

# Branding

According to Lamb, Hair & McDaniel, (2011):

“The success of any business or consumer product depends in part on the goal market's ability to distinguish one product from another. The brand is the main tool that companies use to differentiate their products from those of the competition”.

The brand is a name, term, symbol, design or combination of all this, which identifies a seller's products and differentiates them from those of its competitors. A brand name is the part of the brand that can be expressed in words, which includes letters (GM, YMCA), words (Chevrolet), and numbers (WD-40, 7-Eleven). Elements of a mark that cannot be expressed in words are known as a trademark logo; for example, the well-known symbols of Mercedes-Benz and Delta Air-Lines.

## Benefits of branding

A brand has three main purposes: product identification, repeated sales and sales of new products. The most important is the identification of the product. Branding allows companies to differentiate their products from all others. Many brand names are known to consumers and indicate quality.

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The term brand equity refers to the value of the company and the names of its brands. A brand that has created a high awareness, perceived quality and loyalty among its customers has a high equity. Starbucks, Volvo and Dell are high-branded companies. A brand with a solid brand equity is a very valuable asset.

The term global mark refers to a brand that derives at least one-third of its profits outside its home country, is recognizable outside its domestic customer base, and has marketing and financial information available to the public.

KFC is a good example of a company that has developed strong global brands. In Japan, for example, KFC sells crispy tempura strips. While in the north of England it serves meat sauce and potatoes, and in Thailand offers rice with soy sauce or sweet chili.

The best repeat sales generators are satisfied customers. The brand helps consumers identify the products they want to repurchase and avoid those they don't. Brand loyalty, a consistent preference for one brand over all others, is very high in some product categories.

More than half of users in product categories such as cigarettes, mayonnaise, toothpaste, coffee, headache remedies, photo film, toilet soap and tomato sauce are loyal to a brand. Large numbers of students enter the university and buy the same brands they used at home, rather than being a "price buyer". Brand identity is essential to developing brand loyalty.

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The third important purpose of the brands is to facilitate the sale of new products. The Internet offers companies a new channel to raise brand awareness, promote the desired image of branding, stimulate new sales and repeat sales, increase brand loyalty and create brand equity. Almost all packaged goods companies have an online presence. [Tide.com](http://Tide.com) offers a very useful feature called "Stain Detective", a digital sheet with tips to remove virtually any substance from almost all fabrics.

#### REFERENCE:

Lamb, C., Hair, J. and McDaniel, C. (2011). Marketing. Ohio: Cengage Learning.