

# Strategic Brand Management

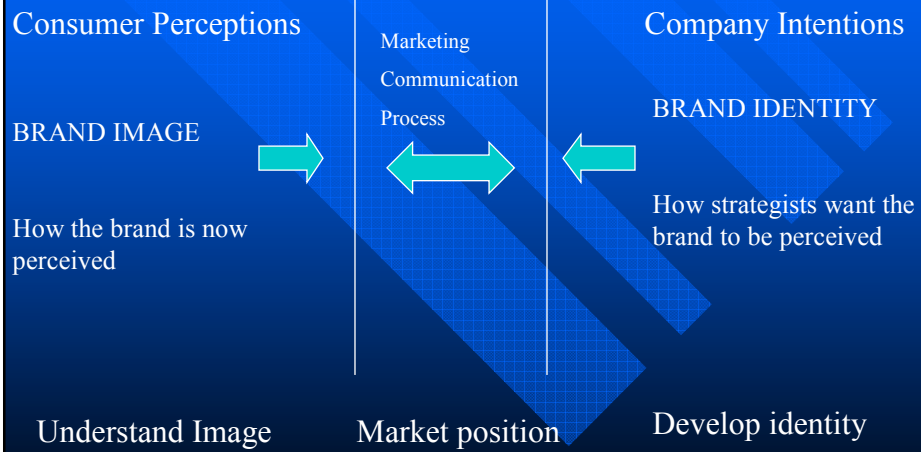
Exeter MBA and MSc – Day 2  
Brand Strategy

## Aaker's Brand Identity System



Jack Buckner

# Planning Brand Strategy



Jack Buckner

# Planning Brand Strategy



Jack Buckner

## Brand Strategy Platforms

### ■ Leo Burnett: 'Brand Essence'

- Functions
  - » What is it?
  - » What is it for?
  - » What does it do?
- Difference
  - » How is it better?
  - » How is it different?
- Personality
  - » How should people feel about it?
  - » Why should they like it?
  - » Why should they respect it?
- Source
  - » What does the company stand for?
  - » What are its aims?

Jack Buckner

## BMP DDB: 'Brand Position'

- Proposition
  - Key benefits
  - Core identity
  - Points of leverage
- Target Audience
  - Primary
  - Secondary
- Advantage
  - Points of superiority
  - Points of parity
- Communication
  - Augmenting the message
  - Reinforcing the message
  - Diffusing the message

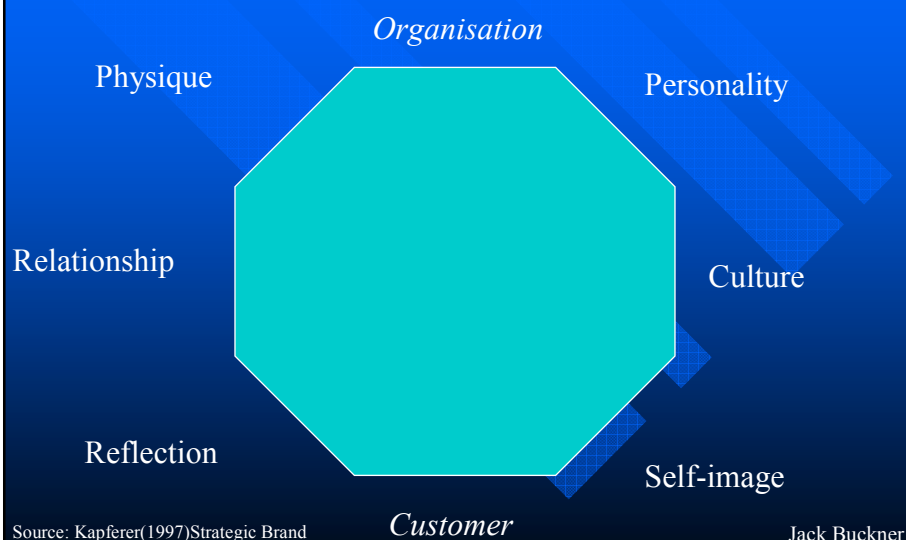
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## Kapferer: Brand Identity Platform

- Why must the brand exist?
- From where does the brand speak?
- What is the brand's vision of the product category?
- What are our values?
- What is the brand's specific know-how?
- Who are we addressing?
- What image of the customers do we want to render?

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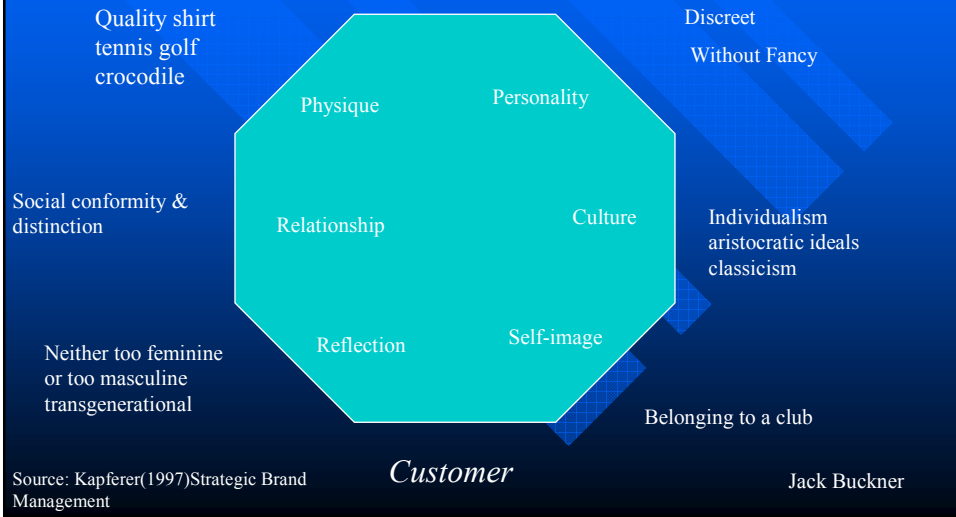
## Brand Identity Prism



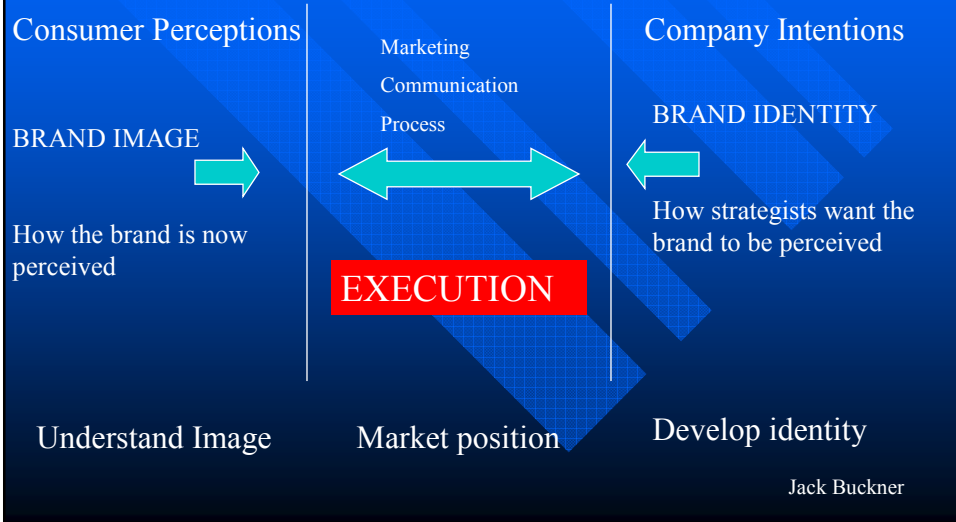
Source: Kapferer(1997)Strategic Brand Management

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# Brand Identity Prism



# Planning Brand Strategy



## Brand Strategy - execution

- Cannot be all things to all consumers
- Clarity in consumer understanding
- Clarity in company intentions
- Product and brand must be aligned
- Authentic strategy
- Realistic expectations
- Budgets
- Time
- Executional excellence
- ...and don't forget all the messy stuff

Jack Buckner

## Getting it Right



Lucozade established 1920's

'Hospital' recovery drink

1980's 'Lucozade replaces  
lost energy – link to sports

1980's – 1990's – sports  
marketing and endorsement

1999 – Lara Croft

Product range evolved 'energy replacement'

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# Lucozade Strategy

Brand Image



Traditional, hospital  
drink with  
restorative  
properties

Lucozade aids  
recovery

Brand Position



The Brand  
Marketing Strategy

**EXECUTION**

Brand Identity



Sports, fun, fast,  
performance  
enhancing

Lucozade  
improves  
performance

Jack Buckner

# Lucozade Strategy

- Brand Image
  - Traditional and tired BUT a product truth
- Brand Identity
  - A sports performance drink
- Brand Position
  - Fast and athletic
- Marketing Strategy
  - Target a growth market
  - Use sports and sports communication



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## Lucozade Execution

- Daley Thompson – Olympic gold medalist – 1980's
- British athletics – Linford Christie – late 1980's
- Established sports and nutrition centre – research leadership
- Lara Croft – 1990's
- Jonny Wilkinson – return to sports

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## What Lucozade did right?

- Discovered a product 'truth'
- Identified a growth market – sports drinks
- Identified a new target audience
- Integrated strategy – marketing and product
- Effective use of marketing disciplines – advertising, promotions, pr, in-store, packaging
- Assumed leadership – research
- Strong executional vehicles
- Invested heavily

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# Getting it Wrong



Our unique methodology brings together the hard and soft aspects of a brand's desired positioning.



Rationale:-

Repackage the Post Office Group

Three silos – Post Office, Royal Mail, Parcelforce

Change internal and external perceptions

New world of integrated communications

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# Consignia Strategy

Brand Image



Post Office  
Royal Mail  
Parcelforce

Traditional postal services

Brand Position



The Brand Marketing Strategy

**EXECUTION**

Brand Identity



Integrated communications company

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## What Consignia did wrong?

- No benefit to consumer
- Re-branding doesn't solve an organization's internal problems
- Lack of alignment between external ambition and internal re-organization
- Coincided with 'down-sizing'
- No significant product change
- Didn't invest behind re-branding

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## At last.... Starbucks

Founded in 1971 – mate in Moby Dick

In 1982 – Howard Schultz joined

Left in 1985 – acquired Starbucks in 1987

Lost money 1987 – 1989

Massive US growth – from 17 stores in 1987 to 5689 in 2002

Spent less than \$20 million on traditional media from 1987 - 1997



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## Some Schulz quotes

- “Brand has to start with the culture and naturally extend to our customers.”
- “Our brand is based on the experience that we control in our stores.”
- “Starbucks is as relevant in Tokyo, Madrid or Berlin as it is in Seattle.”
- “Real estate business in America is a very, very tough game.”

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## Starbucks – a consistent brand

The Store Environment

The Product Offering

The location and retail expansion

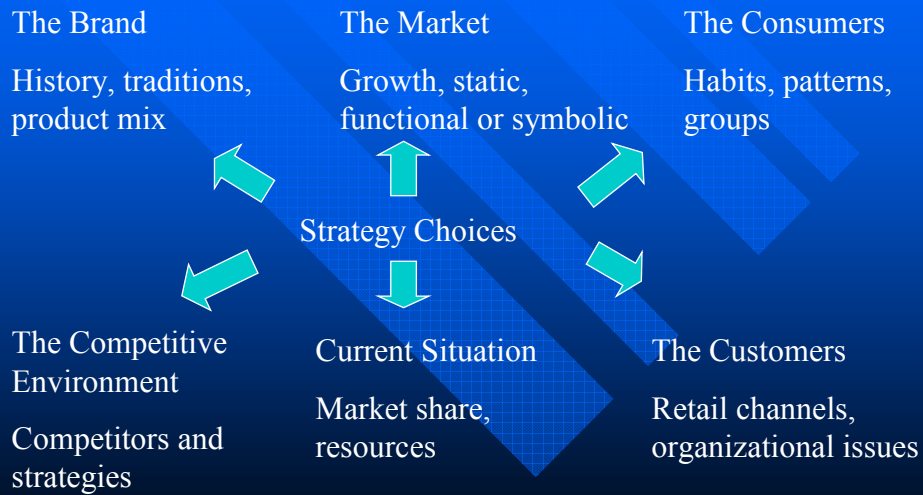
The Baristas

Consistency in image, positioning and identity

Note – Consistency is different from predictable and boring

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## Planning Brand Strategy



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## Strategy Alternatives – Market position

- Challenger Brand Strategies – Eating the Big Fish – Adam Morgan
- Leadership strategies
- Do Market leaders always need to lead?
- Niche brand strategies

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## Eating the Big Fish

- Break with your immediate past
- Build a lighthouse identity
- Assume thought leadership
- Create symbols of re-evaluation
- Similar to differentiation
- Targeted at Challenger Brands

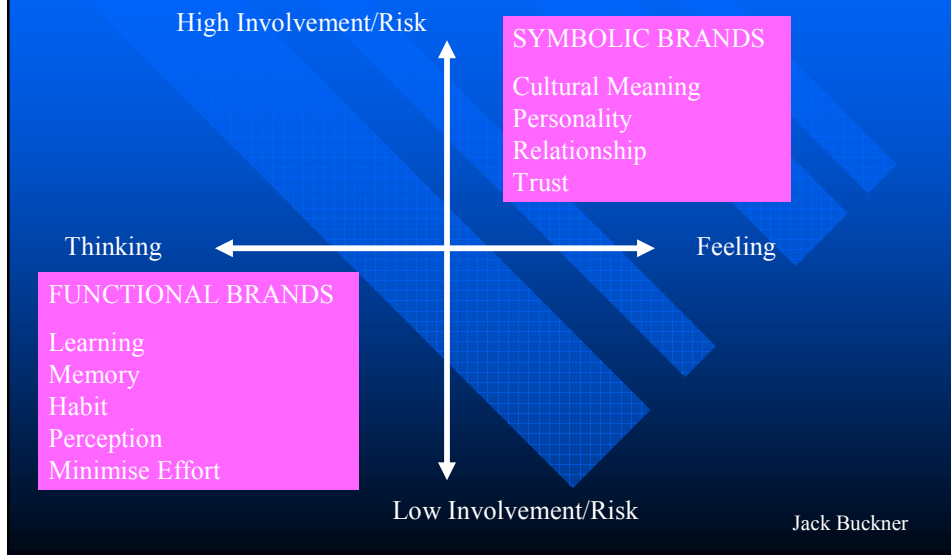
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## Strategy Alternatives

- Industry considerations
- Growth or mature market?
- Functional or symbolic purchase?
- Do functional brands really exist? (own label, retail brands)

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## Brand Strategies and Consumer Choice Processes



## Strategy Choices – functional versus Symbolic brands

- Symbolic brands – investment, brand image, trust, communication
- Functional brands – value, packaging, repeat purchase, shelf space, convenience

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## Revitalising Mature FMCG's

- Focus on loyal or exiting users
- Increase purchase frequency
- Increase usage frequency
- Increase distribution
- Refresh favourable perceptions and salience
- Packaging

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## P & G's value pricing - 1

- Brand management system
- Premium prices
- Discounts



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## P & G's value pricing - 2

- Changed to category management
- Simplified product range
- Eliminated 25% SKU's
- Mega-branding (brand extensions)
- Introduced value pricing
- Organizational efficiencies
- Eliminated discounts
- Invested in brand building communications

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## P & G's value pricing

- Increase in both profitability and market share
- Illustrated effective branding strategy in mature markets

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