

# Importance of Brand Equity

<sup>1</sup>Nishi Malhotra, <sup>2</sup>Priya Malhotra

<sup>1</sup>MDI Gurgaon, <sup>2</sup>FMS Delhi

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**Abstract:** This paper aims to explore the value of brand, brand equity, brand personality and brand image. In today's scenario it is extremely important for any company to build its brand value through proper Marketing, Advertising and Sales Promotion. Today's markets are governed by principles of Marketing, customer is the king and selling as a concept has lost its value. The case in point is Maggi Noodles by Nestle. This paper aims to explore the different concepts of making product tick for the customer. One of the major concepts driving the markets today is Innovation and Invention. Besides, this customer service has become all the more important. This paper aims to study various case studies, to explore the importance of Marketing in today's world. Its no longer sufficient to just sell the product. It is extremely important to conduct Market Research and Focus Group discussion to find out the need for the product. Branding in itself is not an end, there is need to ensure proper quality of the product and educate the customer about the product. Proper Segmentation, Targeting and Positioning was never as important as today.

**Keywords:** Branding, brand equity, brand personality, brand image, Advertising and Sales Promotion.

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## I. INTRODUCTION

In recent times, one of the major case studies is Maggi from Nestle India. It has been in News for failing Lead and MSG test. The latest news emphasis, the massive amount of Marketing, that was undertaken by Maggi and Nestle India Limited. This product is an absolute case of PR (Public Relations) crisis and Advertising disaster. Nestle Maggi is being sued by the Government for misleading the customers. In today's world it is extremely important to keep reinventing the product. Maggi, Nestle India has probably failed to reinvent itself. In the year 1982, Nestle India introduced Maggi, as daily snack. It was a great success and all age groups from kids to adult started taking Maggi. In but in no time, the card of Dream Treat, came trembling down. This was an outcome of lackadaisical attitude of the company authorities to legal regulations issued by the Ministry of Food and Consumer Affairs. This paper is aimed at analyzing the importance of brand equity and branding.

## II. OBJECTIVES

- To study the recent changes in the Marketing Environment;
- To study the recent changes in Marketing concept;
- To analyse several brands and need for rebranding and reinventing the brand;
- To analyse the various facets of branding through Brand Prism

## III. RESEARCH METHODOLOGY

In this paper, I have followed the Secondary Research methodology, to analyze various publications and research journals to study of various brands and Marketing concepts. In this paper I have followed a conceptual research based on existing Research Journals and Marketing Publications.

#### **IV. MEANING OF BRAND**

Brand is a combination of logos, symbols, images and tagline that conveys the big idea, or the essence of the product. It reinforces the truth, through occupying a place of relevance or position in the minds of the customer. The Brand is the DNA of the product, it is the strategic idea and vision of the company that is producing the products. It is the summation of the brand personality, brand physique, culture, relationship, self - image and self perception of the brand.

#### **V. MEANING OF BRAND IDENTITY AND THE BRAND IMAGE**

Brand Identity is the set of associations and images that customer perceive of the product or the brand. It basically refers to the set of the relationships that the product or the brand has with the product. For example in case of Lifebuoy soap - it is health very well conveyed through the tagline, "Lifebuoy he jahan Tandarosti hai wahan" or Ujala - Char bundon vala, its stands for cleanliness and health.

Every brand through its public communication, logos, images and tag lines tries to carve a niche for itself in the minds of the customers. Brand identity is an external concept, as it is visible to the consumer, but brand image is an internal concept, as customer acquires or decipher it on his own. Brand image is the hidden code of the product.

#### **VI. EFFICIENCY OF THE BRAND**

Branding is the process of creating an identity or vision for the product and communicating the big idea. How well the brand is able to deliver the promise is the efficiency of the brand. Longevity of the brand depends upon the efficiency of the product. There is an increased need to nurture and develop the brand over the period of time. For Example: If we look at Raymonds advertisement, from 1950-60s advertisement based on "Chess Motifs", to "The Ordinary Man" of 1970s to "The Complete Man" of today, Raymond has come full circle. It has been one of the most favoured brand in suitings and shirtings for India.

The Efficiency of the brands, refer to the ability of the brand to convert its inputs into outputs. The inputs refer to the content, script, actors, imagery, taglines and copy of the Marketing communications. It refers to the number of times, brand is able to connect with the customer.

#### **VII. BRAND STRATEGY**

The brand should directly flow from the Brand Mission and company strategy. The company should have a roadmap in place to put in place a proper strategy to clarify what does the company wants to achieve, vision and the mission. Each and every element of the brand should draw from the brand strategy and brand mission.

#### **VIII. RELEVANCE OF A TRUE STORY AND A TRUE RESEARCH BRIEF**

In today's dynamic environment, when customer expectations have changed drastically over the time. The customer today is looking something more than the brand promise. It is very important for the brand to have a true and original story and sound Research brief in place. Every brand should be an outcome of a great research brief, an answer to the consumer's problem. The research agencies, should do their bit to find out what is the need of the consumer of the user of the product. For example - In case of Dove soap - the advertisement clearly states the result of the Research, that what a consumer is expecting from the brand and then goes on to reinforce its brand promise through the copy and the advertisement. Another case in point is Harpic cleaner, which is based on findings of the Primary Research.

As far as the tangibles of the product is concerned, it is very important to take into consideration the findings of the research. It should be such that it should be able to speak loudly and interact with the customer.

#### **IX. IMPORTANCE OF PACKAGING AND LABELLING**

For successful branding, it is very important to have proper packaging and labelling on the product. The packaging is very important to store the product, market the product and educate the customer. The products should be properly packaged and labelled and should not be misleading. The Packaging material should be safe for the customer and should be able to clearly demonstrate the inner strength of the product.

## X. COMPETITIVE AUDIT

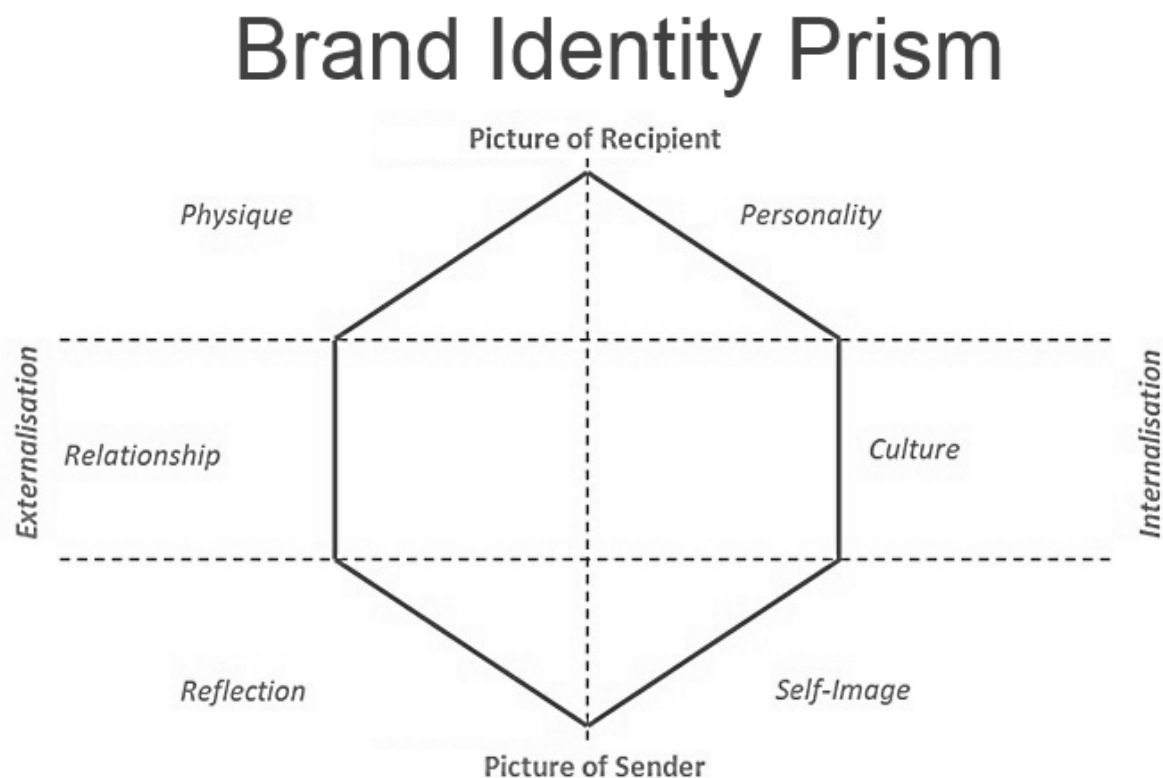
Every company has should have sound business policy to conduct Competitive audit. The companies should be able to do a comparative and competitive audit of the brand vis a vis another brand. The competitive audit, should be held mandatory for a proper branding exercise. A sound brand should be based on branding ideals, mission and vision of the company and a comprehensive competitive audit of the brand.

## XI. INTERNAL AUDIT

Brand should undertake the Internal Audit and its findings for the continuous improvement and upgradation of the brand.

## XII. KAFERERER'S BRAND PRISM

Brand Architecture, refers to the sum total of the sign, symbol, logos and taglines that are used to create the brand impact.



The Brand prism refers to the model that is used to explain various facets of the brand, from the recipient to the sender.

From the sender perspective, the Brand Equity comprises of Physique and the Personality. We can discuss both the aspects of the brand equity in detail:

### Picture of the Receiver : How the consumer perceives the brand?

**Physique:** Physique refers to the outer wardly appearance of the brand. For example of Lifebuoy, has a very very macho image. Its physique is athletic and macho

**Personality:** Personality refers to the associations and brand image. In case of Lifebuoy the brand has the personality of the Sportsman/Sportswoman and mature person.

### Picture of the Sender : What are the codes of the brand?

**Refelection:** It refers to how the brand reflects himself in the eyes of the consumer. For example in case of Lifebuoy, the brand reflection is that of a health brand for a low price.

**Self Image:** The self image of the brand is the perception of the brand. Lifebuoy hai jahan tandarosti hai wahan. A champion and true sports person.

**Externalization - What is the external association of the brand?**

**Relationship :** It refers to the relationship that a brand has with the consumer. In case of Lifebuoy, the brand has the relationship of health and trust.

**Culture:** It refers to the values that flow through the brand. For example in case of brand lifebuoy, it has Indian values and scientific outlook.

**XIII. CONCLUSION**

Brand is the ultimate reason for the existence of the brand. Brand Equity built over the time help to increase the time utility, place utility, cost utility of the brand. It is ultimate motivation for purchasing the brand. It is an outcome of customer expectancy - what the consumer expects of the brand, instrumentality - what are the functionalities of the brand? and valency of the product - what the product should be able to deliver ? Brand should be the Integrated Voice of the Customer. It should convey the inherent values of the brand and should be built after due thought and research. Maslow had long time ago emphasized the various needs that motivate the consumer to purchase the brand. The brand building and Marketing should be able to communicate well the inherent values of the brand.

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