

Strategic Brand Management

Prepared by Dr. Perihan Salah

MKT733

Brands and Brand Management

Lecture 1



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Chapter

01

LEARNING OBJECTIVES

- Define “brand,” state how brand differs from a product, and explain what brand equity is
- Summarize why brands are important
- Explain how branding applies to virtually everything
- Describe the main branding challenges and opportunities
- Identify the steps in the strategic brand management process

Chapter

01

What is a Brand?



We all know what is product
Brand gives perception & assign certain quality & characteristics
Identity (id), assets, reputation, performance.
Brand is carried on generations.

WHAT IS A BRAND?

Brand

- A name, term, sign, symbol, or design, or a combination of them.
 - Intended to identify the goods and services of one seller or group of sellers.
 - Differentiate goods and services from those of competitors.
- Creates a certain amount of awareness, reputation, prominence, and so on in the marketplace.
- Whenever a marketer creates a new name, logo, or symbol for a new product, a brand has been created

Brand Elements

Brands versus Products

Brand Elements



- The key to creating a brand:
 - Able to choose a name, logo, symbol, package design, or other characteristic that identifies a product
 - Distinguishes it from other products
- Components that identify and differentiate a brand are brand elements
- Can be based on people, places, things, and abstract images

WHAT IS A PRODUCT?

Product

- Can be:
 - Physical good - A cereal, tennis racquet, or automobile.
 - A service - An airline, bank, or insurance company.
 - A retail outlet - Department store, specialty store, super market.
 - A person - Political figure, professional entertainer, athlete.
 - A place - City or country.
 - An idea or a social cause.

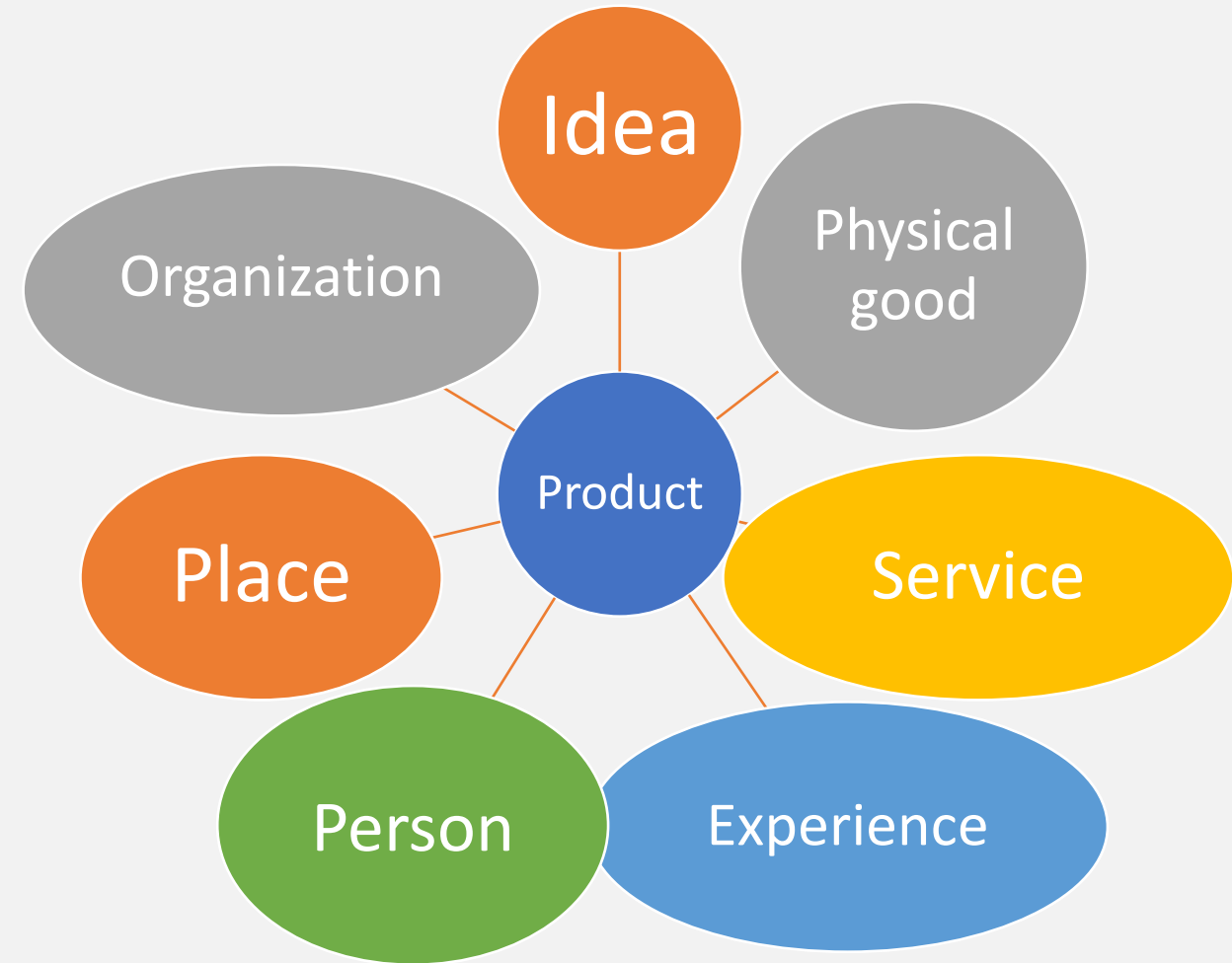
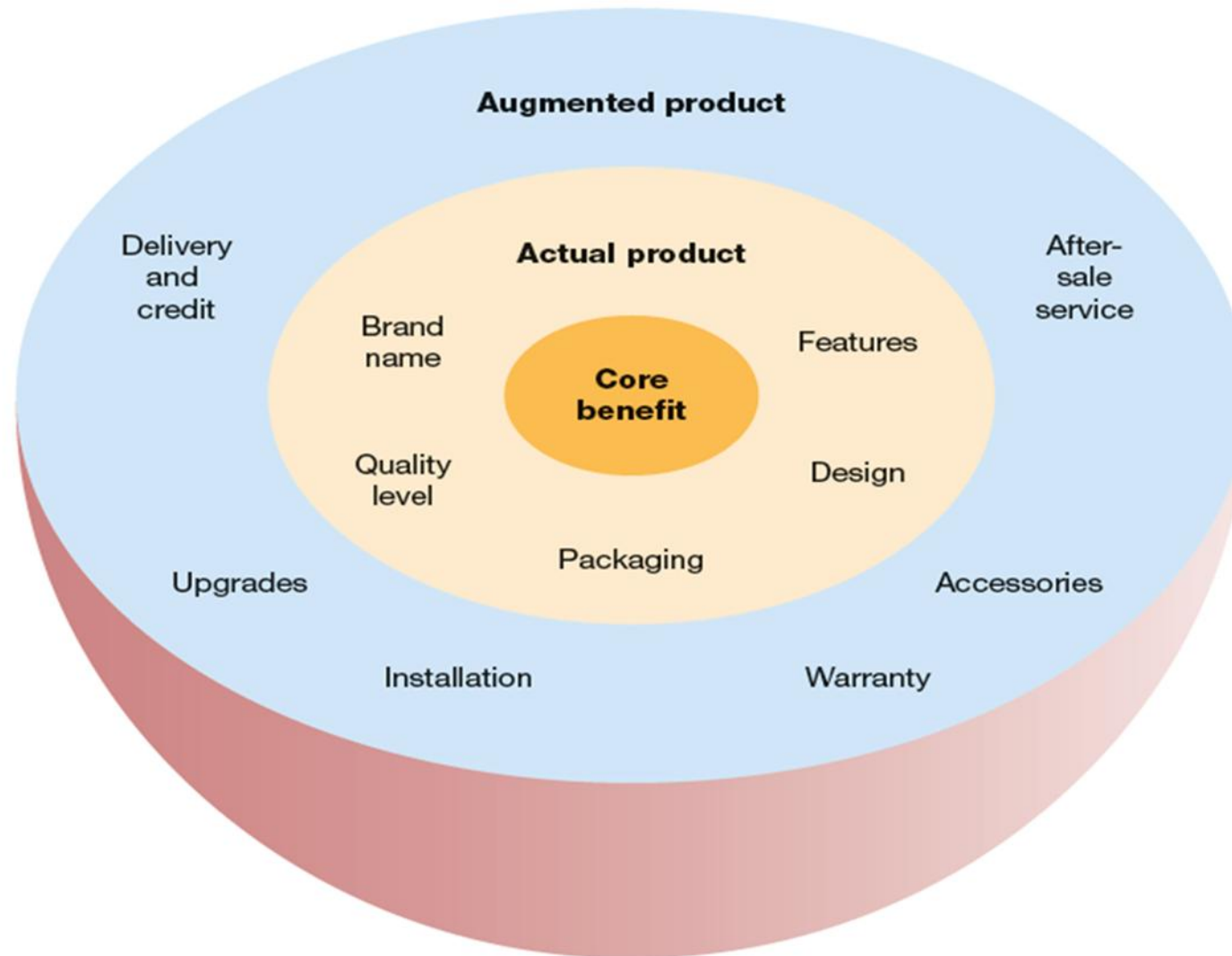


EXHIBIT 14.2

Augmenting the Basic Product

Product decisions also involve how much or how little to augment the core product with additional goods and services.



Five levels of meaning for a product:

1. **Core benefit level:** Fundamental need or want that consumers satisfy by consuming the product or service.
2. **Generic product level:** Basic version of the product containing only those attributes or characteristics absolutely **necessary** for its functioning but with no distinguishing features.
3. **Expected product level:** Set of attributes or characteristics that buyers **normally expect** and agree to when they purchase a product.
4. **Augmented product level:** Additional product attributes, benefits, or related services that **distinguish** the product from competitors.
5. **Potential product level:** All the augmentations and transformations that a product might ultimately undergo in the **future**.

Brand versus Product

Helps positioning in mind. ID
Identified & differentiated

Brand	Product
Has dimensions that differentiate it in some way from other products designed to satisfy the same need	Anything available in the market for use or consumption, that may satisfy a need or want
Can be differentiated on the basis of: • Packaging • Services provided • Customer advice • Financing • Delivery arrangements • Warehousing • Other things valued by the customers	Can be categorized into five levels namely: • Core benefit level • Generic product level • Expected product level • Augmented product level • Potential product level

Same features & benefits

Expectation
Competitive advantages

What's coming in future?
Innovations & new
versions

Brands Versus Products



Product



Brand

Difference Between

Brand



Products



- Differences between a product and a brand may be:
 - Rational and tangible:
 - Related to product performance of the brand
 - Or may be more symbolic, emotional, and intangible:
 - Related to what the brand represents
- Through branding, organizations:
 - Create perceived differences amongst products
 - Develop loyal customer franchise
 - Create value that can translate to financial profits

The Most Innovative Companies of 2022

Ranking

1-10	11-20	21-30	31-40	41-50
1 Apple	11 Meta	21 Toyota	31 Xiaomi	41 Tencent
2 Microsoft	12 Nike	22 Alibaba	32 eBay	42 General Motors ●
3 Amazon	13 Walmart	23 HP	33 Hyundai	43 Ford ●
4 Alphabet	14 Dell	24 Lenovo	34 Procter & Gamble	44 Intel ●
5 Tesla	15 Nvidia ●	25 Zalando ●	35 Adidas	45 ByteDance ●
6 Samsung	16 LG	26 Bosch	36 Coca-Cola	46 Panasonic ●
7 Moderna	17 Target	27 Johnson & Johnson	37 3M ●	47 Philips
8 Huawei	18 Pfizer	28 Cisco	38 PepsiCo	48 Mitsubishi
9 Sony	19 Oracle	29 General Electric	39 Hitachi ●	49 Nestlé ●
10 IBM	20 Siemens	30 Jingdong ●	40 SAP	50 Unilever ●

● New entrant ● Returnee

Source: BCG Most Innovative Companies (MIC) Report 2022.

The World's
Most
Innovative
Companies in
2022

THE WORLD'S MOST INNOVATIVE COMPANIES OF 2025

Source: Forbes

RANK 1-13

Drinzio

RANK 14-25

- | | |
|------------------------|----------------------------|
| 1. ServiceNow | 14. Celltrion |
| 2. Workday | 15. Autodesk |
| 3. Salesforce | 16. Regeneron |
| 4. Tesla | 17. Vertex |
| 5. Amazon | 18. AmorePacific |
| 6. Netflix | 19. Concora |
| 7. Incyte | 20. Illumina |
| 8. Unilever | 21. Marriott International |
| 9. Naver | 22. Alexion |
| 10. Facebook | 23. CP All |
| 11. Monster | 24. Red Hat |
| 12. Unilever Indonesia | 25. Tencent |
| 13. Adobe | |

The World's
Most
Innovative
Companies in
2026

Why Do Brands Matter?

Consumers

Firms

- People judge others with brands
- Positioning of people identity with brands



- Functions provided by brands to consumers (individuals or organizations):
 - Identify the source or maker of the product
 - Simplify product buying decisions
 - Lower the search costs for products internally and externally
 - Helps set reasonable expectations about what consumers may not know about the brand

Brand can signal product characteristics and attributes:

– On the basis of attributes products can be classified as:

Consumers

- **Search goods:**

- Evaluated on the basis of attributes such as strength, size, colour, style, design, weight, and ingredient composition by visual inspection.
- Example - Grocery

- **Experience goods:**

- Evaluated on the basis of features such as durability, service quality, safety, and ease of handling.
- Example - Automobile tires

- **Credence/credibility goods (unsought):**

- Consumers may rarely learn attributes.
- Example – Insurance

Brands can reduce risks in product decision:

– These risk can be categorised as:

- Functional, physical, financial, social psychological, and time

• **Brands provide valuable functions to a firm:** **Firms**

- Simplify product handling and tracing
- Help organizing inventory and accounting records
- Offer the firm legal protection for unique features or aspects of the product
- Provide predictability and security of demand for the firm and creates barriers of entry for competitors
- Provide a powerful means to secure competitive advantage

Why brands matter?

From consumer perspective

Brand=money+reputation+comp. adv

It may be a brand but not necessarily to be trademark. Unless it undergoes legal protections for years
ماركة مسجلة

Roles That Brands Play

Consumers

Identification of source of product

Assignment of responsibility to product maker The maker has responsibility towards the consumer

Risk reducer For wrong decision probability

Search cost reducer

Promise, bond, or pact with maker of product Compatible with the promises you give to consumer

Symbolic device hedonic

Signal of quality Gives specific quality

Manufacturers

Means of identification to simplify handling or tracing

Means of legally protecting unique features

Signal of quality level to satisfied customers

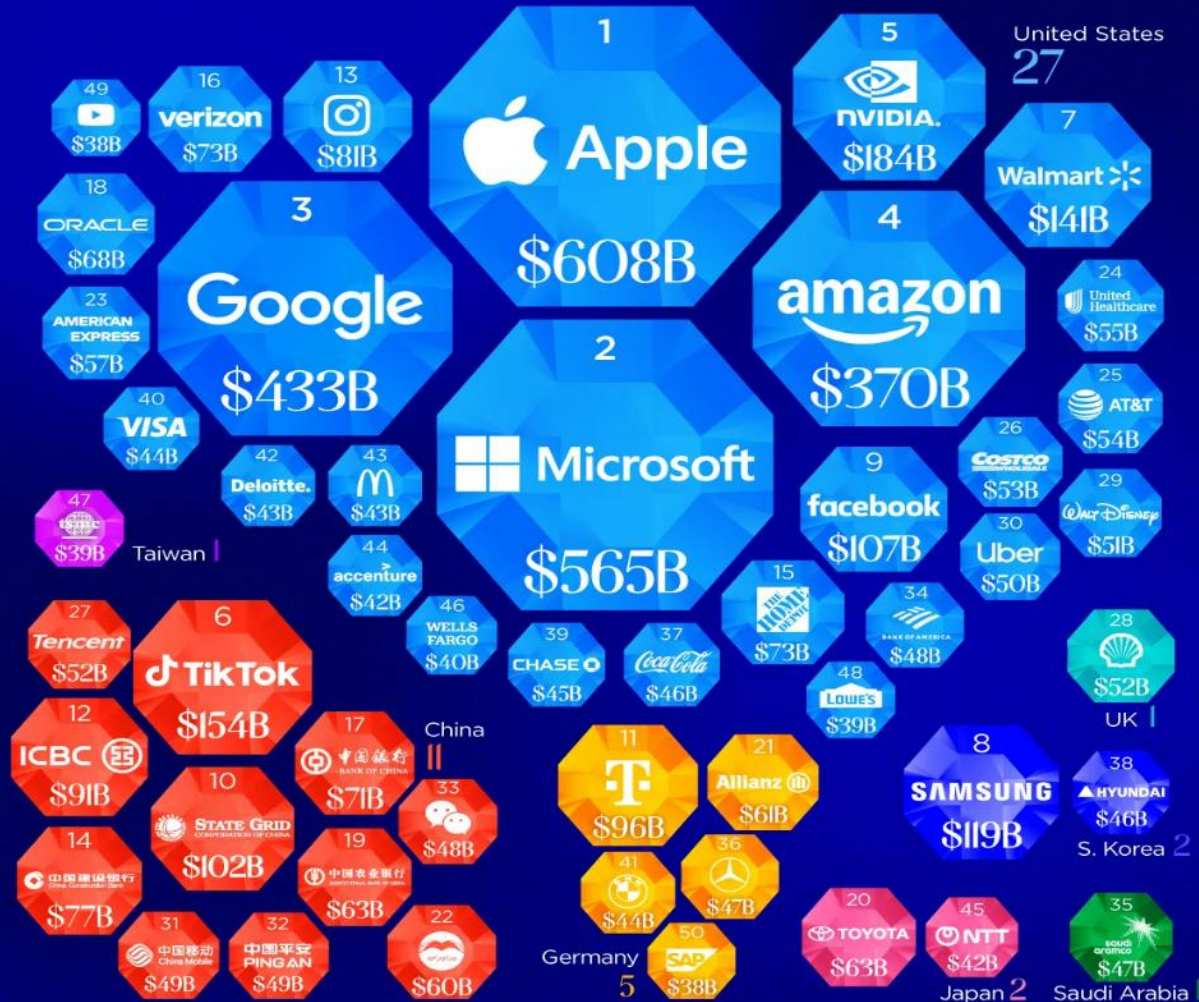
Means of endowing products with unique associations Provide certain associations

Source of competitive advantage

Source of financial returns People will buy a lot

TOP 50 Most Valuable Brands IN 2026

NVIDIA climbed four spots since 2025 to become the world's fifth-most valuable brand.



Brand Value as a Percentage of Market Capitalization



Global Top 20 Automobile Brands by Sales in Apr. 2025



*All brands referenced are independent, single brands, separate from automotive groups.
*The data is compiled based on car sales in China and overseas countries, and the collection concluded on April 30, 2025.

Brand Value as a
Percentage of Market
Capitalization

Can Anything Be Branded

Can be stored

Physical Goods

Services

Production attached to consumption
Once produced must consumed
(telecom, education, hotel,
transportation)



Can Anything Be Branded?

- Branding creates mental structures and helps consumers organize their knowledge about products and services in a way that clarifies their decision making and, in the process, provides value to the firm.
- The key to branding is that consumers perceive differences among brands in a product category.
- These differences can be related to attributes or benefits of the product or service itself, or they may be related to more intangible image considerations.

Can Anything Be Branded?

- To brand a product, it is necessary to teach consumers “who” the product is:
 - Giving it a name and using other brand elements to help identify it
 - What the product does and why consumers should care
- Marketers must give consumers a label for the product and provide meaning for the brand
- Marketers can benefit from branding whenever consumers are in a choice situation

- Physical goods are what are traditionally associated with brands:
 - Mercedes-Benz
 - Nescafé
 - Sony
- Branding has been adopted in a variety of industries:
 - Industrial business-to-business (B2B) products
 - Technologically intensive “high-tech” products

Physical Goods

Business-to-Business
Products

High-tech Products

Business-to-Business Products

- B2B: makes up a huge number of the global economy and creates a positive image and reputation for companies which in turn leads to greater selling opportunities and more profitable relationships.

High-tech Products

- High-tech products: many technology companies have struggled with branding. Marketing skills are playing an increasingly important role in the adoption and success of high-tech products supported by brands.



- **Role of branding with services:** one of the challenges in marketing services is that they are less tangible than products and vary in quality, depending on persons providing them.
- Branding a service can be an effective way to signal to consumers that a firm has designed a particular service offering that is special and deserving of its name.

Retailers and Distributors



- They can introduce their own brands by using their store names **(private label)**
- Brands provide important functions:
 - Can generate consumer interest, support, and loyalty
 - Create an image and establish positioning within an industry
 - Yield higher price margins, increased sales volumes, and greater profits

Retailers and Distributors

Haier

SAMSUNG
ELECTRONICS

Midea®

LG
Life's Good

BOSCH

Al-Futtaim

الطائر
للسيارات
al tayer
motors

AAA
الوكالة العربية للسيارات
ARABIAN AUTO AGENCY

AL NABOODA
AUTOMOBILES



- Retailers can introduce their own brands by:
 - Using their store name
 - Creating new names
 - Some combination of the two
- Many distributors, have introduced their own brands
- Products bearing these store brands or private label brands offer another way for retailers to increase customer loyalty and generate higher margins and profits

Digital Brands

DIGITAL BRANDS



- Some of the strongest brands in recent years have been born online:
 - Amazon
 - Google
 - Facebook
 - Twitter
- Brand building has become more important in recent years to online marketers:
 - It is critical to create unique aspects of the brand
 - Brand needs to perform satisfactorily as well

Online products and services:

- To build successful brands, online marketers should:
 - Create unique aspects of the brand on dimensions that are important to consumers:
 - Example: convenience, price, and variety
 - Perform satisfactorily in areas, such as customer service, credibility, and personality.
 - Find unique ways to satisfy consumers' unmet needs.
 - Offer unique features and services to consumers.
 - Offer unique value propositions to geographically dispersed customer groups.

People and Organizations



- A product category can be a person or an organization:
 - Naming of this branding is usually straightforward
 - Usually is accompanied by well-defined images that are easily understood by consumers
 - The key to a person or organization as a brand is that people outside your industry know who you are and recognize your skills, talents, and attitude



People and Organizations

- Product category is people or organization competing for public approval or acceptance.
- Have well-defined images that are easily understood and liked (or disliked) by others.
- The idea of brand in this category is not limited to famous and well known personalities, an individual who builds his name and reputation in a business context is essentially creating his own brand.
- Right awareness and image is invaluable in shaping the way people treat and interpret words, actions, and deeds.

Sports, Arts, and Entertainment



- A special case of marketing people and organizations as brands exists in the sports, arts, and entertainment industries:
 - Sports marketing has become highly sophisticated
 - Branding has become an especially valuable function in the arts
 - Movies have become famous for their marketing and branding:
 - For years, some of the most valuable movie franchises have featured recurring characters and ongoing stories—a classic application of branding

Sports, Arts, and Entertainment

Sports teams:

- Market themselves through a creative combination of advertising, promotions, sponsorship, direct mail, digital, and other forms of communication.
- Build awareness, image, and loyalty to meet ticket sales targets regardless of the team's actual performance.

Ideas and Causes



- Branding helps make ideas and causes more visible and concrete.
- Branding can provide much value to an organization.
- Numerous ideas and causes have been branded:
 - Especially by nonprofit organizations
- May be captured in a phrase or slogan or represented by a symbol:
 - Such as AIDS ribbons

CSR, promoting for ideas social
mktg that escalate the brand

Event has brand & slogan
Conference has brand &
slogan

Red for Aids → cause
Pink for breast cancer → cause

BrandZ™ Top 10 Most Valuable Global Brands 2025

Rank	Brand	Category	Brand Value 2025 \$Mil.	% Change 2024 vs. 2025	Country of Origin
1	 Apple	Technology	1,299,655	↑ +28%	
2	 Google	Technology	944,137	↑ +25%	
3	 Microsoft	Technology	884,816	↑ +24%	
4	 Amazon	Retail	866,118	↑ +50%	
5	 NVIDIA	Technology	509,442	↑ +152% *NVIDIA: AI-Driven Growth Leader	
6	 Facebook	Entertainment / Media	300,662	↑ +80%	
7	 Instagram	Entertainment / Media	228,947	↑ +101%	
8	 McDonald's	Fast Food	221,079	— 0%	
9	 ORACLE	Technology	215,354	↑ +48%	
10	 VISA	Financial Services	213,348	↑ +13%	

Source: BrandZ™ / Kantar (including data from Bloomberg)

Note: Brand value metrics and YoY changes based on 2024 and 2025 data and modeling.

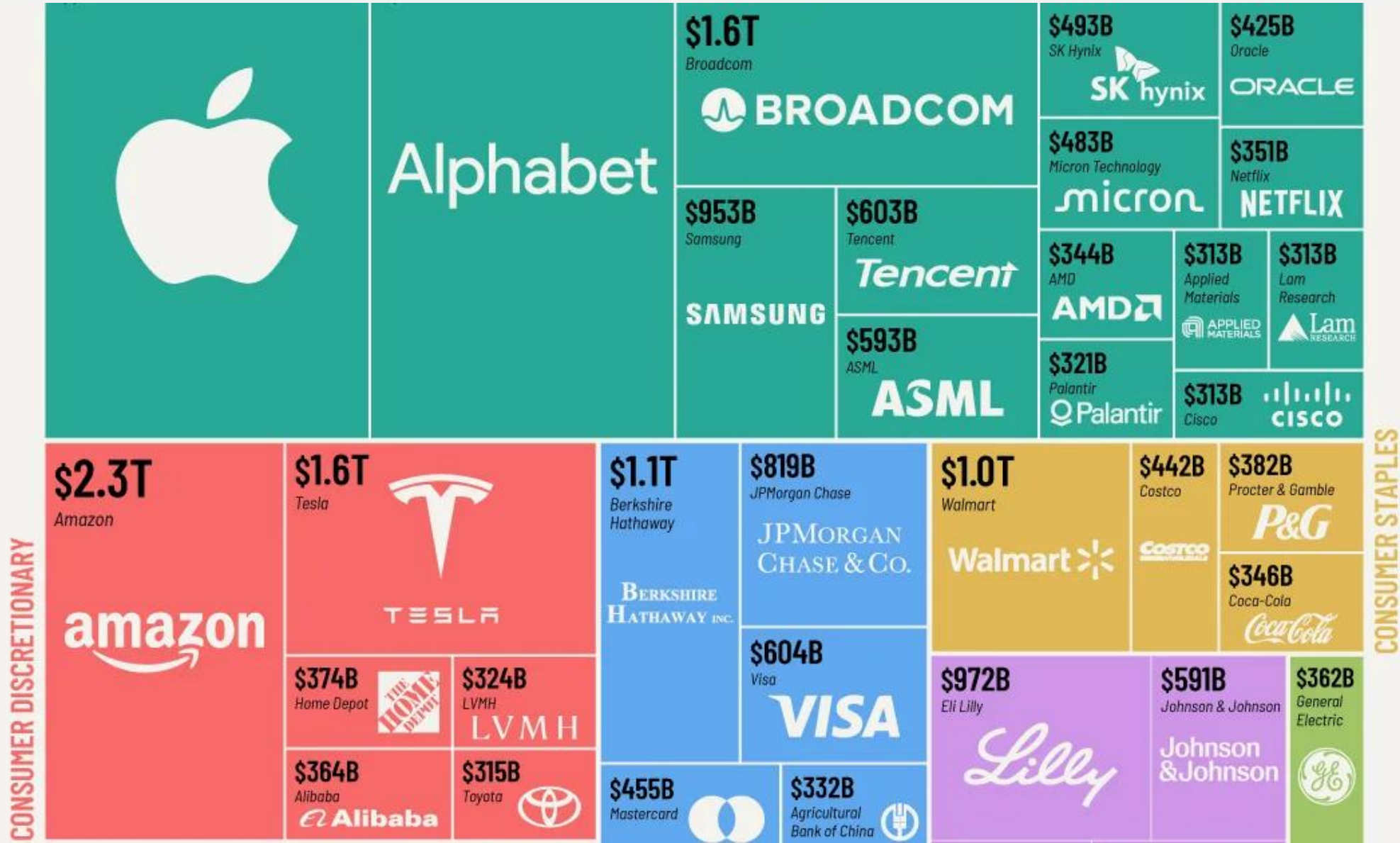
What are the Strongest Brands?



- Brands that are the “strongest” are the brands that are:
 - Best known
 - Most highly regarded
- Maintaining brand relevance and differentiation are important to the success of a brand
- Some brands failed to account for changing market conditions and they operate their business as usual.



Twenty-Five Most Valuable Global Brands



The World's 25 Most Valuable Brands 2026



#1 Apple \$607.6 bn +6%	#2 Microsoft \$565.2 bn +23%	#3 Google \$433.1 bn +5%	#4 Amazon \$369.9 bn +4%	#5 NVIDIA \$184.3 bn +110%
#6 TikTok/Douyin \$153.5 bn +45%	#7 Walmart \$141.0 bn +3%	#8 Samsung Group \$119.2 bn +8%	#9 Facebook \$107.1 bn +17%	#10 State Grid Corporation of China \$102.4 bn +20%
#11 T \$96.2 bn +13%	#12 ICBC 中国工商银行 \$90.9 bn +15%	#13 Instagram \$80.8 bn +1%	#14 China Construction Bank \$77.2 bn -2%	#15 Home Depot \$73.4 bn +13%
#16 Verizon \$73.0 bn +1%	#17 Bank of China \$70.8 bn +11%	#18 Oracle \$68.0 bn +19%	#19 Agricultural Bank of China \$62.8 bn -11%	#20 Toyota \$62.7 bn -3%
#21 Allianz Group \$60.7 bn +22%	#22 Moutai \$59.6 bn +2%	#23 American Express \$57.3 bn +45%	#24 UnitedHealthcare \$54.7 bn +1%	#25 AT&T \$53.9 bn +3%

Twenty-Five Most Valuable Global Brands

Factors Responsible for Branding Challenges

Savvy customers

Economic downturns

Brand proliferation

Media transformation

Factors Responsible for Branding Challenges

Increased Competition

Increased costs

Greater accountability

Factors Responsible for Branding Challenges

Savvy customers

- It has become increasingly difficult to pursue consumers because:
 - Consumers and businesses have become more experienced with marketing, more knowledgeable about how it works, and more demanding.
 - Current marketing environment has vast number of sources of information that consumers may consult.
 - Empowered consumers play an active role in a brand's fortune.

Economic downturns

- Changes in economy impact consumers' purchasing power.
- Research suggest that during recession consumer switch to less expensive products.

Brand proliferation

- Marketers have increasingly added new products under their brand umbrella.
- Multiple product brands complicate the decision making process for marketers.
- As large number of brands engage in expansion, channels of distribution become clogged, and brands struggle to get products on the shelf.

Factors Responsible for Branding Challenges

Media transformation

- Erosion or fragmentation of traditional advertising media and the emergence of interactive and nontraditional media, promotion, and other communication alternatives.
- Marketers are spending more on non-traditional forms of communication.

Increased competition

- Both demand and supply factors have contributed to the increase in competitive intensity.
- Demand for many products and services has flattened and hit the maturity stage, or even the decline stage, of the product life cycle.
- On the supply side, new competitors have emerged due to factors such as globalization, low priced competitors, brand extensions, deregulations.

Increased costs

- The cost of introducing a new product or supporting an existing product has increased rapidly, making it difficult to match the investment and level of support that brands received previously.

Greater accountability

- Different organizational pressures often encourage quick-fix solutions which may have adverse long-run consequences.

Strategic Brand Management Process



- Principles of branding and brand equity:
 - Differences in outcomes arise from the “**added value**” endowed to a product
 - The added value can be created for a brand in many different ways
 - Brand equity provides a common denominator for interpreting marketing strategies and assessing the value of a brand
 - There are many different ways in which the value of a brand can be exploited to benefit the firm

We r working on all previous hopefully to reach BE

We give value to the brand bcoz it is intangible (from the added value we take & brand love)

Gives high value comparing to others

We value brands differently. Equity is no. of gains you get from the brand

The Brand Equity Concept

Design and implementation of marketing programs to build measure, and manage brand equity.

Identifying and Developing Brand Plans

Designing and Implementing Brand Marketing Programs

Measuring and Interpreting Brand Performance

Growing and Sustaining Brand Equity

Very important in order to have BE

P&G did 1st disposable diaper

Show the baby is sleeping well no rash, easy to use while out

Related to the company. How it succeeded to generalize pamper name to any other diaper.
Mkt leader

How can you maintain your brand equity even in front of competition. Reach the hedonic, cant be imitated. Highest level of loyalty

Strategic Brand Management Process

STEPS

KEY CONCEPTS

Identifying and developing
brand plans

- Mental maps
- Competitive frame of reference
- Points-of-parity and points-of-difference
- Core brand associations
- Brand mantra

Designing and implementing
brand marketing programs

- Mixing and matching of brand elements
- Integrating brand marketing activities
- Leveraging secondary associations

Measuring and interpreting
brand performance

- Brand value chain
- Brand audits
- Brand tracking
- Brand equity management system

Growing and sustaining
brand equity

- Brand architecture
- Brand portfolios and hierarchies
- Brand expansion strategies
- Brand reinforcement and revitalization

Depends on consumer perceptions
Helps in comparing
Not wrong to have similarity but must have differences

Elements must reflect attributes

Same products with diff brands to approach new segments
Ex. Old navy – Gap – Banana Republic

1. Identifying and Developing Brand Plans

Brand Positioning Model

1st do market research
and categorization the
know your position

Brand Resonance Model

Brand Value Chain

The brand deserves to
spend on it. Related to
expenditure

1. Identifying and Developing Brand Plans

Brand positioning model

- Describes how to guide integrated marketing to maximize competitive advantages.

Brand resonance model

- Describes how to create intense, activity loyalty relationships with customers.

Brand value chain

- Means to trace the value creation process for brands, to better understand the financial impact of brand marketing expenditures and investments.

2. Designing and implementing Brand Marketing Program

Choosing Brand Elements

Logo, design, slogan,
brand name

Integrating the Brand into Marketing Activities
and the Supporting Marketing Program

Leveraging Secondary Associations

Co-branding (support
each other)
Ex. Cinema and dining
Pepsi&chipsy
McD & cocacola

2. Designing and implementing Brand Marketing Program

Choosing brand elements

- The best test of the brand-building contribution of a brand element is what consumers would think about the product or service if they knew only its brand name or its associated logo or other element.

Integrating the brand into marketing activities and the supporting marketing program

- Although the judicious choice of brand elements can make some contribution to building brand equity, the biggest contribution comes from marketing activities related to the brand.

Leveraging secondary associations

- Because the brand becomes identified with another entity, even though this entity may not directly relate to the product or service performance, consumers may infer that the brand shares associations with that entity, thus producing indirect or secondary associations for the brand.

3. Measuring and Interpreting Brand Performance

- To manage brands profitably, managers must implement a brand equity measurement system
- Brand equity measurement system involves:
 - Brand audits
 - Brand tracking studies
 - Brand equity management system

3. Measuring and Interpreting Brand Performance

Brand equity measurement system:

- A set of research procedures designed to provide timely, accurate, and actionable information for marketers so that they can make the best possible tactical decisions in the short run and the best strategic decisions in the long run:
 - **Brand audits:** Comprehensive examination of a brand to assess its health, uncover its sources of equity, and suggest ways to improve and leverage that equity.
 - **Brand tracking studies:** Collect information from consumers on a routine basis over time, typically through quantitative measures of brand performance on a number of key dimensions marketers can identify in the brand audit or other means.
 - **Brand equity management system:** Set of organizational processes designed to improve the understanding and use of the brand equity concept within a firm.

3. Measuring and Interpreting Brand Performance

Three steps that help implement a brand equity management system are:

1. Creating brand equity charters,
2. Assembling brand equity reports, and
3. Defining brand equity responsibilities.

4. Growing and Sustaining Brand Equity

Defining Brand Architecture (through brand portfolio and brand hierarchy)

Managing Brand Equity over Time

Managing Brand Equity over Geographic Boundaries, Cultures, and Market Segments

4. Growing and Sustaining Brand Equity

Defining brand architecture

- Provides general guidelines about branding strategy and the brand elements to be applied across all the different products sold by the firm.
- Two key concepts in defining brand architecture are:
 - **Brand portfolio:** Set of different brands that a particular firm offers for sale to buyers in a particular category.
 - **Brand hierarchy:** Displays the number and nature of common and distinctive brand components across the firm's set of brands.

4. Growing and Sustaining Brand Equity

Managing brand equity over time

- A long-term perspective of brand management recognizes that any changes in the supporting marketing program for a brand may affect the success of future marketing programs.
- Produces proactive strategies designed to enhance customer-based brand equity and reactive strategies to revitalize a brand that encounters problems.

4. Growing and Sustaining Brand Equity

Managing brand equity over geographic boundaries, cultures, and market segments

- In expanding a brand overseas, managers need to build equity by relying on specific knowledge about the experience and behaviors of those market segments.

- Define “brand,” state how brand differs from a product, and explain what brand equity is
- Summarize why brands are important
- Explain how branding applies to virtually everything
- Describe the main branding challenges and opportunities
- Identify the steps in the strategic brand management process



To Sum Up...

Chapter
01



Thank You

Dr. Perihan Salah

