

CONTENTS

List of figures xi

List of tables xv

Preface to the fifth edition xvii

Introduction: Building the brand when the clients are empowered 1

PART ONE Why is branding so strategic? 5

01 Brand equity in question 7

What is a brand? 7

How brand definitions have changed through time 11

Broadening the concept of brand 12

Differentiating between brand assets, strength and value 13

Tracking brand equity 15

Comparing brand equity profiles 17

Goodwill: the convergence of finance and marketing 18

How brands create value for the customer 20

How brands create value for the company 23

Corporate reputation and the brand 27

Reputation focus versus brand focus 28

From managing the brand to managing *by* the brand 29

02 Strategic implications of branding 31

What does branding really mean? 31

Permanently nurturing the difference 34

Brands act as a genetic programme 34

Respect the brand 'contract': the power to say no! 36

The product and the brand 38

Halo effect: kernel and peripheral values 39

Each brand needs a flagship product 42

Advertising products through the brand prism 44

Brands versus other signs of quality 45

Obstacles to the implementation of branding 46

Asia's branding culture 49

03 Brand and business models 51

- Are brands for all companies? Yes 51
- The benefits of being a brand: magazines as brands 51
- Differentiating a commodity by the brand 52
- Building a market leader without advertising: Jacob's Creek wine 55
- Brand building: from product to values, and vice versa 57
- Are leading brands the best products or the best value curve? 59
- Understanding the value curve of the target 60
- Breaking the rule and acting fast 60
- Backing the brand by a business model 60

04 Brand diversity: how specific are different sectors? 65

- Luxury brands are specific 66
- Service brands 72
- The branding of nature 74
- Pharmaceutical brands 76
- Business-to-business brands 81
- The internet brand 86
- Country brands 87
- Thinking of towns as brands 90
- Universities and business schools are brands 91
- Thinking of celebrities as brands 92

05 Managing retail brands 95

- Evolution of the distributor's brand 95
- Are they brands like the others? 98
- Why sell distributors' brands? 101
- Should manufacturers produce goods for DOBs? 102
- The financial equation of the distributor's brand 103
- The three stages of the distributor's brand 104
- The case of Decathlon 106
- Factors in the success of distributors' brands 108
- Launching a store brand: eight steps 109
- Optimizing the store brand marketing mix 113
- How trade brands become real brands 114
- When are more retail brands too much? 115

PART TWO The challenges of modern markets 119

06 The new brand management 121

- The limits of a certain type of marketing 122
- The end of brands as we knew them 123
- What will tomorrow's world be? 124
- What are tomorrow's brands? 126

The new key words of strategic brand management	128
Targeting for the new strategic brand management	130
From brand activation to brand activism	132
Adapting to new market realities	133
We have entered B to B to C marketing	136
The power of business models	137
Building the brand at contact points	138
The enlarged scope of brand management	139
Brands need brand content	141
How co-branding grows the business	143

07 Brand identity and positioning 149

Brand identity: a necessary concept	149
Identity and positioning	152
Why brands need identity and positioning	154
The six facets of brand identity	158
Sources of identity: brand DNA	164
Building an inspiring brand platform	170
What is wrong with current brand platforms?	172
What should one expect from a brand platform?	173
What should the brand platform be if the brand covers multiple categories?	176
From brand platform to product lines	176

PART THREE Creating and sustaining brand equity 179

08 Launching the brand 181

Launching a brand and launching a product are not the same	181
Defining the brand's platform	182
The economics of brand positioning	182
Implementing the strategy: what flagship product?	184
Choosing a name for a strong brand	185
Building brand awareness	188
Brand campaign or product campaign?	190
Brand language and territory of communication	190
Making creative 360° communications work for the brand at all contact points	191
Building brand authority through opinion leaders and communities	192

09 Growing the brand 195

Growth through existing customers	195
Line extensions: necessity and limits	199
Growth through innovation	201
What are the factors of success for innovations today?	202
New lines and old lines: the virtuous circle	204

Disrupting markets through value innovation: blue ocean	205
Do blue ocean innovations really work?	206
Managing fragmented markets	209
From technological to cultural innovations	210
Growth through cross-selling between brands	210
Growth through internationalization	211

10 Sustaining a brand long term 213

Is there a brand life cycle?	214
Resisting the low-cost revolution	215
Nurturing the perceived difference	216
Investing in media communication	219
Facing hard-discount competition	222
Suppressing unnecessary costs	224
Fighting value destruction through education and innovation	225
Creating entry barriers	226
How to succeed in trading up	229
Unlocking the secrets of super-premium brands	232
Brand equity versus customer equity: one needs the other	234
Sustaining proximity with trendsetters	238
Should brands follow their customers?	239

11 Brand and products: identity and change 241

Bigger or better brands?	242
From reassurance to stimulation of desire	242
Consistency is not mere repetition	243
Brand and products: integration and differentiation	244
Specialist brands and generalist brands	246
Building the brand through coherence	248
The three layers of a brand: kernel, codes and promises	258
How each product builds the masterbrand	259

12 Growth through brand extensions 263

What is new about brand extensions?	264
Brand or line extensions?	265
The limits of the classical conception of a brand	267
Why are brand extensions necessary?	268
Building the brand through systematic extensions: Nivea	270
Identifying potential extensions	273
The economics of brand extension	275
What is new on brand extension?	279
What did this research reveal?	285
How extensions impact the brand: a typology of effects	285
Avoiding the risk of dilution	286
Balancing identity and adaptation to the extension market segments	289
Preparing the brand for remote extensions	291

Practical framework for evaluating extensions 293
Keys to successful brand extensions 295
Succeeding at vertical brand stretching 297
Is the market really attractive? 299
Should we implement it alone? Partnerships and licences 301
An extension-based business model: Virgin 303
How execution kills a good idea: easyCar 305

13 Brand architecture 309

The key questions of brand architecture 309
Type of brands 311
The main types of brand architecture 316
Choosing the appropriate branding strategy 330
New trends in branding strategies 334
Internationalizing the architecture of the brand 336
Some classic dysfunctions 336
What name for new products? 337
B2B mixes organization, subsidiary and brand 341
Corporate branding 343
Corporate brands and product brands 344

14 Multi-brand portfolios 347

Why rationalize portfolios 347
From single to multiple brands: Michelin 348
The benefits of multiple entries in a market 350
Linking the brand portfolio to market segmentation 351
Global portfolio strategy 355
The case of industrial brand portfolios 356
Linking the brand portfolio to the corporate strategy 357
Key rules to manage a multi-brand portfolio 359
The growing role of design in portfolio management 361
Does the corporate organization match the brand portfolio? 362
Auditing the portfolio strategically 363
Portfolio management: allocating investments according to brand potential 364
A local and global portfolio – Nestlé 365
Brand deletion, business preservation 366

15 Handling name changes and brand transfers 367

Brand transfers are more than a name change 367
Reasons for brand transfers 368
The challenge of brand transfers 369
When one should not switch 370
When brand transfer fails 371
Analysing best practices 372
Transferring a service brand 376

How soon after an acquisition should the name change? 378
 Managing resistance to change 380
 Factors of successful brand transfers 382
 Changing the corporate brand 383

16 Brand turnaround and rejuvenation 387

The decay of brand equity 388
 Factors of decline and deletion 389
 When a brand becomes generic 392
 Preventing the brand from ageing and deletion 393
 Revitalizing an old brand 395
 Growing older but not ageing 401

17 Managing global brands 405

From global to post-global 405
 The pendulum is swinging back to local 408
 Facing counterfeited products and logos 409
 Patterns of brand globalization 410
 Why globalize? 413
 The benefits of a global image 415
 Conditions favouring global brands 418
 Barriers to globalization 420
 Coping with local service 422
 Naming problems 423
 Achieving the delicate local–global balance 424
 Local brands can strike back 426
 The process of brand globalization 429
 Globalizing communications: processes and problems 434
 Making local brands converge 436

PART FOUR Brand valuation 439

18 Financial valuation and accounting for brands 441

Accounting for brands: the debate 442
 What is financial brand equity? 444
 Evaluating brand valuation methods 450
 Brand valuation in practice 460
 The evaluation of complex cases 464
 What about the brand values published annually in the press? 465
 Unintended impact of the IFRS norms on brand valuations 466
 Financially evaluating the cost of an image prejudice 467

Bibliography 469

Index 482