

Basic Notions of Branding. Definition, History, Architecture.

Lect. **Cosmin IRIMIEȘ**, PhD

Department of Communication, Public Relations and Advertising

Babes-Bolyai University, Cluj-Napoca, Romania.

Email: cosmin.irimies@ubbcluj.ro

Abstract: *Nowadays one of the most used terms in the field of communication, the concept of „branding” comes from the anglo-saxon term which generically defines the creation, recreation or consolidation of a brand, designating the complex identity of a company, institution, person, service or product in relationship with the consumer. The branding activity covers all layers of present life, from interpersonal relations to business and institutional communication, a strong personal or institutional brand being the element that decides the market position of a person, company or even institution.*

Keywords: *brand, symbol, consumer, communication, audience, market, identity.*

Quickly becoming one of the most used terms in the field of communication, the concept of „branding” comes from the anglo-saxon term which generically defines the creation, recreation or consolidation work of a brand, designating, by means of collections of graphic symbols, experiences and associations of cultural and personal type, the complex identity of a company, institution, person, service or product in relationship with the consumer. The brand is, therefore, an association of names and symbols, directly linked to a set of recognized benefits and values, which is addressed to the public’s mind and heart.

The history of the term „brand” is not a very spectacular one, its origin being, on the contrary, quite prosaic: the brand meant the iron heated to red, used for marking cattle, which demarcate the ownership. In time, the term has dramatically evolved, being used to demarcate a particular type of identity - of a product, a business or even a person. But the first big step in the branding’s evolution is considered to be

the moment when the basic principles of discipline of brand management formed, discipline that has become defining for the next period of brands evolution.

This moment is considered to be the one when, in May 13, 1931, Neil McElroy, the advertising manager at Procter&Gamble at the point, sent to the agency's top management an internal document that drafted a few of the basic principles of what would become the brand management discipline. At the time, Procter & Gamble had already recorded some big successes in promoting on the market some soap brands (Camay and Ivory) and was a leader on the market of products for family consumers. However, the thing McElroy, then responsible for advertising a brand of soap (Camay), noticed was the lack of a real market positioning of different brand soaps belonging to the company or a special approach to various consumer segments based on their characteristics. The only existing strategy was the advertising that was directed automatically to the market and used the same language for products that were in the same category, which is why soap brands owned by the same company ended up fighting for the same market not only with those of the competition, but even among them.

In the document sent to the company's management, Neil McElroy argued that the strategic management of these brands means that each brand must benefit of a specific and specialized approach, and the manner in which the brand is positioned on the market must be designed and developed by brand dedicated teams, that had to cover all aspects of the product's (brand's) marketing, and that had to look at their brand both as a distinct business from other brands, but also as a business that had to work in conjunction with other brands.

The moment, considered by Harvard Business School as „the birth of modern brand management system“, represents the confirmation of the brands' importance as entities that must be supported by dedicated teams of communication specialists, and the importance of how brand architecture within the same company is defined.

The next big step in branding history was also to come from Procter & Gamble, this time in the market research field. This time, at the heart of this effort was Paul Smelser, who set up the company's first Market Research Department, arguing that although the company was selling items of millions of dollars to the American public, it did not have the necessary data about its behaviour, and could use such data to lead to effective advertising campaigns.

Until the ,70s, the innovation and key initiatives in branding belonged especially to companies in the consumer goods (Procter & Gamble, Unilever), who used a combination of clearly defined policies and product initiatives with consistent communication to sell and create new markets for their products.

From that moment on, the market began to be populated by new actors, with the advent of industries such as IT or with the explosive development of existing ones, such as fast-food industry. All these led to the emergence of new ingredients in addition to those used until then in the branding industry. Thus, the importance

of merchandising increased, especially for industries such as fast-food, which went on to standardize its facilities for the brand to be communicated in a homogeneous manner in any new location (e.g. McDonalds restaurants have a unitary concept of inside planning, no matter where they are open, which is an obvious recognition of the importance of the environment as a supporting factor for the brand and therefore is further stressing why clearly defined standards to support the brand are a must-have).

Another direction that began to manifest especially during ,90s was the interactive branding, and more recently, online branding. Thus, the development of personal computers and the Internet has transferred much of the communication from the direct, physical interaction, to the virtual area.

Recent years have shown a tendency to broaden the brand's components, especially by including in the brand building process more data regarding the perceptions that consumers get to have in their personal relationship with brands, perceptions that became more easily assessed with the development of market research techniques.

Thus, in a broad sense, the term „brand“ came to designate all the characteristics and experiences that make a particular object or a combination to be unique from another, as experienced by the consumer. Branding started disconnecting itself from other communication services and transformed itself into truly a scientific process, with specific processes and agencies to carry them out, all of them put in service of a single objective: to position the brand in the minds of the target audience to bring about the perception of benefit for the consumer.

Achieving this objective, no matter how simple it may seem, involves a lot of steps related to the correct identification of the target audience, their perceptions and behaviors, its competitors, the competitive advantages, values and personality etc.

Moreover, once the goal achieved, brand relationship with its target audience does not stop there, but engages in a long-term relationship whose purpose is to create and maintain the brand loyalty.

From this perspective, building a rigorous business process, well adapted to the market and the customer's needs, is vital for the success of the brand. Therefore, a clear and coherent definition of the used workflow is an essential step for the construction of any brand.

The first stage of this process involves and requires the analysis of the „starting point“ of the brand, including all the aspects that relate, interact or affect positively or negatively the brand: the market, the company, the target groups, the competition, the launch of the brand moment, the economics etc, so one could call it the analysis phase.

Based on the obtained data, different brand concepts are formulated, the most appropriate ones being selected to test their market viability. Once the final selection of the brand concept is made, a specific strategy will subsequently be developed,

based on which the brand creation will be realized in all its essential aspects - name, identity, language - followed by key brand applications. This will be followed by implementing the brand in all relevant media, to be introduced on the market and be able to interact with the market and the consumer.

The analysis phase is focused on establishing all the basic elements and data for a project, assessing thoroughly every relevant aspect of the new brand, exploring possible concepts of brand and taking decisions on strategic directions, to be followed in the further development of brand. This stage includes a study of the market, and also a brand audit.

Market research is determined by the need to understand how the audience perceives competing various brands, to obtain and interpret relevant information about the values and lifestyle that members of the public share, to identify weaknesses and strengths in the competitive brands' image and identity, but also the brand's opportunities or possibilities to differentiate itself from competitors by clear and appropriate positioning to its purpose. The results of this intermediate stage comes, obviously, from the identification and analyzing the target audience with its needs, expectations, perceptions, habits and behavior, lifestyle, to the identification and description of the brand competitors, and to the identification of the factors that will contribute to building a brand image and identity.

The second component of the analysis phase, brand auditing, is looking to find out all the relevant data for the further development of the brand. Through interactive sessions with members of brand management and decision makers in the brand's development, the responsible agency usually investigates aspects such as: what the brand in question represents, which are the reasons of its launch, internal networking, objectives and potential performance, strengths and weaknesses, desires, goals, and attitudes. Within these modules there will also be conducted an analysis on a number of factors that could influence the future development of the brand, such as the product policy, the target segments, the competition, the brand and communication model.

As expected, the results of this component are aimed at shaping the brand's image (what is it, how is it and what it is desired to be in the future), the delimitation of the brand's competitors and their positioning on the market, identification of the implications for the future, requirements establishment for future stages of the brand's development.

Identification and conceptualization of all the details above are followed, naturally, by the stage of setting the brand concept, the purpose of this phase being to create a number of possible viable brand concepts, from which the most interesting, relevant and feasible ones will be chosen for implementation. Out of these, only the brand concepts that work best within the desired positioning will be tested qualitatively within the brand's management group or on a representative sample

of target public, and as a result of this test the best brand concept will be identified and further developed and optimized based on the results of testing.

The completion of these two preliminary steps is the start point for the actual construction of the new brand, through an initiative meant to position the brand in the minds of the target audience. That initiative is called the brand strategy, and will contain all the necessary elements on which the new brand's development should be set up, from target audience segments, the desired response, the competitive advantages, rational and emotional benefits, to vision, personality, values, positioning maps, brand architecture, brand world.

The communication strategy is the logical next step of the brand strategy, the preliminary approach to brand communication activities, designed to define all aspects of communication, along with the identification of a coherent message. Once completed, the strategy will result in the establishment of the parameters that will serve as the basis for all brand communication, establishing the main communication measures for the new brand and also serving as the main tool for long-term planning of communication activities.

The brand creation is the most complex stage of the process, when the key visual points that will define the brand are set-up: name, identity, applications.

Based on the strategy, at this stage the name for the new brand will be created. The process is based on achieving a clear and well-defined plan of the architecture for the new name, that contains potential meanings and implications, followed by generating a long list of possible names, list that will be reduced gradually, through successive selections, according to criteria established in the strategy, to establish the most representative name, unique, distinct and memorable for the new brand, that has to be checked from a legal, linguistic and cultural point of view.

Building the brand identity is the stage where a decision is taken regarding which set of key elements will represent the brand in all of its communication and constitutes the main graphic representation of what the brand means (design concept), and the starting point for all brand extensions and applications. The design concept development will include all the visual elements that will compose the brand identity: logo, typography (type of letter), colors, imagery, design and side imagery elements.

The brand's extensions and applications will cover all forms of communication, forms dedicated and related to specific situations (exhibitions, fairs, traditional media, electronic media, vehicles, etc.). Although adapted to specific conditions, these applications will follow a series of coordinated parameters in the brand's identity, from brand-specific graphic language, types of images, color, shapes, materials to textures.

However, it wouldn't make sense to establish the brand's visual identity in such details if we didn't communicate it, and that includes elements such as: brand launch, dedicated events, extensive PR campaign, all with the effective support from

advertising agencies and with the involvement of the entire management team of the brand, that will provide ongoing support and check that the brand's standards are being complied.

Once launched, the brand is constantly exposed to the dangers of market, competition, plagiarism, reject, which is why the brand's protection is a task that must be carried out continuously and at different levels. Brand protection starts in the period in which the brand is only in the design phase, by investigating the availability of possible names, or record a certain new identity way before it has come on the market. It continues at each stage of brand's development through ongoing monitoring of possible threats, given that as long as the brand is safe, its management can concentrate on its development, avoiding the waste of time and money that occur with an unprotected brand.

Financial valuation is the final stage of building a new brand. It will provide significant details and solid arguments for the use or not of a brand in terms of efficiency and financial management.

The results of this assessment include:

- financial managing of brands for the purpose of investment opportunity,
- decision on the franchising or selling of the brand,
- disposal of a valuable asset in dealing with banks, investment funds, financial auditors and so on,
- decision on whether further developments of products are needed, sub-brands etc.,
- the use of this value by taking advantage of public relations of the company image through owned brands.

As seen from the beginning, any brand promotion strategy's final goal is to position itself in the mind and the value system of the consumer, to induce the perception of an advantage and represents the first mandatory stage in a brand's construction and its subsequent communication.

Brand building

While bulding a brand we must always pay attention to certain basic attributes that it needs to have in order to be succesful. Thus, for a brand to get to have a real value, its construction and communication must be based on the existence of five main attributes:

1. Recognition

A brand must be known primarily by its target audience, which needs to recognize it as the one defining its area of action (if asked about brands in a given area, the public does not identify the brand owned by the company as being among the first in its field, then that brand will have great trouble selling on that market).

2. Reputation

It is not enough to be known as a brand, as long the items and perception that are fixed in the public's mind are not positive. From this perspective, one of the basic roles of market research is to determine how consumers perceive brands.

3. Relevance

The brand's offer must always be in accordance with the expectations of target audience. Brands that are not tailored to consumer needs are irrelevant.

4. Relationship

The main added value of creating a brand is that it provides an identity to the product, identity that the consumer ends up identifying with, developing a strong emotional connection between the brand and its audience, connection which many times is the main reason that causes the consumer to buy or stay loyal to a certain brand.

5. Recruitment

Any brand should be able to attract regularly new consumers among its audience, having the capacity to innovate regularly, showing dynamism.

In addition to these core attributes, a brand must have:

- Vision in determining its own aspirations in the short, medium and long term, in line with the vision and business plans of the company.
- Segmentation, attribute that means being able to identify all types of groups that interact with the brand, and lead by selecting the maximum interest groups and making those the target audience of the brand.
- Target audience to be identified and understood both in terms of demographic data and that of attitudes, behaviors, preferences and so on, a good understanding of the target audience resulting in a correct targeting of that audience by the brand.
- Competition, aimed equally at beating other brands and capturing their target audience. Knowing the competition, their actions and intentions, as well as the methods used to attract target audience, increases the chances to dominate a market with your brand.
- Points of differentiation, those that confer advantages and disadvantages to the brand compared to the competition and that must be maximized, or minimized in the communication actions.
- Points of parity, represented by those brand features that coincide with those of the competition and that must be numerically minimized.
- Values of the brand, which are the projection of organizational culture or of the product / service.

- Key benefits representing the most important benefits that the brand offers, constituting the main argument for promoting a brand on a market.
- The brand personality is the totality of features that creates a humanized portrait of it, one that will impose in the perception of the target public.
- Desired answer- the desired reaction from the target public after interacting with the brand.
- Essence of the brand is the simplest idea that the brand can be reduced to.
- Map positioning, representing the place the brand occupies in the consumer's mind, related to the competitive factors.

Bibliography

1. Aaker, David. The management of a brand's capital, a collection Brandbuilders marketing & advertising books, Bucharest, Courier Marketing, 2005.
2. Alversson, Mats. Organisation: From Substance to Image?, Ambrecht, Wolfgang / Avenarius, Horts / Zabel, Ulf (eds.): Image and PR, Opladen, 1993.
3. Baran, P., On Distributed Communications, NY: Research and Development, 1964.
4. Baran, P., Some Changes in the Technology Affecting the Marketing in the Year 2000, lucrare prezentată în cadrul American Marketing Association Winter Meeting, 27-29 decembrie 1967, în Washington DC, SUA
5. Cheverton, P., "Key marketing skills: strategies, tools, and techniques for marketing success", Ed. Kogan Page Limited, 2004.
6. Cuilenburg, J.J., Scholten, O., Noomen, G.W., Știința comunicării, Ed. Humanitas, București, 1998.
7. Interbrand, Perrier, R., Stobart, P., "Brand Valuation", Ed. Premier Books, 1997.
8. Lindemann, J., "Brands and branding", Ed. The Economist Books, 2004.
9. Madhu Rewari, "Building and enforcing intellectual property value", Anand And Anand Advocates Annual Report 2011.
10. Mieke, B., Societatea cucerită de comunicare, Ed. Polirom, Iași, 2000.
11. Salinas, G., "The International Brand Valuation Manual: A complete overview and analysis of brand valuation techniques, methodologies and application", Ed. John Wiley&Sons, 2009.