

BRANDING & BRAND MANAGEMENT

Introduction to basics

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The word brand comes from the Old Norse *brandr*, meaning "to burn", and it was by this means that early man stamped ownership on his livestock. Thus over a period of time brand and branding provides buyers with a choice.

The world is divided into two kinds of people. One, those who love branded goods and they have them. Second, those who love branded goods but can't afford to have them. Brand management is a philosophy and a total approach to managing brands, companies, and as such includes much about changing minds. That's why over last two decades we have witnessed that what were once being sold as mere commodities (rice, flour) are now being sold as a brand.

On the career front as a brand manager, many management students (including me!) in earlier days of career often have misconceptions of this profession. Hundreds of them want to come in brand management as it is often perceived to be associated with glamorous work and a profile of making of advertisements, commercials, jazzy presentations etc.

In reality the commercial or glamour quotient associated with this profession, is purely cosmetic and includes more of a deeper strategic thinking. I call my experience quite humorous that many of my close friends and family members, quite surprisingly do not know what exactly my profile is. On knowing my designation, people often bombard me with questions which have an obvious answer as *NO*. Here are some to be precise and *NO* as my answer.

Q: Do you make the product?

A: No, production department does that.

Q: Do you package the product?

A: No, our packaging experts do that.

Q: Do you transport the product?

A: No, logistic department does that.

Q: Do you sell the product?

A: No, the sales team ensures that.

Q: Do you prescribe the product?

A: No, It's a doctor's job.

Q: Do you consume the product?

A: No, my consumer does that.

Then I was (still, some times) always shot with question, "*then what you do?*"

"*That's my job profile*" I end up admitting. I am sure this holds same with almost all the PMT (Product Management Team) personnel.

Be it FMCG (fast moving consumer goods), Pharmaceuticals, Industrial products, Automobiles or anything, the basic concept of brand management remains same irrespective of all fields. **I would like to share some grass root information which are required to be understood clearly by the management students in their early days of MBA course. I feel it may help them to analyze on their core strengths vis-à-vis requirement in brand management.**

How far branding has taken us?



What do you note in the above two pictures? Its something related to each and every one of us. You will agree that we often buy vegetables from a roadside vendor who may be sitting above a dirty drain. But while buying dog food we prefer it to be a branded one or moreover, an imported one. We are not bothered if the vegetables we are eating may be washed in drain water or treated chemically to look ripe, but we want to buy our shoes from a spic and span branded showroom. Why do we behave like this?

It's because the companies are successful in changing our mindset, our thinking and our behavior. We as social animals like to *own* a brand. The consumer buying process or behavior is a complex matter as many internal and external factors have an impact on the buying decisions of the consumer. Today, "*Making people BUY & pay MORE for something which they may have but don't want*" has become a reality.

The evolution of brand management

In his book, *Brand Leadership* David Aaker has written about how in 1931, an executive Neil McElroy working with P&G noticed the deregulated chain in marketing of soap CAMAY. It was something which made him write a detailed memo proposing a brand focused management system. A management team responsible for creating a brand's overall marketing program & coordinating with sales team & manufacturing. All details of "cradle to grave" of the product were proposed by him. Sales related problems, packaging, shipments & distribution, marketing etc. This started Brand management. Neil McElroy then went on to become the CEO of P&G in later years. Since then, a bunch of doers with skills of creativity, research, planning, motivating are hired to be as product managers or brand managers.

So what's this BRAND?

Though the academic definitions vary by authors, the skeletal meaning remains the same. "*A Brand is a distinguishing name and/or symbol (logo, trademark, or package design) intended to identify the origin of the goods or services and to differentiate those goods or services from those of competitors.*"

In simple words to understand “*A brand is who you are & what your really stand for.*” In reality, every person is a brand and others are his/her perspectives. People may be called as intelligent, smart, short tempered, cunning, wicked, slow, lazy, boring etc. They are all branded that way. Infact in real life if you wish to be successful, the best way is to think yourself as a brand and behave accordingly. Means, *what you want to be known as?*

That's how it applies to products to become a brand. In a company where people are visible to customers, such as a service business, the people are very much a part the brand.

Branding: “*It's a process where in you differentiate your COW from the rest of the cattle range...though they may look alike.*”

Why a brand?

Naturally a question arises, why after all a BRAND and BRAND MANAGEMENT is required? Some business owners still think that salesmanship and marketing are enough to succeed in business. It's not true. Branding is next level. It's part of your marketing strategy. It is also an important part of how you interact with clients, prospects, vendors, employees, and anyone else with whom you come in contact. **Branding creates an image, loyalty, trust, and most important it ensures long term revenues and profits for the company.**

Positioning and segmentation

What am I selling to whom?

Positioning is how the product or service is to be perceived by a target market compared to the competition. It answers the question: “*Why will someone in the target market(s) buy my product or service instead of the competition's?*” An equivalent question is: “*What should be the perceived value of my offering compared to the competition's?*”

Segmentation answers the question: “Which is (are) my target

The total approach – In general

Brand management starts with understanding what 'brand' really means. It also reaches to the level that the how the organization interacts with customers. It is simply far too important to leave to the marketing department. The CEO/marketing head should be (and, in fact, always is) the brand leader of the company.

Creating the promise

It's the promise that separates a brand from a mere commodity. Creating the promise means defining the brand. A good brand promise is memorable and desirable. After all, what's the use if nobody remembers your brand, and is no good either if nobody wants it. A good brand promise generates feelings, and it is the feelings that drive the actions of a customer. Your promise should be different from the promises of other competitors. Promise of a brand comes through a deep understanding of your marketplace and your customers. It also comes from a deep understanding of the capabilities and motivations of the people in your company who are going to sell it. Creating a promise you cannot consistently keep, year after year, is plain suicide. Here is where a brand manager decides on the feature and benefits of the product. That means what exactly brand does?

Making the promise

Once you have created the promise, the next (and not so trivial) step is to somehow find the place into the minds of your customers, your staff and everyone who receives anything from you as a brand manager. This is where marketers or brand managers have to come into their own style based on research (not on gut feeling). Although it is still not their sole preserve, a large part of branding, which includes advertising and PR, is about positioning the company and its products in the minds of customers and against your competitors. This is where you segment the market, customers etc.

Keeping the promise

Ah, now. Creating and making the right promise is one thing, but then you have to keep it. If you do not, you brand will still exist with no one to believe it. Keeping promises means managing capability. It means consistent processes that are capable of delivering what is required. It means technology and systems which are reliable and usable. It means motivated people who are willing and able to deliver the goods.

market(s)?" For example: A brand of pressure cookers will be focused on housewives and not on kids or men.

The simplest way to understand this is by know how **product position statement is designed For** [target end user], **Who wants/needs** [compelling reason to buy], **The** [product name] **is a** [product category], **That provides** [key benefit], **Unlike** [main competitor], **The** [product name] [key differentiation/unique selling proposition (USP)]. When you see any type of product introductions by a company, then you will see how all these come together.

Think of these brands Colgate & Close-up. We know all are brands of toothpaste. They just clean teeth. If you study brands in depth, Colgate is perceived and associated with *strength*. Whereas, Close-up is known for *Freshness*. If this is the promise they claim to deliver, you will see their consistency over decades in their communication and advertisements which always revolve around in these parameters.

In a nutshell

What do you associate with these lines?

- (1) *Thanda matlab...* (2) *Kuch meetha hojaye...* (3) *Just do it...* (4) *Karlo duniya mutti mein...*
 (5) *Muskuraye duniya...* (6) *Ulti tasveer; Seedha chehera...*

I am sure you would have recalled the brand names of 1 to 4 instantly. However, you may be wondering about 5 & 6. Actually, they do not exist. So, a BRAND is something that **resides in the mind** of a customer. It should be **memorable**.

Brand management in pharmaceutical industry

An important factor any aspiring pharmaceutical brand manager should understand is *product life cycle* (PLC) in pharmaceutical products is relatively very short as compared to a FMCG product. Hence some rules in brand management are evident to have a different approach. Traditional success factors of the pharma industry are less effective today than in the past. As, it is more difficult to identify the new drugs quickly. Adding more to it, many drugs sooner or later come under patent expiry bracket. In turn, hundreds of *me-too* products enter the market. Hence the role of brand building to sustain a long term revenues with the brand is of prime importance.

In pharma, brand management is not much different from that of in FMCG sector. Only few approaches change in pharmaceutical as pharmaceutical brand requires more of scientific and evidence based marketing. In addition, the scientific marketing has to be mould into a special bond with a doctor or a patient. Unlike in FMCG, a pharmaceutical brand manager needs to understand that there is an aspiration associated in pharmaceutical brands. A patient as a consumer who is suffering aspires to recover, to get cured, from an ailment when he consumes a tablet or syrup. A patient wants to feel better. Hence in pharmaceuticals, the FEEL or ASPIRATION factor is tremendous. Your doctor, who decides which brand to prescribe to his patient is the same person who decides which soap he wants to use, which car he wants to drive, which drink he wants to consume. Now does this doctor see all the evidence on each product in the local supermarket? No. However, when it comes to a patient, he does it. He has to.

It is also observed that, brand building starts very early in pharma. Companies often start their efforts to develop brand during Phase II clinical trials. Consider that a brand is an Antibiotic which I call X.

1. So, in which kind of infections X is meant for?
2. What will X do?
3. How will X act?
4. What are effects, benefits & side effects of X?

The personality of the brand X have to be strong and it should be perceived that X will cure faster than others. Taking further, if X is an antibiotic, a brand manager needs to thoroughly understand the need of the doctors & patients in the first step. Means, clarity of whether the doctor will prescribe X in gastrointestinal infections or in respiratory infections or any other.

The second and the most important factor as seen in pharmaceuticals is that any new molecule has to *replace* some existing molecule (more often!). Hence, in order to create a brand out of X, and make a great success the need is to also understand which other molecules are being used for that particular infection currently and how is X better than others. As a brand manager, one has to understand a *gap in the market* and create a *market in the gap*.

Pharmaceutical industry is often seen being more sales driven than marketing driven. Thus, most companies pay more attention to the executional and implementation aspects to reach faster in market place. Classically, 50 to 70% plus of a company's promotional budget is spent on the sales force activities. The requirement (which off-late is recognized by the companies) is rather to make in-depth analyses of data from the market, and cultivate a strong strategic thinking on broader perspective to know the consumers and the competitors so as to build the brand and leverage on the brand equity.

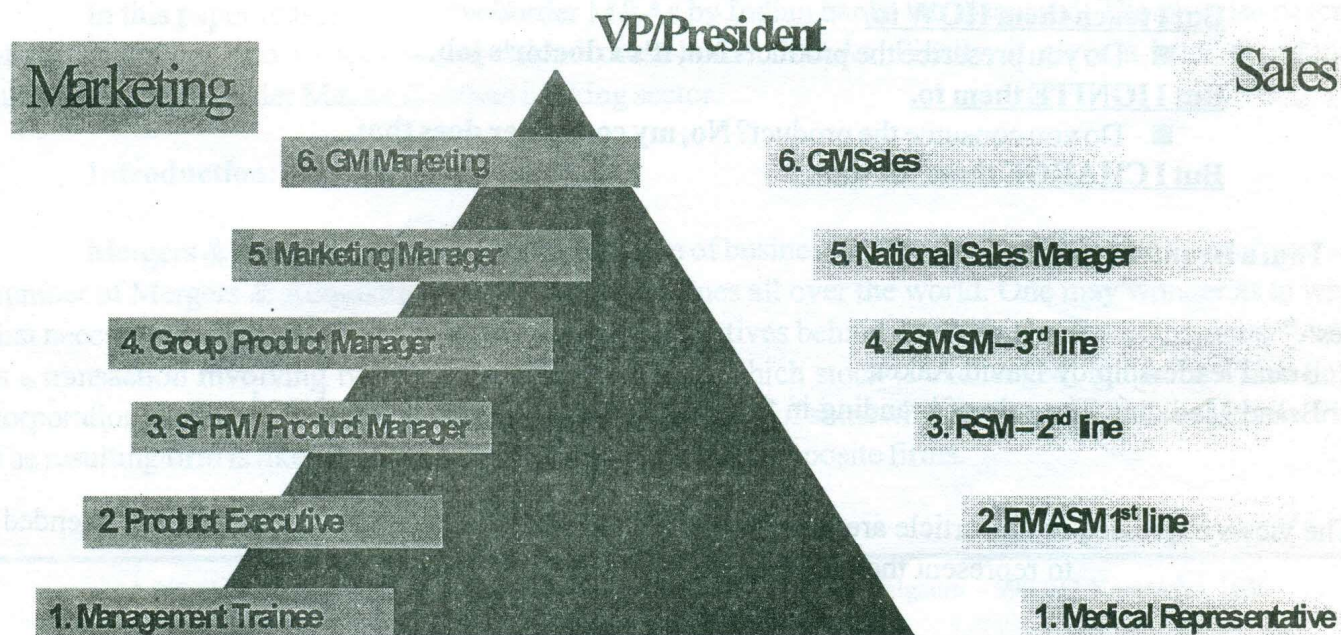
Brand advertising in prescription pharmaceuticals

A typical pharmaceutical brand is composed of

- v **The name:** An important aspect to differentiate your product in a highly crowded and competitive market.
- v **The packaging:** Unlike FMCG, its usually of limited importance in prescription medicines.
- v **The product itself and its features:** The hard facts, profiling of product based on class, therapeutic index, its action, benefit to a patient etc.

At the end, there is lot to learn in branding than what's written here. It has often been said that the brands are the true expression of democracy. In 21st century the branding ultimately will be the only unique differentiator between the companies. Brand itself is a key asset.

Typical pharma organizational hierarchy- Marketing & Sales



Primary responsibilities of a brand manager and skills required

- To understand customers, markets and its trends, competitors.
- To develop and implement brand plans.
- Commission research and rigorously analyze data pertaining to the brands.
- Ensuring brand issues are understood & actions to identify.
- Manage all brand activities –From Cradle to Grave
- Understand the impact of cost elements on brand profitability
 - Control brand support expenditures
 - Ensure brand profit objectives are achieved
- Manage external agencies to ensure all brand activities are in line.
- Employ innovation in products, marketing and its processes in order to create a competitive edge
- Work with Trade Marketing and Operations to ensure product and brand activities are correctly managed throughout the supply chain

Nutshell: Depth in thinking, Clarity of thoughts, Analysis, Objective oriented, Strategic, Man management, Copywriting, Creative communications, Ads, Ad agencies, Primary & secondary survey.

Summary

As a brand manager, your work will involve in many vast areas. What we discussed here is just a part of it. It demands passion, urge to never give up and hunger for more knowledge of products, consumers & markets.

- Do you make the product? **No, production department does that.**
But I tell them WHEN to.
- Do you package the product? **No, our packaging experts do that.**
But I tell them HOW to.
- Do you transport the product? **No, logistic department does that.**
But I tell them WHERE to.
- Do you sell the product? **No, the sales team ensures that.**
But I teach them HOW to.
- Do you prescribe the product? **No, it's a doctor's job.**
But I IGNITE them to.
- Do you consume the product? **No, my consumer does that.**
But I CHARGE them for that.

I am a Brand Manager

Sources:

Brand leadership by David Aaker,
Brand Medicine-The role of branding in the pharmaceutical industry, Interbrand

The views expressed in this article are those of the author based on observations and are not intended to represent the views of any company or organization.