability criteria for PODs should be against:

1. Relevance
2. Distinctiveness
3. Deliverability

Whilst when assessing the deliverability criteria for PODs look at their:

1. Feasibility
2. Communicability
3. Sustainability

These will help understand how successful these PODs are likely to be in the minds of the consumer.

Kevin Keller and Alice Tybout note there are three types of difference: brand performance associations; brand imagery associations; and consumer insight associations. The last only comes into play when the others are at parity. Insight alone is a weak point of difference, easily copied. Putting these together, check their desirability, deliverability and eliminate contradictions.

Traditionally, the people responsible for positioning brands have concentrated on the differences that set each brand apart from the competition. But emphasizing differences isn't enough to sustain a brand against competitors. Managers should also consider the frame of reference within which the brand works and the features the brand shares with other products.

Asking three questions about your brand can help:



Have we established a frame? A frame of reference signals to consumers the goal they can expect to achieve by using a brand.

Are we leveraging our points of parity? Certain points of parity must be met if consumers are to perceive your product as a legitimate player within its frame of reference.

Are the points of difference compelling? A distinguishing characteristic that consumers find both relevant and believable can become a strong, favorable, unique brand association, capable of distinguishing the brand from others in the same frame of reference.

### *Market Positioning Strategy*

While every company's situation is unique, we know from long experience that there are common criteria for a company's success in reaching and winning a market. Whether your company is centered on consumer packaged goods, business services or emerging technology, your part-time CMO and the Chief Outsiders team will consider the following dimensions in developing a market positioning strategy:

- Brand Positioning Strategy
- Product Positioning Strategy
- Competitive Pricing Strategy
- Competitive Positioning Strategy
- Alternatives to Marketing Consulting Firms

### **Brand Positioning Strategy**

Positioning a brand is serious business. There are several key questions which have to be answered in brand positioning.

First, you determine **WHAT** dimensions are critical to the positioning. This has everything to do with the target customers. What are the top two to five core criteria for their decision making? Then, you need to understand **WHERE** the brand is currently positioned, assuming you're already in market, against these brand criteria. Often this sort of analysis is conducted to determine what **GAPS** are underserved,

which presents a potential positioning opportunity of **WHERE** you'd like to be positioned. You then need to determine if the new positioning opportunity is purely a matter of messaging (relating what you do, why it's relevant, and how it's different) or a matter of bolstering your offerings.

This analysis might result in something as simple as identifying which products or features are the primary reasons to buy, and rallying your offerings – even your company – around this highly attractive dimension. In the end, you're trying to determine what your brand should stand for.

(Note: not all that you or your products and services can do.) Then, we'll work on establishing how you'll deliver this brand positioning strategy in your marketing and sales activities. Here are some terrific articles on other dimensions of brand strategy.

## Product Positioning Strategy

Good product positioning strategy requires looking both internally and externally. First, your business as a whole needs to be properly positioned, then your product or services portfolio needs to be positioned. Some companies fail to recognize that their own offerings need to

—hang together|| and make sense – relative to one another and to your business overall. When a company has diverging offerings or brands, they might best consider two different company banners. Similarly, when companies try to extend the brand of a product in too many directions they can dilute the value of the offering and confuse the customer. With a product portfolio that makes sense, your business also needs

to successfully differentiate each product from its competition. Typically, there are three key dimensions to positioning: functionality, relevance and differentiation. When offerings are new (perhaps based on new technology) and not well understood, the positioning is around what the offering does (e.g., now you can watch movies in high definition). When offerings are commodities, the positioning is around differentiation and in extreme cases, positioning



around the emotional experience (e.g., a beer might claim to be the coldest, which is not actually a unique attribute of the product. It may then go further by putting a temperature gauge on the can to prove it's cold. You get the idea). Additional thoughts and guidance on [product strategy? Read this article.](#)

## Competitive Pricing Strategy

Pricing strategy has its roots in the very heart of competitive positioning. If your company boasts a better product or service and also leads in market reputation (or brand) then you have the opportunity to command premium pricing. However, an initial question becomes: to what degree are my customers price-sensitive? In many cases, especially in smaller or middle market companies, the unique value your offerings bring may fully justify a premium price. On the other hand, if you lack a competitive presence or

are subject to a negative reputation, no amount of pricing discount may equalize your handicap. Understanding these basic dynamics in your competitive marketplace will allow you to create a model to inform your pricing strategy – are you optimizing for volume, or margin, or for predictability? Your pricing strategy may also allow for



opportunistic situations such as capturing first order to prove

value for a longer term relationship. The main caution in developing a competitive pricing strategy is this: don't make your sales organization your sole source of input. Dig deeper and broader to ensure you have a balanced perspective. Excellent guidance from our CMOs in these [pricing strategy](#) articles.

## Competitive Positioning Strategy

Positioning strategy, by its very nature, involves your value relative to your competition. What do you do or offer that's better (or not as competitive) as others who offer similar products and services? When these differences are identified, supported with proof points, and properly merchandised your prospects will have an accurate and compelling basis to compare your company to others. However, there is always more to understanding your offerings than defining them in light of competitive offers.

Companies can easily make the mistake of -over positioning their products and services. As there are three dimensions to establishing value propositions – what it is you DO, why it's RELEVANT and how it's DIFFERENT – companies, marketers and sales teams can spend too much attention on differentiation before assuring the first two dimensions are understood. Your customers are typically most interested in



getting their problems solved. If it's not clear how you're going to do that, comparing yourself to your competition (even subtly) won't matter. CMO Slade Kobran has this to say about positioning and differentiation.

### *Alternatives to Marketing Consulting Firms*

Mid-market CEOs will do well to solicit executive management consultants or top marketing consulting firms rather than a marketing agency or advertising firm when developing strategies for market positioning. Solid work up front will ensure both effective and efficient go-to-market planning and execution. An alternative to strategic consulting firms is the use of fractional or part-time executives. For more information on this fast growing and cost-effective alternative to expensive, full-time executives see this article on [Executives-as-a-Service \(EaaS\)](#).

### *Market Repositioning Strategies*

If a product is not selling as well as might be expected, or if its performance has declined from previous rates of success, it may well be that the brand positioning strategy needs to be reconsidered, in order either to promote the product more effectively to its target audience, or to identify a new customer segment to whom it might be better suited.

#### **Getting to the core of market repositioning strategies**

**Market repositioning strategies** vary depending on product, segment and market share, but all essentially pivot around three basic questions:

1. What is the current position of your product?
2. What is the optimum or ideal position of your product?
3. What is the most effective way of getting there?

Of course, the third question is the most difficult to answer, and many brand positioning consultants have come up with different market repositioning strategies for every product they have worked with, reasoning that the large number of variables at play (company profile, market share, competitive landscape, to name but a few) means that each problem must be approached from a unique standpoint.

### **What do all market repositioning strategies have in common?**

However, by and large, brand positioning consultants will take the same key factors into consideration when planning their market repositioning strategies.

**Consumers:** If a product's sales are flagging, or if the brand positioning consultant believe they have yet to reach their full potential, one of the first ports of call will be to identify and assess the brand's relationship with its customers, current and potential, and to ascertain whether the market segment towards which the product is aimed is in fact viable or sustainable. In some cases market repositioning strategies may be geared towards identifying or carving out a new target market, and consultants may work in tandem with market research experts.

**Competitors:** One obvious reason a product may fail is that it is unable to stand up to the offerings of a company's competitors. This may not always be because the competitor's product is intrinsically superior – it may simply be that the competitor has been more successful in its brand positioning, or simply better at identifying its target market.

### **Laying the foundations of market repositioning strategies**

Brand positioning is one of the areas where detailed, accurate and effective market research can make a vital contribution. A capable market researcher will be able to discover not only the consumer perception of the brand they are engaged to promote, but also of the products, profile and position of major competitors, helping the business to identify key lacunae in their own and their competitors market share, and to find areas into which they might more profitably expand and promote their own product. The most successful market repositioning strategies will enjoy a tight and productive synergy between market researchers and brand positioning consultants, each contributing their particular expertise to a single aim



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