PRODUCT AND BRAND MANAGEMENT

Almost everything that we come across is a PRODUCT- a book on Marketing; the TIMES OF INDIA Newspaper, a packet of surf etc are all products. All of them have some utility behind them and they cater to satisfy some need of people.

PRODUCT: It is defined as Bundle of utilities which satisfies customer needs.

According to Philip Kotler "a product is anything that can be offered to the market for attention, Acquisition , use and which satisfy a need or want ".It includes Physical objects, services, persons, place, organizations and Ideas. It results in ownership of something.

GENERIC PRODUCT: It is unbranded or undifferentiated commodity like rice, bread, flower or cloth.

BRANDED PRODUCT: The branded product get an identity through name Ex:, Spencer's bread Modern Bread.

DIFFERENTIATED PRODUCT: These are the products which enjoy a distinction from other similar products in a market. The differentiation can be real or psychological.

Ex: Pears (glycerine soaps)

Evita (Vitamin E)

CUSTOMISED PRODUCT: These are tailor-made products which are made taking into consideration the customer's specific requirements while developing the product.

POTENTIAL PRODUCT: The potential product is tomorrow's product carrying with it all the improvements and finesse possible under given technological, economic and competitive conditions.

4 P's of Marketing: (given by Jeromme Mc Carthy)

PRODUCT – CUSTOMER'S SOLUTION

PRICE-COST

PLACE-CONVENIENCE

PROMOTION- COMMUNICATION.

SERVICES: Any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Ex: Banking, Hotels, Insurance.

PRODUCT MANAGEMENT:I t Includes the whole range of activities pertaining to Product planning, PLC, New product Development. It is defined as generating, analyzing ,organising, planning, implementing and controlling the organization's existing and new product efforts so as to satisfy the needs and wants of chosen customer segment while satisfying organizational objectives.

OBJECTIVES OF PRODUCT MANAGEMENT:

1) **To design Product Strategies with respect to customer, industry and competitor.**
2) **To spot Marketing opportunities.**
3) **To seek growth through new product development**
4) **To generate new product ideas.**
5) **To plan strategies for each stage of product life cycle.**
6) **To consider existing product profile, to do portfolio analysis, to improve and modify existing products, to introduce brand extension and line extension.**
7) **To identify the brand identity, build a brand image, position a brand to develop brand equity and measure it.**

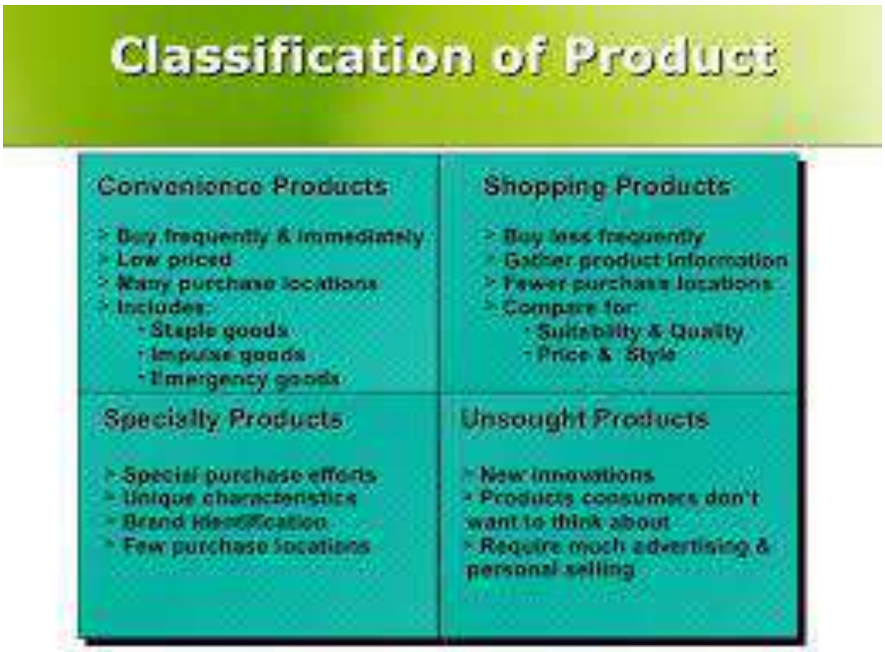
CLASSIFICATION OF PRODUCTS:

Products are classified as consumer and business_products. The consumer products are further divided based on preference for shopping habits or durability and tangibility. The business products are the industrial goods.

CONSUMER PRODUCT: Product brought by final consumer for personal consumption.

Classification of products on the basis of shopping habits:

Based on the shopping habits, the products can be classified into convenience goods, shopping goods , speciality goods and unsought goods.



Convenience goods: **are consumer products that the customer usually buys, frequently, immediately and with a minimum of comparison and buying effort.**

Ex: soap, candy, newspaper.

Convenience goods are of three types:

1. Staple goods: These are goods purchased on a regular basis. Eg. Soap, Pulses, Toothpaste etc… Whenever the stock is about to end the consumer buys these products again.
2. Impulse Goods: These are the goods which are purchased without planning or search… Our external stimuli provoke us to buy these products. Eg. Cold drinks, Chocolates, Chips…Most of the time the consumers aim is not buying the product solely but when spots them, feels, attracted and ends up in buying them.
3. Emergency Goods : These goods are purchased when the need arises. Eg. Umbrellas in rainy season, Pullovers in winters etc.. The marketers tries for a very good distribution chain, as the sales is not the same throughout and whenever the need arises, the product should be available at maximum places…

Generally for convenience goods, once customers makes a choice for their preferred brand, then stay loyal to that brand because it is convenient to keep repeating the choice over time. Other examples of such convenience purchases include bread, cold drinks, chewing gum, etc

Shopping goods: are consumer goods that the customer in the process of selection and purchase compares on such bases as suitability, Quality, price and style.

Compared with the convenience goods, the shopping goods are not so frequent. A relevant example can be clothing, electronics, etc.. This category relies heavily on advertising and trained sales people who can influence customer’s choices.

Unsought goods: Consumer goods which the consumer either does not know about or knows about but does not normally think of buying.

Unsought goods are those where the consumers don’t put much thought into purchasing them and generally don’t have compelling impulse to buy them. An example in this category would be life insurances, Dictionaries, pre planned funeral services.

Product Classification

TYPE OF CONSUMER PRODUCT

BASIS OF COMPARISON	CONVENIENCE	SHOPPING	SPECIALTY	UNSOUGHT
Product	Toothpaste, cake mix, hand soap, ATM cash withdrawals	Cameras, TVs, briefcases, airline tickets	Rolls-Royce cars, Rolex watches, heart surgery	Burial insurance, thesaurus
Price	Relatively inexpensive	Fairly expensive	Usually very expensive	Varies
Place (distribution)	Widespread; many outlets	Large number of selective outlets	Very limited	Often limited
Promotion	Price, availability, and awareness stressed	Differentiation from competitors stressed	Uniqueness of brand and status stressed	Awareness is essential
Brand loyalty of consumers	Aware of brand but will accept substitutes	Prefer specific brands but will accept substitutes	Very brand loyal; will not accept substitutes	Will accept substitutes
Purchase behavior of consumers	Frequent purchases; little time and effort spent shopping	Infrequent purchases; needs much comparison shopping time	Infrequent purchases; needs extensive search and decision time	Very infrequent purchases; some comparison shopping

Classification of products on the basis of durability and tangibility.
Based on the second variable of durability and tangibility there are non-durable and durable goods as well as services.
The non-durable category (FMCG) consists of tangible goods that are low priced and purchased frequently such as shampoos, deodorants, etc. Compared with these ones, the durable goods are also tangible goods but are targeted for many uses. For this category, more personal selling is required as well as guarantee to be provided, resulting in higher margin. Relevant example can be the couches or chairs.

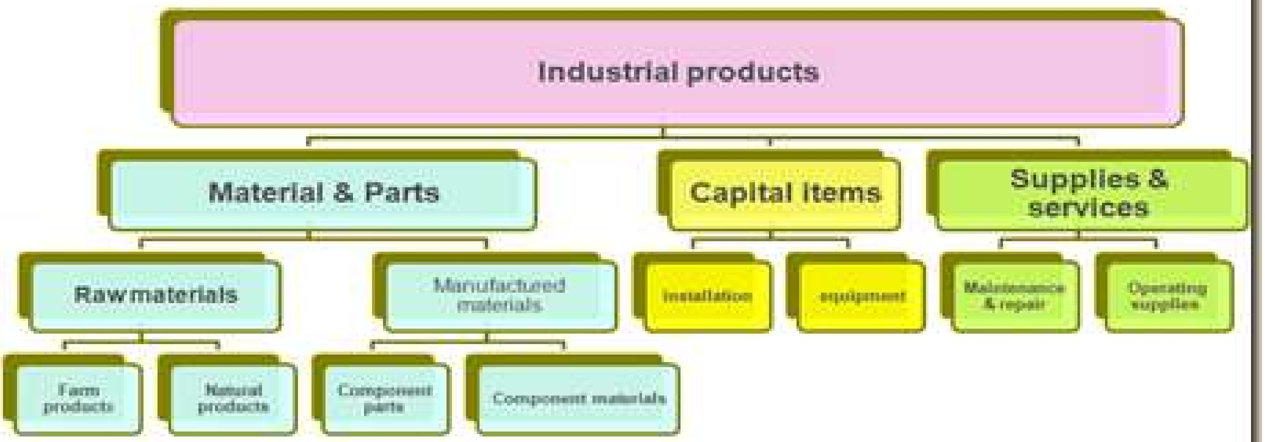
INDUSTRIAL GOODS: Products bought by individuals or organisation for further processing or use for conducting a business.
Ex: Purchase of Buns and cool drinks by Mc Donalds

The Industrial products are classified into 3 groups:
1) Materials and Parts
2) Capital Items or goods
3) Supplies and Services.

1) **Materials and Parts**: It includes raw material and manufactured material and parts.
   a) **Raw material** includes **Farm Products (wheat, corn, cotton, livestock, fruits and veg**) and **Natural Products (fish, Lumber, crude petroleum , iron Ore)**
   b) **Manufactured Materials or parts** : include **Component Material (iron, Yarn, cement, wires**) and **component parts (small motors, Tires, Castings)**

2) **Capital Goods**: These are industrial products that aid in buyers production or operation including **Installation and equipment**.
Installation includes major purchases such as **buildings (factories, Offices**) and **fixed Equipment (generators, Large Computer system, Elevators)**.
Equipment include **portable factory Equipment (hand tools, lift trucks)** and **office equipment (computers, fax machine, desk).**

3) **Supplies and services:**
   a) **Supplies** include **Operating supplies (Lubricants, coals, paper and pencil)** and **Repair and maintenance items (paints, nails, Brooms).**These are purchased with minimum of effort or comparison.
   b) **Services** includes **Maintenance and Repair Services(window cleaning, computer repair)** and **Business Advisory services (legal ,advertising,Mgt consulting)**



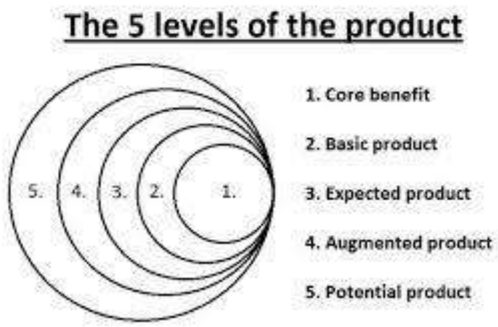
THREE LEVELS OF PRODUCT:

The **CORE** product is NOT the tangible physical product. You can't touch it. That's because the core product is the BENEFIT of the product that makes it valuable to you. So with the car example, the benefit is convenience i.e. the ease at which you can go where you like, when you want to. Another core benefit is speed since you can travel around relatively quickly.

The **ACTUAL** product is the tangible, physical product. You can get some use out of it. Again with the car, it is the vehicle that you test drive, buy and then collect.

The **AUGMENTED** product is the non-physical part of the product. It usually consists of lots of added value, for which you may or may not pay a premium. So when you buy a car, part of the augmented product would be the warranty, the customer service support offered by the car's manufacturer and any after-sales service. The augmented product is an important way to tailor the core or actual product to the needs of an individual customer. The features of augmented products can be converted in to benefits for individuals.

LEVELS OF PRODUCT:



A product item refers to a unique version of a product that is distinct from the organisations other products.

Product Levels:

Theodore Levitt proposes that in planning its market offering, the marketer needs to think through 5 levels of the product. Each level adds more customer value and taken together forms Customer Value Hierarchy.

i. Core Benefit or Product:

This is the most fundamental level. This includes the fundamental service or benefit that the customer is really buying. For example, a hotel customer is actually buying the concept of "rest and sleep"

ii. Basic or Generic Product:

The marketer at this level has to turn the core benefit to a basic product. The basic product for hotel may include bed, toilet, and towels.

iii. Expected Product:

At this level, the marketer prepares an expected product by incorporating a set of attributes and conditions, which buyers normally expect they purchase this product. For instance, hotel customers expect clean bed, fresh towel and a degree of quietness.

iv. Augmented product:
At this level, the marketer prepares an augmented product that exceeds customer expectations. For example, the hotel can include remote-control TV, fresh, flower room service and prompt check-in and checkout. Today's competition essentially takes place at the product-augmentation level. Product augmentation leads the marketer to look at the user's total consumption system i.e. the way the user performs the tasks of getting, using fixing and disposing of the product.

Theodore Levitt pointed out that the real competition is not what the companies have manufactured in the factories, but between what they add to their factory output in the form of packaging, services, advertising, customer advice, financing, delivery arrangements, warehousing and other things that people value.

Some things should be considered in case of product-augmentation strategy.

i Each augmentation adds cost. The extra benefits available in hotels add cost

ii. Augmented benefits soon become expected benefits. The unexpected additions like flower, remote-controlled TV soon become very much expected by the customers from the hotel.

iii. As companies raise the price of their augmented product, some companies may offer a stripped- down" i.e. no-augmented product version at much lower price. There are always a set of low- cost hotel are available among the 5-star hotels.

v. Potential Product:
This level takes into care of all the possible augmentations and transformations the product might undergo in the future. This level prompts the companies to search for new ways to satisfy the customers and distinguish their offer. Successful companies add benefits to their offering that not only satisfy customers, but also surprise and delight them. Delighting is a matter of exceeding expectations.

Product Hierarchy:

Each product is related to certain other products. The product hierarchy stretches from basic needs to particular items that satisfy those needs. There are 7 levels of the product hierarchy:

1. Need family:
The core need that underlines the existence of a product family. Let us consider computation as one of needs.

2. Product family:
All the product classes that can satisfy a core need with reasonable effectiveness. For example, all of the products like computer, calculator or abacus can do computation.

3. Product class:
A group of products within the product family recognised as having a certain functional coherence. For instance, personal computer (PC) is one product class.

4. Product line:
A group of products within a product class that are closely related because they perform a similar function, are sold to the same customer groups, are marketed through the same channels or fall within given price range. For instance, portable wire-less PC is one product line.

5. Product type:
A group of items within a product line that share one of several possible forms of the product. For instance, palm top is one product type.

6. Brand:
The name associated with one or more items in the product line that is used to identity the source or character of the items. For example, Palm Pilot is one brand of palmtop.

7. Item/stock-keeping unit/product variant:

A distinct unit within a brand or product line distinguishable by size, price, appearance or some other attributes. For instance, LCD, CD- ROM drive and joystick are various items under palm top product type.

PRODUCT POLICY:

Product Mix:
An organisations product line is a group of closely related products that are considered a unit because of marketing, technical or end-use considerations. In order to analyse each product line, product- line managers need to know two factors. These are.

i. Sales and profits

ii. Market profile

A product mix or assortment is the set of all products and items that a particular seller offers for sale.

A company's product-mix has some attributes such as.

1. Width:
This refers to how many different product lines the company carries.

3. Length:
The **product mix length** refers to the total number of items a company carries within the product lines. . A car manufacturer may have several series in its car product line, such as 3-series, 5-series, and 7-series.

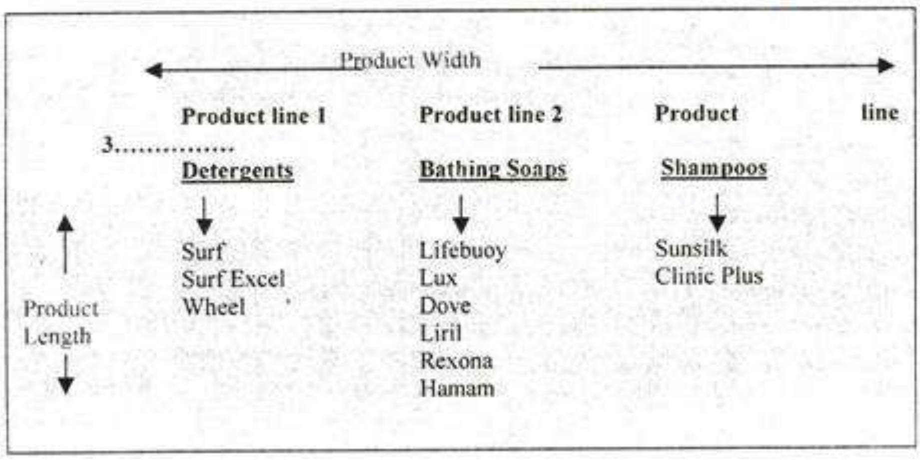
3.Depth:
This refers to how many variants, shades, models, pack sizes etc. are offered of each product in the line. The vehicle manufacturer's 3-series in the car product line may be offered in several versions: convertible, coupé, sedan, and so further.

4. Consistency:

This refers to how closely the various product lines are related in end use, production requirements, distribution channels or some other way. In Colgate's case, we can observe a rather strong consistency, which is based on the fact that all product lines constitute consumer products and go through the same distribution channels.

Let us take example of partial product assortment of HLL in its Home and Personal Care (HPC) division:

TABLE 4.1: PARTIAL PRODUCT ASSORTMENT OF HLL



So you see that there are three product lines of detergent, bathing soaps and shampoos in our example. The list is illustrative and not exhaustive as HLL has many more product lines. Hence, in the example the product width is 3. If Sunsilk has 3 different formulations (oily, dry and normal hair) and 3 variations (sachet, 50 ml and 100 ml), then the depth of Sunsilk is 3 X 3 = 9.

The average depth of HLL's product mix can be calculated by averaging the depths of all brands, which signifies the average depth of each product. For example if Surf, Lifebuoy, Surf Excel, Lux, Clinic Plus, Sunsilk, Wheel, Liril, Rexona, Dove and Hamam have depths of 3, 2, 1, 3, 6, 9, 2, 3, 2, 1 and 2 respectively (all are hypothetical figures), then the average depth of HLL's HPC division is (3+2+l+3+6+9+2+3+2+l+2)/11i. e. 34/11 i.e. 3.1. The length of HPC division is 11. The average length of line is determined by dividing the total length by the width (i.e. the number of lines), which signifies the average number of products in a product line. In this case, the average length is 11/3 i.e. 3.67.

We can identify four ways in which a company can increase its business on basis of the four product mix decisions determined above.

1. Add new product lines à widen the product mix. New lines benefit from and build on the company's reputation in its other lines.
2. Lengthen the existing product lines. More items in the product lines may result in a more full-line company.
3. Add more versions of each product à Deepen the product mix.
4. Make product lines more consistent (or less). This depends on whether the company wants to have a strong reputation in a single field or in several fields of business.

Product-Line Length:
Product-line managers are concerned with length of product line. If adding items to the product line can increase profits, then we can say that the product line is too short. On the contrary, the line is too long if dropping items can increase profits. They have to consider these two extremes of the product line and have to strike a balance between them.

Company objectives influence product-line length. Companies seeking high market share and market growth will carry longer lines. Companies that emphasise high profitability will carry shorter lines consisting of carefully chosen items.

A company can lengthen its product line in 2 ways viz. a) line stretching and b) line filling.

Line Stretching:
This occurs when a company lengthens its product line beyond its current range. This is a frequent measure taken by companies to enter new price slots and to cater to new market segments. The product may be stretched by the addition of new models, sizes, variants etc. The company can stretch in 3 ways:

1. Down-market stretch:
A company positioned in the upper market may want to introduce a lower price line. They offer the product in the same product line for the lower end markets. A company can take this strategy for 3 reasons:

i. Strong growth opportunities in the down-market

ii. Tie-up lower-end competitors who might try to move up-market

iii. Stagnating or declining middle market

The company has 3 choices in naming its down-market products.

i. Same name Eg: Sony

ii. Sub-brand name: Eg: Maruti 800

iii. Different name: Eg: Panasonic and JVG from Matshushita

ii. Up-market stretch:
Companies may wish to enter the high end of the market for more growth, higher margins or simply to position themselves as full-line manufacturers. So they offer the products in the same product line and cover the upper end market. For example, most of the car companies in India have cars in premium segments like GM (Chevrolet Forester), Ford (Endeavour), Hyundai (Terracan), Mitusubishi (Pajero), Maruti (Grand Vitara XL-7), Honda (CR-V) and Mercedes Benz (M-Class)

2)Lifebuoy bath soap to Lifebuoy Gold

iii. Two-way stretch:
Companies serving the middle market may decide to stretch their line in both directions. Tata Motors had Multi-purpose Utility Vehicles (MU V) like Sumo and Safari targeted for middle segment of the market. It had launched Indica for lower segment of the market as well as Indigo Marina and Indigo Estate for up-market consumers.

a) Line filling:
As the name applies, filling means adding a product to fill a gap in the existing line. The company wants to portray itself as full line company and that customers do not go to competitors for offers or models in particular price slots. There are several motives of line filling as follows:

It's the process of introducing new products into a product line at about the same price as existing products. It is the addition of further items to the current line of products that a companyis dealing in.Examples:¬Maruti Suzuki had launched Alto in the year 2000 which was a product between twoother models of Maruti- Maruti 800 and Maruti Zen. Basically, it was an effort on part ofthe company to fill the gap that existed in the market segment by introducing this newmodel ALTO.¬Colgate dental cream Colgate gel , Colgate calciguard , Colgate Total , Colgate sensitive ,Colgate Herbal is another example of line filling.

i) Reaching for incremental profits

ii) Trying to satisfy dealers who complain about lost sales because of missing items in the line

iii) Trying to utilise the excess capacity

iv) Trying to be the leading full-line company

v) Trying to plug holes in the product-line to keep out the competitors

Line Modernisation:
Product lines need to be modernised continuously. Companies plan improvements to encourage customer migration to higher-valued, higher-priced items. For instance, Intel upgraded its Celeron microprocessor chips to Pentium 1, 2, 3 and now 4.

Product lines need to be modernized. A company's machine tools might have a 1950s look and lose out to newer-styled competitors' lines. The issue is whether to overhaul the line piecemeal or all at once. A piecemeal approach allows the company to see how customers and dealers take to the new style. It is also less draining on the company's cash flow, but it allows competitors to see changes and to start redesigning their own lines.

In rapidly changing product markets, modernization is carried on continuously. Companies plan improvements to encourage customer migration to higher-valued, higher-priced items. Microprocessor companies such as Intel and Motorola, and software companies such as Microsoft and Lotus, continually introduce more advanced versions of their products. A major issue is timing improvements so they do not appear too early (damaging sales of the current line) or too late (after the competition has established a strong reputation for more advanced equipment). The product-line manager typically selects one or a few items in the line to feature. Sears will announce a special low-priced washing machine to attract customers. At other times, managers will feature a high-end item to lend prestige to the product line..

Ex:Cadbury Diary milk silk Bubbly.

Line Featuring:

The product-line manager selects one or few items in the line to feature. Sometimes, a company finds one end of its line selling well and the other end selling poorly. Then the company may try to boost demand for the short sellers especially if they are produced in a factory that is idled by lack of demand. Sometimes a company finds one end of its line selling well and the other end selling poorly. The company may try to boost demand for the slower sellers, especially if they are produced in a factory that is idled by lack of demand. This situation faced Honeywell when its medium-sized computers were not selling as well as its large computers; but it could be counter argued that the company should promote items that sell well rather than try to prop up weak items

Line Pruning:

At times a company finds that over the years it has introduced many variants of a product in the product line. This was required may be because of the changing market situations. In this process the product lines become unduly complicated and long with too many variants, shapes or sizes. In the present situation it mind find out that efforts behind all these variants is leading to non-optimal utilisation of resources. In other words it might be profitable for the company to leave behind some of the variants.

So when the products are not satisfactorily performing, the product managers need to drop them form the product line. This may lead to increase in profitability. Thus line pruning is consciously taken decision by the product manager to drop some product variants from the line. For example Heads and Shoulders is a well-known brand of shampoo from P&G, which had 31 versions. They went for line pruning and now they have around 15 versions. Product-line managers must periodically review the line for deadwood that is depressing profits. Unilever recently cut down its portfolio of brands from 1,600 to 970 and may even prune more, to 400 by 2005. The weak items can be identified through sales and cost analysis.

Product Modification: explain difference between market and product modification.

An adjustment made to an existing product, usually made for greater appeal or functionality. A modification may include a change to a product's shape, adding a feature or improving its performance. Often a product modification is accompanied by a change in packaging. Toothpaste is the best example of modification strategy. Toothpastes that promote anti-cavity or teeth whitening qualities are built on existing simple toothpastes that only guarantee clean teeth and healthy gums.

Product Deletion:

The twenty-first century marketplace is dynamic, fast-changing, and increasingly fickle. More and more businesses realize that no product lasts forever, and that sales levels can fluctuate dramatically over time. As a result, companies are under pressure to evaluate their existing product line and to make continuous decisions about adding new products or deleting existing ones. Brands must task their engineering and design teams to produce successful products that generate a consistent stream of sales for both short-term profit and long-term survival. An organization must establish a series of successful products, if that organization wants to maintain a consistent stream of sales or else grow sales over time. One reason for this pattern is the product life cycle. No product lasts forever, and sales levels can fluctuate dramatically over time.

Factors in Product Deletion

Deletion is the process of removing products that perform below market expectations or fail to meet company objectives. Deletion results in either product replacement or product elimination. Product deletion requires the company to evaluate its entire product mix and pinpoint where organizational resources can be allocated elsewhere to generate consistent revenue streams.

In addition to weak sales and profit, brands delete products that fail to align with marketing strategies, or that demonstrate an unfavorable market outlook. Market trends and consumer tastes often dictate whether products perform well in the long-term or taper off as a passing fad. However, factors including a company's business model, culture (or local tastes), government politics and/or regulations, and product malfunction can all contribute to the removal of a product.

Failure rates of products vary by industry. Despite significant investment in product development and market research, it is estimated that failure rates for new packaged goods range anywhere from 75% to rates as high as 90% (source: catalinamarketing.com). When considering "innovative" new products, Harvard Professor John T. Gourville estimates that approximately half of all such products fail.

Business Impact of Product Deletion

Once a company eliminates a product from its offering, the brand must decide whether its goal is to maintain or increase sales. To maintain revenues, the company must continue investing in its remaining products and ensure they are competitively positioned in the marketplace. However, if the company seeks to increase sales in the near future, then it must introduce a new group of successful products to generate additional revenue.


FREE Coke® with 8 caps
mycokerewards.com
Coca-Cola
Vanilla
COCA-COLA® WITH VANILLA FLAVOR
20 FL OZ (1.25 PT) 591 mL
Coca-Cola
Vanilla

Coca-Cola Vanilla

Coca-Cola Vanilla is the limited relaunch of the formerly produced Vanilla Coke soft drink from the early 2000s to compete with Pepsi Vanilla. It was phased out in North America by the end of 2005 due to low sales.

PACKAGE AND LABELLING

Meaning and Definition

- According to Philip Kotler, Packaging is an activity of designing and producing the container for a product.
- Labelling involves attaching a small piece of paper, fabric, plastic, or similar material that is part of the package, to identify it or give instructions or details concerning its ownership, use, nature, destination, etc.

Functions

- **Protection and preservation**
- **Information transmission**
- **Containment**
- **Product Promotion**
- **Product Identification**
- **Convenience**
- **Product Positioning**
- **Enhances product image and Appeal**

Packaging is essential for Offering goods in safe, and secured position to consumer.

Packaging is next to grading and branding

Packaging is producing the wrapper for a product.

- **Major Functions of Packaging**

(a) Protection

(b) Differentiation/Positioning

(c) Promotion

(d) Packaging for Pricing

(e) Packaging for Convenience

(f) Performance

g)Economy

- **Various package forms includes,**

(a) Tin plate cans

(b) Card board container

(c) Polythene bag

(d) Paper/cloth/gunny bags

(e) Clear film wrapping

(f) Wooden boxes

(g) Squeeze and bottles

(h) Collapsible tubes

(i) Aerosol cans

(j) Aluminium folis

(k) Plastic containers etc,

1. FUNCTIONS OFPACKAGING
   PRIMARY FUNCTION
   1) Presentation 2) convenience3) Protection4) Economy5) Preservation

   PRESENTATION: presentation of product should be attractive Primary functions…….. & eye catching
2. CONVENIENCE - packaging should be light to handle
3. ECONOMY- Packaging of a product should be economical.
4. PRESERVATION- It preserves original colours, Quality, favour etc
5. PROTECTION - protection increases life cycle of a product

   SECONDARY FUNCTION: a) Containment b) Identification c) Handling d)Suitability
6. Identification: - packaging helps to identify the products easily. -it helps to promote the sale of goodsθ
7. Containment: - premeasured, preweight and then placed in box.
8. Suitability: - packaging should be match with the product
9. Handling: - when package is light in weight it facilitate easy handling of cargoθ

Indian institute of packaging is a registered body under the society’s registration Act. The Indian institute of packaging was setup in Mumbai on 14th may 1966.

Marking means putting some identification mark on the package during transportation and wharehousing.

Label ;The label is printed matters that appears on the package

1. Types of labels : a)Brand label b) Grade label c) Informative label

Importance of Label:

- To provide consumers with information on the product
- To ensure the appropriate and safe use of approved products
- To distinguish the product from that of competitors (establish a brand)
- A legal requirement

2. Some other international labeling symbols in use are as follows s clamp keep away from water Do not clamp Do not use hand hook Keep away This way up from sunlight

Introduction

There are millions of products and services all over the world, each claims to be the best among their category. But, every product is not equally popular. Consumer doesn't remember every product, only few products are remembered by their name, logo, or slogan. Such products generate desired emotions in the mind of consumer. It is branding that makes product popular and known in the market; branding is not an activity that can be done overnight, it might takes months and even years to create a loyal and reputed brand.

Branding gives personality to a product; packaging and labelling put a face on the product. Effective packaging and labelling work as selling tools that help marketer sell the product.

Today in this post we'll learn - meaning of branding, types of brand, strategies of branding, meaning of packaging and labelling, and importance of packaging and labelling.

Definition of Branding

According to **American Marketing Association** - **Brand** is *"A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other* *sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is trade name."*

According to **Philip Kotler** - *"**Brand** is a name, term, sign, symbol, design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors"*

Branding is *"a seller's promise to deliver a specific set of features, benefits and services consistent to the buyers."*

Meaning of Branding

Branding is a process of creating a unique name and image for a product in the mind of consumer, mainly through advertising campaigns. A brand is a name, term, symbol, design or combination of these elements, used to identify a product, a family of products, or all products of an organisation.

Branding is an important component of product planning process and an important and powerful tool for marketing and selling products.

Elements of Branding

Brand includes various elements like - brand names, trade names, brand marks, trade marks, and trade characters. The combination of these elements form a firm's corporate symbol or name.

- **Brand Name** - It is also called Product Brand. It can be a word, a group of words, letters, or numbers to represent a product or service. For example - Pepsi, iPhone 5, and etc.
- **Trade Name** - It is also called Corporate Brand. It identifies and promotes a company or a division of a particular corporation. For example - Dell, Nike, Google, and etc.

- **Brand Mark** - It is a unique symbol, colouring, lettering, or other design element. It is visually recognisable, not necessary to be pronounced. For example - Apple's apple, or Coca-cola's cursive typeface.

- **Trade Mark** - It is a word, name, symbol, or combination of these elements. Trade mark is legally protected by government. For example - NBC colourfulpeacock, or McDonald's golden arches. No other organisation can use these symbols.

- **Trade Characters** - Animal, people, animated characters, objects, and the like that are used to advertise a product or service, that come to be associated with that product or service. For example - Keebler Elves for Keebler cookies

Brand Management

Step 1: Selecting the brand name, logo and slogan
Step 2: Creating Differentiation
Step 3: Brand Positioning
Step 4: Developing the right pricing, promotion & distribution strategy
Step 5: Supporting the brand through rejuvenation and extensions
Step 6: Strengthening the brand through brand acquisition
Step 7: Brand portfolio restructuring
Step 8: Managing the brand life cycle
Step 9: Conducting Brand Audit
Step 10: Understanding and building brand equity

Branding Strategies

There are various branding strategies on which marketing organisations rely to meet sales and marketing objectives. Some of these strategies are as following :-

- **Brand Extension** - According to this strategy, an existing brand name is used to promote a new or an improved product in an organisation's product line. Marketing organisations uses this strategy to minimise the cost of launching a new product and the risk of failure of new product. There is risk of brand diluting if a product line is over extended.
- **Brand Licensing** - According to this strategy, some organisations allow other organisations to use their brand name, trade name, or trade character. Such authorisation is a legal licensing agreement for which the licensing organisation receives royalty in return for the authorisation. Organisations follow this strategy to increase revenue sources, enhance organisation image, and sell more of their core products.
- **Mixed Branding** - This strategy is used by some manufacturers and retailers to sell products. A manufacturer of a national brand can make a product for sale under another company's brand. Like this a business can maintain brand loyalty through its national brand and increase its product mix through private brands. It can increase its profits by selling private brands without affecting the reputation and sales of its national brand.
- **Co-Branding** - According to this strategy one or more brands are combined in the manufacture of a product or in the delivery of a service to capitalise on other companies' products and services to reach new customers and increase sales for both companies' brands.

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