

# A MarketSearch Brief

## **Branding:**

### **What Does It Mean and Why Does It Matter?**

#### **What is Branding?**

Everyone is familiar with brand names. Sara Lee, Volvo, Tide, Craftsman – all are recognizable brand names that generate distinct images of product categories, characteristics, qualities, and value.

What about names such as Savoy, Outpost.com, and Partners? These are less recognizable, less distinctly identifiable, and less likely to carry specific images of categories, qualities, or value.

Branding is more than a brand name. It is the marketing process that starts with a name, defines a specific identity for the brand, and then works to ensure that the brand is consistently portrayed according to that identity. The brand's identity must be meaningful to customers, set it apart from competitors, and add value to the product or service at all levels including the product or service itself, corporate identity, customer service, and many more.

A recognizable name means little if it doesn't clearly communicate anything to potential consumers and give them a reason to believe the product or service is better than others. Branding is the process that names, positions, develops, communicates, and reinforces a product's or service's unique benefits, which, in turn, creates value, appeal, equity, and loyalty.

The most effective branding efforts comprehensively incorporate the product's or service's features, positioning, corporate philosophy, communications and promotion.

#### **The Six Dimensions of Branding.**

MarketSearch has identified six key dimensions of branding. It is the dynamic interplay of these factors that determines the effectiveness of your branding efforts and, ultimately, the success and longevity of your product or service.

MarketSearch's **Six Dimensions of Branding** include:

- **Familiarity** How well-known is the brand? Do prospective customers think of it first when identifying competitors within the category?
- **Reputation** How do consumers feel about the brand? Does the name generate positive reactions and expectations? How strong is its general image?
- **Personality** What are the distinguishing qualities or attributes that consumers associate with the brand? How well do these perceptions fit with the brand's strategic positioning?
- **Product/Service Quality** How well does the brand perform in its core business according to customers? How satisfied and loyal are customers? Is the brand performing up to expectations?
- **Price/Value** How does the brand compare to competition in terms of price? What added value does it offer? To what extent do the perceived benefits support a price premium?
- **Customer Service** How well does corporate commitment to customer

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service match the brand's image? Do customer contact points with the brand consistently reinforce the brand's positioning?

### ***Who Should Use Branding?***

The branding process can be used for companies and organizations in general, lines of products or services, and/or individual products or services.

Many companies, including those represented by the brand names listed above, have recognized the value of branding for years. During the past several years, however, branding has become more and more relevant to other types of companies, categories, and industries as well.

Utilities, financial institutions, service industries, non-profits, commercial businesses, and small businesses are increasingly seeking to establish a branding strategy in an effort to strengthen awareness and penetration, enhance their overall value, and attract and maintain a loyal customer base.

### ***Where Does Branding Research Come In?***

Branding research can serve several functions in the branding process. Fundamentally, branding research is the measurement of a brand's meaning, associations, and value. Branding research should:

- Identify the existing level of brand (name) awareness, penetration, and equity;
- Identify the brand's key strengths and/or associations;
- Identify consumer priorities within the

given category;

- Assess the brand's relative strengths and weaknesses compared to those priorities and competitive interests (thereby identifying areas to focus on); and
- Identify any inconsistencies between the brand's existing position and its potential branding strategy.

Research can also be used to assess the appeal and/or effectiveness of specific branding strategies and elements. Research should also be used to monitor the marketplace over time, assessing competitive dynamics and their impact on the brand's overall position and equity.

### ***What are the Primary Methods of Branding Research?***

Branding research can be, and is, conducted through a variety of methodologies. Studies can be conducted in multiple phases or in a more condensed fashion.