

How branding have major role play as Marketing Strategy?

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Abstract

The most significant impact on the choices that are made regarding marketing strategy comes from the brand. The components of a company's brand that will be used consistently throughout all of the company's offerings are determined through the branding process. A recognisable brand name denotes a specific degree of product quality, allowing previously happy customers to more readily identify and purchase the goods. Many large organisations have spent enormous sums of money to improve their brand awareness and establish their brand image in order to successfully transmit product information to potential customers. This is one of the ways that these businesses have attempted to increase their client base. According to Sbrimp (2018), customer brand knowledge and response, which are key to the value of a brand, are dependent on brand awareness and brand image. As a result, one of the most significant responsibilities that marketers have is likely to be building and maintaining customer loyalty and awareness of their brands.

Keywords: Brand, marketing strategies, customer loyalty.

Introduction

When seen from the perspective of the company, brands serve several important and beneficial purposes. To begin, a company's brand name and trademarks are two of its most valuable intellectual properties since they prevent other businesses from replicating the distinctive qualities of the company's products. Next, a consumer's dedication to a particular brand creates predictability and stability in demand for the company, as well as barriers that make it more difficult for new entrants to the market (Solomon, Marshall, & Stuart, 2020). Customers who are loyal to a particular brand are typically willing to pay a greater price for the preferred brand. In addition to this, trademarks are extremely valuable pieces of legal property that have the ability to shape the actions of consumers and give their owners the assurance that their revenue will continue to grow in the future (Bymer, 2019). The following important considerations can help explain why businesses choose to implement branding initiatives.

Branding as a marketing strategy

For the purpose of raising awareness

Customers are considered to have brand awareness if they are able to readily recall a brand name; in other words, if the name is quickly conjured up in their minds when they consider a specific product category (Hoffman et al., 2020). It should come as no surprise that potential customers are less inclined to purchase from a firm if they are unaware of the existence of that company. In addition to this, having a powerful company brand will create a platform for the advertising of items. It is comparable to a tide that lifts all of the ships. (from Craig Roads's book,

Article Publication

 Published Online: 30-Jun-2022

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 [10.31305/trjtm2022.v02.n02.003](https://doi.org/10.31305/trjtm2022.v02.n02.003)

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TECHNO REVIEW Journal of Technology
and Management

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2019) Because of this, one of the primary objectives of many companies is to generate as much exposure as is humanly possible; as a result, the establishment of a strong brand name is typically one of the most important aspects of their business plan. There are a number of methods, including advertisements and the use of social media, that could be utilised to raise brand recognition. The most typical method that businesses use to raise consumer awareness of their brand is to promote their products or services through a variety of different forms of advertising. This tactic calls for the promotion of the brand in question across a variety of mediums, including but not limited to television, the internet, newspapers, and billboards. In addition, many businesses promote their goods in a manner that is both efficient and cost-effective by using social media platforms such as blogs and youtube.

To Create a Favorable Impression

The perceptions that consumers have of a brand can influence how they feel about that brand's products. A consumer will typically form a set of assumptions about a product's features, and these beliefs will then inform the formation of a brand image (Lamb, Hair, & McDaniel, 2019). The image of the brand communicates a message and makes a promise. Take BMW as an example; the company places a strong emphasis on the hopes and dreams of the consumers with whom it interacts. BMW has been successful in building and sustaining the identity of the brand because it comprehends the message and directs it to the target audience through the use of the media. (prepared by Stephen Ready, 2020) Therefore, it has a strong public image due to the sensory and physical characteristics that it possesses as well as the price that it charges. Marketers have the ability to advertise and alter consumers' attitudes in three dimensions by using the brand name in their products. These dimensions are as follows: (a) modifying beliefs about the brand's features; (b) changing the importance of these beliefs; and (c) moulding new beliefs (Peter & Olson, 2019).

To Offer Legal Defense

When it comes to economic power and reputation, brand names and trademarks are tremendously powerful. (Suhejla Hoti, Michael McAleer, Daniel Slottje. 2018) Branding can prevent other businesses from using a successful brand name that belongs to one corporation from using it themselves. The intellectual property held by a company is often seen as a valuable intangible asset. A company's investment in intellectual property ensures that it will receive protected income for the term of the patent, before competitors can produce generic equivalents of the patented product, such as The Coca-Cola Company's word mark on "Coke" (Doole & Lowe, 2018).

To Segment Market

Brands give companies the ability to divide up their respective marketplaces. A corporation can create a marketing mix or come up with a marketing strategy that can be applied to each of its different segments individually. P&G, for instance, creates at least four different brands of shampoo to cater to various consumer demographics and preferences. Pantene Pro-V, Pert Plus, Vidal Sassoon, and Head and Shoulders are some of the brands included. Each one has an admirable equity within its own category, in addition to having an excellent presence everywhere else in the world. The clients' desire for healthy and lustrous hair is exactly what Pantene provides in terms of hair care products. Vidal Sassoon's reputation has been built up over many years thanks to the competence of the Sassoon salons, teaching academies, and products sold all over the world. The revolutionary 2-in-1 product that combines shampoo and conditioner, Pert Plus is the first product of its kind to be commercially successful. When taken on a consistent basis, Head & Shoulders not only alleviates dandruff symptoms like flaking and itching, but it also prevents future outbreaks of the condition. (Someone Without a Name, 2018)

Extensions of the Brand

When a company has a high level of brand equity, businesses are able to repurpose their existing brand names for use on their newest offerings. Brand extensions are when a company introduces new or modified products into a different market category (Kotler & Armstrong, 2018). For instance, when Toyota announced a new model customised for the Camry, consumers may have been more likely to feel comfortable with the vehicle's predicted performance due of their previous experience with and understanding of other Toyota vehicles. (S.Ramesh Kumar, 2018) The benefits of expanding a brand include increased consumer understanding and trust, as well as decreased overall cost. (From David Taylor's work in 2019,) On the other hand, the existing brand equity will suffer a decline in brand loyalty and revenue if the brand extension does not improve or add value to the original brand. An excessive number of brand extensions may result in a weaker association between the name of the brand and a certain category of goods (Kotler & Keller, 2020). Cadbury, for example, ran the risk of losing its more specialised significance as a brand of chocolates and candies by tying its trademark to common food goods such as mashed potatoes, powdered milk, soups, and beverages. This put Cadbury in jeopardy of having its reputation suffer (Aaker, 2018).

International Branding

The ability to advertise a brand on a worldwide scale is made possible through branding. With strong communications and a clear understanding of where their brands stand in the marketplace, businesses may successfully promote their products in several nations. In an ideal world, the marketing manager should not be overly focused on full standardisation or localization, but rather should focus on exploring good ideas, tactics, and goods on a wider regional basis. This can be accomplished by thinking globally and acting locally. When businesses expand into new countries or introduce innovative goods, a powerful global brand can serve as an advocate for the company. (Lamb, Hair, & McDaniel, 2019).

To Encourage Loyalty from Customers

Building customer loyalty through a brand is one of the goals of many businesses' branding strategies. Most marketers view building customer loyalty to their brands as a highly desirable long-term objective. It's possible that consumers continuously favour one brand over another, particularly in a certain area of products. Over 50% of users of some product categories, such as cigarettes, coffee, toothpaste, detergent, and medicine, tend to be loyal to their preferred brand (Peter & Olson, 2019).

Consumers develop faith in a brand when it consistently lives up to their expectations and satisfies their needs. The credibility of an organisation grows when its actions are consistent with the image it intends to project. But when a brand's trust increases, the costs associated with brand failures increase as well. When the quality of service declined, Dell lost the trust of its customers. Due to the lead-tainted toys, Mattel suffered a loss of credibility. Loyalty to a brand is a gift that customers give to businesses that earn their trust through time, but it is also something that can be taken away at any time (Don Frischmann. 2020)

To Add a Valuable Equity

The value of a brand is determined not only by the prices, market share, and profitability that the brand commands for the company, but also by how customers think, feel, and act in relation to the brand (Lefton, & Anson, 2020). Brand equity refers to the value that is added to both products and services (Kotler & Keller, 2020). Brand equity is the source of a significant portion of the hidden asset value for the vast majority of publicly traded corporations. 2019 (William Neal and Ron Strauss) Equity in a brand might be compared to savings in a bank. (from Craig Roads's book, 2019) Brands that are successful can amass significant brand equity and provide substantial financial value for their respective enterprises. For instance, Kohlberg Kravis Roberst paid \$25 billion for RJR Nabisco,

which is twice the company's book value; Philip Morris paid \$12.19 billion for Krafts, which is four times the book value of the company; and Kohlberg Kravis Roberst paid \$5.7 billion for General Foods, which is also four times the book value of the company (Hoffman et al., 2020). Because these brands may add financial assets to these companies, they view branding as such an important component of their marketing strategies as to make it one of the most crucial parts of their marketing plans.

In order to create powerful, positive, and one-of-a-kind customer awareness and associations with a brand, brand equity is not something that just happens; rather, it is something that needs to be actively built and cultivated by a marketing programme. In today's highly competitive markets, brand equity is the component of the brand value equation that may be manipulated to one's benefit in the long term competitive landscape. 2019 (William Neal and Ron Strauss)

The Method that Coca-Cola uses to Promote its Brand

The Coca-Cola Company has made a compelling case for its capacity to compete in international markets; the key to the company's success has been its ability to think globally while maintaining a local presence (Keegan, 2019). The organisation is quite good at tailoring their sales marketing, distribution, and customer service efforts to the specific requirements of individual locations.

Solid equity in the brand

The worth of a corporation as well as the names of its brands is referred to as brand equity. (Lamb, Hair, & McDaniel, 2019). Higher levels of brand recognition, perceived quality, and customer loyalty contribute to greater levels of brand equity for a given company's products or services (Kotler & Armstrong, 2018). Considerable financial success for a business can be attained via the development of a reputable brand. Adding additional items to Coca-already Cola's extensive product line can assist the company in capitalising on the value of its well-known brand name.

Integrated Approach to Marketing and Communication Strategy

Coca-Cola frequently integrates and coordinates its many communication channels, such as mass media advertising, personal selling, sales promotion, public relations, and direct marketing strategy, in order to deliver a message that is crystal clear, consistent, and compelling about their brands and the products they sell. Examples of these communication channels include: Coca-Cola might improve the consistency of their messages and the influence they have on sales if they integrated their marketing communications. The marketing of soft drinks, on the other hand, is distinguished by a significant investment in consumer advertising and promotion. The Coca-Cola Company spends over \$2 billion per year on advertising and marketing efforts across the globe, on average (The Coca-Cola Co., 2018).

Local Markets Respond Well to Powerful Branding and Advertising

Coca-Cola is able to quickly advertise its products all over the world thanks to its powerful brand name. It gives off the impression that people are having a good time all over the world. It's possible that the product lines or the advertising will change to cater to regional preferences. Take China as an example; Coca-Cola was the first foreign firm to enter the Chinese market when the country underwent its reform and opening up process, and it was also the first to begin advertising in the country.

Coca-Cola's Year's Film for China was filmed in a setting that is typically found in China. Through folk activities like sticking Spring Festival couplets and shooting off fireworks, traditional Chinese arts like as couplets, puppets, and paper-cuts were employed to showcase the robust regional flavour of China. Coca-Cola became a local

product in China in a relatively short period of time, and this familiar image did really have the objective of interacting with Chinese consumers (Bodi Chu, 2020).

Costco's Branding Approach and Strategy

In recent years, a growing number of wholesalers and retailers have established their very own brands, such as the store brand carried by Costco, which is called Kirkland Signature. In the United States, products sold under private labels account for an average of 25 percent of all purchases, whereas in Europe, they account for around 45 percent of all transactions. A store's image can be bolstered by the introduction of its own private brand, which can also boost customer awareness of the store's brand. If a store has its own private brand, they have more control over the production process, as well as quality, distribution, and other aspects of the products they sell (Levy & Weitz, 2018). Kirkland Signature is transitioning into its own standalone private brand for sale exclusively at Costco. In the near future, Costco intends to expand the number of Kirkland Signature products and aims to raise the proportion of Kirkland Signature sales to 30 percent of the company's overall revenue. At this time, Costco is the United States' second-largest retailer of general products after Walmart.

Strategy for Marketing Via Direct Mail

In general, Costco restricts its marketing and promotional activities to the opening of new warehouses. Occasionally, though, they will send direct mail marketing materials to prospective new members (Costco Wholesale, 2020). Because of these business tactics, Costco's marketing expenses are far lower than those of its other rivals. In order to create ties inside regions that could potentially have wholesale members, Costco has its marketing teams personally contact businesses in those regions. Direct mailings are sent out during the time period immediately before to opening in order to support these relationships.

Marketing Based Primarily on Word-of-Mouth and Coupon Booklets

After a membership base has been developed in a region, the majority of new members come through recommendations made by existing members (Costco Wholesale, 2020). As a result of the excellent job that Costco does of delivering value to its members, the company is not inclined to spend money on other forms of advertising such as television, radio, magazines, and newspapers. This is because word-of-mouth advertising from Costco's members is the most effective form of advertising for the company. Coupon booklets are mailed out on a regular basis to Costco members in order to promote both the manufacturer's brands as well as the store brand.

Marketing Towards Membership

Costco encourages customers who have the Gold Star Card to upgrade to the Executive Membership by providing them with additional perks. Not only does membership marketing bring in significant annual income for Costco, but it also helps to strengthen customers' attachment to the retailer's brand.

Price Reduction, Reduction in Selection, and an Increase in Quality

The business model of Costco is to provide its members with products at prices that are cheaper than those offered by other retailing channels. In addition, Costco provides a diverse selection of product categories, but within each category it sells just a select number of national or private brands. Because of this strategy, Costco is able to generate huge sales volumes and maintain a high rate of inventory turnover.

High numbers of sales and a quick turnover of the inventory

Because it makes use of a combination of volume purchasing, efficient distribution, and self-service warehouse facilities, Costco is able to maintain a high rate of inventory turnover. Because of all of these different techniques,

Costco is able to operate profitably at gross margins that are much greater than those of other wholesalers, mass merchandisers, and grocery stores.

Conclusion

The maintenance of a positive brand image and awareness is typically regarded as being critical to the accomplishment of a marketing campaign's objectives by brand managers. Companies invest a significant amount of resources into evaluating and analysing consumer awareness of brands and brand image, particularly in fast-moving customer commodities such as goods, sports, fashion, and electronic things. However, developing strong relationships with customers is essential to the long-term success of a company. This involves increasing trust in the brand, customer happiness with the brand, and brand loyalty among target groups and consumers. It takes time to build enduring relationships with customers, but doing so is one method to add value over the long term. Building a brand is never about the short term; rather, it is always about having a longer vision and creating profit while maintaining the brand loyalty of customers over the long term.

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