BUILDING STRONG BRANDS: MANAGEMENT DISCUSSION AND ANALYSIS

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Abstract

The Paper is primarily a review of brand Literature with two aims, to bring together two separate streams of literature, brand literature developed by consumers and the other developed by Management. To achieve these aims, the six stages suggested by Good Year have been described. The Goodyear (1996) brand evolution stage model suggests a possible brand evolution process. It comprises six stages, namely unbranded goods, brand as reference, brand as personality, brand as icon, brand as company, and brand as policy. The model was used because of its conceptual nature. This Paper extends Good year Conceptual model of brand evolution over time by relating different stages to the learning process that consumers engage in.

Key Words: Branding, Good Year Model, Product

Introduction

Diverse interpretations of ‘brand’ are recorded both in the literature and among managers. Without a common interpretation among the companies supporting the brand, resources are likely to be sub-optionally used and the brand is unlikely to achieve its potential. A number of interpretations are documented in the literature for the branding of the product, yet without any basis for understanding their inter-relationship, their documentation is only of partial usefulness. Goodyear (1996) and Kunde (2000) were some of the authors to show how brands evolve over time. Building on their frameworks which is also called as Goodyear Model and considerable interaction with brand marketers in product and services sectors, it is postulated that brand interpretations follow the evolutionary spectrum. And they evolve over a period of time. Brands are not created overnight and every company or a product takes or follows a distinct procedure for conversion in to a brand.
The American Marketing Association (AMA) brand definition captures brands as a ‘name, term, sign, symbol or 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’. Which is similar to the definition of a trademark?

In any organization Creating, Developing, implementing and maintaining successful Brands are at the heart of any marketing strategy. Successful branding requires that the strong Brand concepts are well communicated to the target segments resulting in favorable Brand Images. Most of the companies also use unbranded strategy which is more prevalent in chinese products dumped in the Indian Markets.

Generally there are two ways which are involved in successful Branding from two perspectives:

- Those under the control of management.
- And those controlled by consumers.

There is a specific process which links Brand Managers with Brand consumers initiating a decoding, interpretive and responding process. Both processes must synchronize for the corporation to achieve the goals it sets for its Brands. Although both the processes have been thoroughly researched but the relationship between them has seldom been discussed. It is important that the corporate world and academicians have thorough Knowledge about the relationship between the two to meet the challenges successfully of the ever increasing hostile brand Environment.

**Methodology**

One aim of this paper is to know what the Goodyear model is all about and how can it be used in the Indian perspective. As for any successful brand management strategy to succeed it requires both an understanding of how the brand strategy is implemented and communicated to consumers and how they respond to this. The second aim is to examine the dynamic nature of brands in terms of changing brand strategy and increasing consumer sophistication. Now a day’s brand loyalty is declining and brands no longer represent added value which in many cases is
happening worldwide. Thus it becomes imperative to understand the brand concept and image creation processes more thoroughly in order to help brands thrive in the highly competitive environment. Building on Good Year’s branding Evolution Model (1996); the relationship of the brand concept with its brand image development processes is summarized in chart 1. Each row represents a phase in branding. The Good year model indicates that different types of branding may occur with in a product category at the same time. It shows the full range of possibilities from stage 1 to stage 6. It must be noted all the products do not always reach all stages in the product categories.

**Discussion**

**Illustration of branding process over time**

(Chart 1)

<table>
<thead>
<tr>
<th>Stage of Branding</th>
<th>Time</th>
<th>Type of Value</th>
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<tbody>
<tr>
<td>Stage 6 Brand as policy</td>
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<tr>
<td>Stage 5 Brand as company</td>
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<td>Terminal ↑</td>
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<td>Stage 4 Brand as Icon</td>
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<td>Symbolic</td>
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<tr>
<td>Stage 3 Brand as personality</td>
<td>↑</td>
<td>↓</td>
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<tr>
<td>Stage 2 as Reference</td>
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<tr>
<td>Stage 1 Unbranded</td>
<td>Time=0</td>
<td>Instrumental  ↑</td>
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</tbody>
</table>

**Explanation of terms used in the above table**

Unbranded: They are the commodities without any name or symbol and consumers view them as just a commodity. Example, Packet of salt used before the advent of TATA and Captain Cook etc. and Chinese mobile phones.

Brand as Reference: It consists of Name of the maker, which is used for identification of products among the competing products; Name over time becomes guarantee of quality and consistency. Example: GE, Nokia, LG, Samsung etc.
**Brand as Personality:** Brand Name may be “Stand alone”. For example, Hummer has an entirely different personality as compared to other cars in the market and similarly Mercedes and BMW have their own personality.

**Brand as Icon:** Now consumers ‘owns’ a Brand, Advertising assumes close relationships. The brand becomes an Icon and is accepted nationally as well as internationally.

**Brand As Company:** As the brands have complex identities, a consumer tries to assess them all. In such a case integrated communication strategy becomes essential through the line.

**Brand as Policy:** In this the company and Brands are aligned to social and Political Issues. Consumers now own Brands, companies and Policies. The Goodyear Model focuses on the evolving nature of Branding over time rather than on the design of brand concepts at particular times and for particular brand launches. The six stages refer to changes in branding practices in a product category over time rather than changes in any specific Brand. When the product it is used as a Reference in which company distinguish their brand respect to competing brands, after this they build personality for the brand and finally when the brand becomes well known it becomes an Icon.

The two Charts showed Below (Chart 2A and Chart 2B) shows the consumer Learning process and adoption process. **Chart 2: Illustrations of consumer processes:**

### A: Consumer effort: Learning Process

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<th>Commitment</th>
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<td>Interactive Value Creation</td>
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<td>Adoption Of Brand</td>
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<td>Interest</td>
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<tr>
<td>Basic product Knowledge</td>
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*Sign represents that the learning builds over time in a product category.
B: Consumer effort: Valuing Process

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<th>* Self Actualization</th>
<th>Relationship *</th>
<th>Self Identity *</th>
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<td>Self Expression *</td>
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<td>Quality/Consistency *</td>
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<td>Utilitarian</td>
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*Sign represents that brands have higher values as moves toward stage 6.

Thus the Good year model shows a depth of different type of brands co-existing at the same time. Some brands may be at the forefront of branding activity in the product category while other use the same strategy that they used in the past so that they are still in the reference stage. This flexibility of the Goodyear model enables it to account for product categories in which brands never progress beyond stages two or three and product categories in which brands progress to stages five and six. For low involvement products such as table salt, and FMCG products consumers may be unwilling to expend the effort to learn about brand personalities or invest Salt with symbolic attributes. In this case, branding stops at stage two or three. For higher involvement product categories such as cars, jewellery, Carpets and household furnishings, consumers may be quite willing and, indeed, eager to learn more about brands and be highly receptive to forming relationships with the brand as company or brand as policy. It depends on the willingness of consumers to respond to the branding efforts of managers as well as the willingness of managers to try new branding strategies.

Besides the level of involvement, the nature of any specific brand will be a function of the strategic intent of the firm, the expertise of management, current forms of branding in the marketplace, the sophistication of consumers, the level of involvement in the product category, stage of the product life cycle and the development of branding in the product...
category. Which branding strategy the firm employs depends heavily on the firm’s targeting and positioning decisions of the company.

Even in the case of low involvement goods, we find that a few consumers are willing to pay more and exert more effort in learning. Crossing from one phase to other may work quite well, but straddling two phases in the same marketplace may cause confusion in the consumer’s image of the brand that could be detrimental to the brand sales success.

While one might argue that not all products, especially convenience and low involvement products, can reach stages five and six. The Goodyear model can be used to explain situations in which management uses different strategies for the same brand with the result that the brand is located in more than one stage. Thus, managers can view any brand as being in multiple stages depending on the stage of the brand life cycle. In the Goodyear model, changes occur due to competitive pressures, sophistication of management and especially consumers as well as the life cycle. Thus strategy becomes dependent on forces beyond the firm and management. This two-way communication is extremely important because consumer interaction with the brand and the company is a driving force in the last stages of the model. In the succeeding sections, the relationship between the marketing effort and consumer effort is described for each stage.

Classical Marketing stages in Building a Brand

Stage 1: Unbranded Goods: In developed countries like India and china this strategy is used selectively. For low involvement products branding does not play a vital role because consumers are unwilling to make brand confessions. For Example, All pins, Tooth picks etc. Even in economies where brands are not common this stage can be short lived as consumers use cues to differentiate between unbranded goods. The primary goal of consumers is to obtain the necessary goods and the goal of management is to produce and distribute the good. In stage 1, the manager is building primary demand for the product category; whereas in stage 2, he/she is beginning to build selective demand for the brand where returns to the brand are much higher.

Stage 2: Brand as reference: In this stage, the goals of brand management are to position the brand as having unique functional benefits, i.e.to identify the brands functional benefits with a
distinctive name so as to differentiate it from other brands. In doing so the brand can be protected through trade mark registration, giving it a legal protection against imitators and denoting the source of ownership. In the early stages of the product life cycle, the brand is differentiated on various attributes in order to get the competitive advantage so as to have the brand preference by the consumers over the competitors. Differentiation is achieved by emphasizing on the product attributes continuously as in the initial stages consumers are still in the process of learning about the Brand. Identification requires only that the consumer be aware of the brand name; differentiation requires more of the consumer, i.e. they require some knowledge about the product. The first type of knowledge that consumers might want is product-related information such as superiority of product attributes or quality. These networks are mostly categorical in nature in that they differentiate brands primarily on physical attributes. This process is described by Keller (1993) who conceptualizes brand knowledge as having two components: brand awareness and brand image. Awareness consists of brand recall and recognition. The first component of brand knowledge is types of brand associations which consist of attributes, benefits and attitudes. In this stage, the consumer learns about the attributes, some of the benefits and begins to form attitudes. The consumer may also form a few favorable and some unique associations with the brand.

In summary, in stage 2, most marketing effort concentrates on developing and enhancing functional characteristics of the brand and communicating these to consumers. This, in turn, enables consumers to identify and distinguish the brand from the competition and also acts as a guarantee of consistent quality. Thus, marketers are engaging in a brand positioning process which builds perception of the brand vis-à-vis competitive Brands.

**Stage 3: Brand as personality:** By stage 3, consumers are faced with a variety of brands--all of which make functional promises. But advances in technology make it difficult to sustain a functional advantage with the result that brands competing in the same category have become functionally more similar. To differentiate their brands, marketers focus on incorporating emotional values into their brands, portraying this through creating brand personality. They select brand personalities consonant with the emotional values of the brand and the target consumers' lifestyle, so that consumer and brand personalities are brought into alignment. Brand personality is ‘human characteristics or traits that can be attributed to a brand’ (Keller 2003). The
simplest and most direct way suggested by Keller (2003) is to solicit responses to questions such as 'If the brand were to come alive as a person, what would it be like? What would it do? Where would it live? What would it wear? Who would it talk to and what would it talk about? From a social perspective, Individuals form self concepts which are one’s perceptions of the responses of others to one’s self and use these self concepts to guide the purchase behavior. For e.g. a consumer might buy any product for its functional benefits or to send social, lifestyle signals to others. When the brand is used to communicate identity, it is no longer remote to the consumer and a relationship is build between the two. Socialization processes occur within cultures, groups and other social institutions to teach individuals the appropriate values and behavior. Families, reference groups and peers are filters that can destroy or reinforce market controlled information aimed at linking the individual’s self concept and the brand image.

An excellent example of a relatively new brand personality that has caused a sensation is Bajaj pulsar. In order to increase market share, brand management at Bajaj Auto personality for a brand that had worked since its glory days. Playing off the name of the Bike, they created Pulsar—an ultra-hip and definitely male persona and the process is still on with the launch of Bajaj pulsar 180cc and 200 cc bikes. Noticeably, this personality change was accompanied by changes in the physical product. The result has been a surge in pulsar sales and popularity which perfectly illustrates the importance and potential success of brand personalities. Done well, they can not only create a strong bond with the consumers, but also provide the manufacturer with a competitive advantage that others cannot duplicate.

There are two issues in building brand personalities. The first is how to create the personality and the second is how to measure it. With regard to the first, brand personalities are heavily built by advertising, using advertising characters, slogans, packaging, user imagery, and other elements of the marketing mix. To the imagery created by marketers, consumers add new benefits and attitudes as part of their brand knowledge. Thus, the brand personality encompasses real product attributes, as well as marketer-created images and benefits that are supplemented by consumer supplied images, attitudes and beliefs. Stage 3 requires that management pay constant attention to the market to create the right personality for the brand and to update it when needed. In Stage 3, marketers begin giving brands personalities that incorporate human characteristics and values so that the brand becomes a means of expressing one’s identity and self. Thus, the marketer
initiates the process through advertising and other marketing elements and consumers respond with their own interpretations which the firm may then reinterpret. This process can continue indefinitely in order to keep the brand fresh.

Stage 4: Brand as an icon: In the Brand as icon stage, the meaning of various brands has become so widely accepted that the brand can be used to stand for something beyond itself; in short, it has become a symbol. At this point Goodyear (1996) believes consumers "own the brand", because they understand and use its symbolic properties. In stages one and two, the brand was primarily owned by the manufacturer who understood its functional capabilities and emotional values better than consumers. With greater experience and much more learning about brands, consumers feel so much closer to brands that the brand can be said to reside with them. Thus consumers know that Nike is winning; that Marlboro represents independence; and that Rolls Royce is the epitome of luxury, quality and status. For example, the term "Maruti-800" can be used to describe any car being owned by Middle class which means that consumers feel it a Family car.

To reinforce the symbolism, brands frequently use some physical symbol to denote the brand. Mercedes has used the same hood ornament (star in a circle) for decades; TATA it’s “T” mark and Coca Cola its hourglass bottle. These icons become shorthand means of identifying symbolic brands no matter what the local language is. In this stage, extending brands becomes more difficult. Thanks to umbrella branding, the extension has an impact on the perception of the firm as well as the individual brand.

The Goodyear model illustrates branding in a product category over time which allows for multiple, succeeding brands to enter the market at different stages using different values. With this in mind, it is possible to conclude that new brands can enter the market with a symbolic value only if consumers already have an understanding of the functional value of the Product.

Stage 5: Brand as Company: This stage marks the change to post modern Marketing. Here the brand has a complex identity and there are many points of contact between the consumer and the brand. Because the brand equals the company, all stake holders must perceive the brand in the same fashion. The companies can no longer present one image to the media and another to stock holders or consumers. Communications from the firm must be integrated throughout all the
operations of the company. Communication is not, however unidirectional. It flows from consumer to the firm as well as from the firm to the consumer so that a dialogue is established between the two. In stage 5, consumers become more actively involved in the brand creation process. They are willing to interact with the product or service in order to create additional value. Examples of this stage can be the ATM machines in India. In the ATM example, the consumer adds value to the banking process by determining when and where the transaction will occur. This interaction strengthens the relationships that consumers feel with the firm.

**Stage 6: Brand as Policy:** Few companies to date have entered this stage which is distinguished by an alignment of company with ethical, social and political causes. Prime examples of this stage are Reliance, Birla TATA more specifically in India. Consumers commit to the firms that support the causes favored by the company by purchasing from the firm. Through their commitment, consumers are said to own the brand. Before leaping to this stage, firms have to consider both the risks and their credibility as Brand as company.

In stages 5 and 6 the value of brand changes. While brand values in stages 1-4 were instrumental because they helped consumers achieve certain ends, brands in stages 5 & 6 exemplify terminal values which are the end states that consumer’s desire. The brand image at the end of the evolutionary process indicates that the brands have a physique, personality, culture, relationship, reflection and consumer’s self image. No brand can incorporate all of these facets without having traveled through all the six stages.

**Conclusion**

This paper is an effort to understand the Goodyear model and correlate it with some of the Indian Brands. This is evidenced by the use of real world examples of different Indian brands scattered throughout the paper. Second, it provides a basis for grounding the practitioner model with strands of different streams of literature that indicate its appropriateness. Third, the paper adds to knowledge by showing that use of the Goodyear model gives a better understanding of possible brand evolution routes and enables us to take particular courses of actions for different stages. Fourth, the model enables brand marketers to appreciate the dynamics of competition and develop stronger strategies for their brands.
Moving forward, it will be critical to understand the extent to which marketing assets like brand, customer, and capability perspectives are linked to firm growth, profitability, and the overall value of the firm. Furthermore the evolutionary brand spectrum clarifies why and how managers have diverse interpretations of brands. In this situation a brand could be defined as a cluster of values that enables a promise to be made about a unique and welcomed experience. This captures the way that emphasis may initially be placed on functionally oriented values, which then become augmented with emotionally oriented values, as brand management sophistication increases, driving a visionary promise that adds value to all stakeholders. Creating precise language with which to communicate about brand and customer perspectives and measurement will be critical to the future of marketing management.

References