

Brand Management
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Now, let us look at the fourth phase, which is the phase currently continuing. So we can roughly say that the fourth phase started in 1950s. And from then on till today, it can be considered as the fourth phase in the evolution of brand manager system. Today, a large majority of companies actually have brand managers, you will be surprised that not only consumer good companies, but manufacturing companies, industrial goods companies, B2B companies, service companies, media companies, all of them have brand managers. In fact, they do not just have one brand manager, they have senior brand manager, junior brand manager, brand assistants, and then they also have brand managers responsible for ATL activities, VTL activities, marketing research, outdoors and outdoor advertising, and so on so forth. So a large number of activities have emerged within the brand manager system.

And today, any marketing department or brand management department focuses on each one of these activities and often each one of these activities are performed by a dedicated and a separate individual. So these brand managers, the idea of brand manager itself has undergone a radical transformation. And today that integrated view that everything will be done response, all activities will be concentrated in one brand manager is no longer there. There might be a brand manager who oversees all these activities, but the very activity, the very part, the very function of brand management has been divided into several sub activities.

Now, that is what is happening today in the sphere of brand management in companies, and they have become, as I said, more focused in terms of constituting activities of brand management. If you again want to be reminded of what are these constituting activities, I would urge you to go back to the lesson to the lecture on brand management continuum, where we discussed what is a product, how do we decide the four P's the marketing means mix of the product, we also discussed Kotler's product levels and how those product levels are decided. And then we move forward with the naming of the product, the communication through advertising, etc. and how brand personality and identity gets formed, how marketing research is done. And then perhaps the brand, if everything is done successfully, brand becomes a brand leader.

So all of these activities are today divided into constituting activities. So advertising is done by one person, marketing research is done by another person, product management

is done by a set of people, and so on so forth. So all this is happening because if you look at the second point, significant challenges have confronted these brand managers today, especially renewed threats from dealer brands, generic brands, and lapses in quality. Now what are these dealer brands, they are also called private labels, where large companies have to deal with smaller companies which are either which are operating in a region and they cater to only that particular region which have certain in a way little defined taste which is different from a nationally defined taste. So that is one way of looking at dealer brands or private labels.

Another way of defining is that dealers who are part of the channel of national brands, what they do is they get products manufactured locally and put their own name on those products and then they start selling in their name. So they are called dealer brands. Similarly generic brands like commodities, which are not really branded in the corporate sense. So for example, organic products or commodities which come straight to the market from the producers without really a label. So such generic brands also began challenging the nationally owned nationally advertised brands and therefore brand managers felt that they need to respond in a different way and that is how these developments have taken place.

Another aspect is lapses in quality, because these organizations have become so big that they are not able to focus in a sustained manner on quality and brand managers because they were too focused on their brands, they suddenly took off their eyes from the quality processes and therefore lapses in quality started happening. Another aspect that we must be aware of is that it just took about 15 to 20 years that is by about 1967 almost all companies particularly consumer packaged goods companies, which we today call FMCG, most of them had brand managers. In this slide, you can also see that what are the responsibilities of a brand manager snapshot of that and you may do well to just refer to these five points, which are the responsibilities of a brand manager. For your interest, I will read them out once a brand manager takes ownership of the brand, he provides the strategic direction, he works the system, he works the system means what? It perhaps means that because in an organization there are many departments, you know that there is a finance department, there is a marketing department, there is HR department, there is a manufacturing or production department, there is a quality department, then of course the adjoining department like sales. So what brand manager does is when he takes ownership of the brand, he makes all the departments aligned towards the brand objective.

So he works the system, he makes the system work for his brand. He also handles pressure, what kind of pressure? Pressure of delivering campaigns, pressure of delivering sales numbers, pressure of delivering top of the mind recall, and so on so forth. And

then finally gets the most of their direct report, which means what? It means that in brand managers work with a large number of people, some of them report to him directly, some of them indirectly work with him. So brand manager facilitates the processes in the organization in such a way that his team members are also able to deliver at their best. Let us move forward.

Now another development that happened in this field was pertaining to advertisement agencies or advertising agencies. By 1950s, now see if one system becomes very important, the other system starts taking a backstage and that is what happened with this system also. So as brand managers became very important, and it is the brand managers who started ruling the roost and making all decisions, what happened was earlier they were working very closely with advertising agencies. And these agencies were at early point of time, counselors to the brand managers, not only counsel to brand managers, they were counselors to the owner entrepreneurs, to the upper middle level managers who were managing the brands. So these agencies were counselors to these people, they were almost equal partner in the brand management process.

In fact, they were the repository of the insights related to brand. But because brand managers became so important, advertising agencies started taking a subordinate role and moved away from their traditional role of being a counselor and almost equal partner. So now what they started doing, they started focusing on media analysis. What is media analysis? For example, you have to launch a brand or you have to launch a campaign. Now you know that the target group for your brand is such and such.

So for example, if you are launching say Lux, so you know that your consumers are largely women. And therefore, if you wish to advertise Lux soap, you would advertise on media platforms that reach out to women in a more direct manner. So now you will decide a campaign and then you will ask the agency to release the campaign. Now where will this campaign be released? That is an analysis and recommendation that is an activity that will be done by the advertisement agency. So for example, they will say that if Lux product or new campaign on Lux has to be released, it should be released on say, if it is television, then it should be released before and after or it should be aired during before and after TV programs that are generally watched by women.

Or they will say that advertisement should be carried in magazines and newspapers, which are generally read by women. So this kind of work will be done by advertisement agency. This is the meaning of media analysis, which the agencies would do and recommend to the brand manager and then ultimate decision would be taken by the brand manager. They will also do negotiation. What does this negotiation mean? So this advertising agencies, they will negotiate with media companies and they will keep with

themselves a large body of airtime if it is television or radio or space ad space when it is about when it is about say newspaper or magazine, and because they are doing it for many companies, they will buy it in bulk and because they buy it in bulk, they will get good rates.

Now, when my brand goes to the ad agency, I will realize that from an ad agency, I get a better rate compared to the rate that I get if I directly go to the media company. So ad agencies also do this negotiation part, negotiation with the media agency with the media platform so that they have the availability of ad space and airtime which they can sell to their clients at a lower rate. So this is another aspect that ad agencies started concentrating on after relinquishing the role of being a counselor and equal partner in the field of brand management. And finally, they also were responsible for the creative work. Now what is this creative work? Now, suppose a brand manager wants to launch a campaign.

Now this campaign, brand manager perhaps has some idea that this is the reason why I am launching a campaign, this campaign should be because some festivals are coming around. So festivals are around the corner, so let us leverage this opportunity and so on. So brand manager will prepare a brief, that brief could be one page brief, it could be a three page brief, every agency has a brief format. So that agency will provide that format to the brand manager, brand manager will fill that brief format, where he will give these details that this is what I want from my new campaign, these are my expected results and this is the reason why I am doing this campaign. Once the brief is received by the agency, they will start working on it.

Working on it means what? They will create that campaign. So that means it could be a new creative, new creative means it could be a new advertisement, they will find a model, they will find if there is already a brand ambassador, then they will contact that brand ambassador that we are launching a new campaign. So we need you, then they will create a storyline, they will create the visual look, they will create, they will use the color, they will use the context and then they will do a shoot. This shoot will involve could be a photography shoot, it could be a video shoot, it could be a product shoot, it could be any other shoot. So this is what is the meaning of creative work and of course, this work is done together with the brand manager.

So before the shooting actually happens, the ad agency will make a presentation to the brand manager or to the marketing team and they will say that these are our ideas for the new campaign and tell us what do you think about, then they will have a discussion and they will decide that okay, this is the idea with which we will go ahead and then advertisement agency will do the creative work and final output will be shared with the

brand manager. Once he says okay, then the agency will release the campaign in the marketplace. So what I am trying to say is that you can see how the role of brand manager is evolving. within the organization and some part is outsourced to an advertising agency. Alright, so this is how brand manager system has evolved and final point in this is that brand managers enabled concentrated fire power in each market segment, greater efficiency through greater liaison and coordination and increased profitability.

So because brand managers focused on one brand and or a couple of brands in that particular market segment, he was able to efficiently utilize all the resources he was able to do liaison with various stakeholders and coordinate well and therefore deliver higher profitability to the business to the brand and to the overall organization. In this slide, you can see below there is a logo of J. Walter Thompson. J. Walter Thompson is one of the largest advertising agency in the world.

Even today they exist and they handle a large number of brands across the world. You can see in this logo, they are saying experience and knowledge will light you to success. What is this experience and knowledge? It is the experience of the marketplace insights that they have developed over a period of time of consumer behavior of marketplace behavior of brands and companies and then the knowledge that they have about your brand about the brand of the client when they marry the two, they take you to success. So this is how advertising agencies are presenting themselves now. In addition of brand manager system, I have told you earlier that in an organization view when you enter and you see the most colorful and the creative part of the organization you are you can be sure that that corner or that cubicle or that room or that section of the office perhaps belongs to the marketing department and particularly brand manager will be seated there.

So here what we are trying to say is that marketing concept or the marketing plan that we have spoken about earlier, it drives the business of an organization marketing concept what really is the marketing concept that an organization has for its products and brands. So and it says that how they are going to reach their product and brand to the consumer so that consumers buy your product and brand and they give you revenues, the revenues with which your organization grows and then you become bigger and you launch new brands, new products and so on so forth. So in any organization marketing concept is like an article of faith because only if you enhance your revenue potential your organization would grow. So because it is an article of faith and because marketing concept is linked to delivery of marketing department and in within marketing department it is linked to the delivery by brand managers what happens is marketing concept is that importance get transferred to the importance of brand manager. So today we see that there is a halo around the brand manager's idea and that halo is because of

this fact that marketing is very important to an organization and therefore brand manager is very important to the brand and to the organization.

One example I would give and that is of Steve Jobs of Apple phone. Today nobody will deny when we say that Apple is one of the biggest brands existing in the world and if we think of one name which can be associated with Apple brand that is Steve Jobs. Now Steve Jobs was not really a brand manager, he was a CEO, he was a design manager perhaps, he was an innovation manager but the way he branded, the way he marketed his product, the way he created a need for the product, the way he communicated that there is a gap in the marketplace and that gap is being filled by Apple products. So the way he communicated and the way he designed his product while he was everything else he was also a very powerful brand manager and there is a halo around Steve Jobs because of the way he created this brand called Apple. So something similar happens perhaps not in the same intensity and scale but it happens to all brand managers who are managing respective brands.

I will finally leave you with one example from Indian system. Now if you look at the picture you will see that a familiar picture of Amul girl and we all know the tagline Atalie butterly delicious that is Amul girl. Now this was created by a person called Rahul Dakhuna. Many of you might be aware of this name Rahul Dakhuna belong to an ad agency. So keep in mind that this is not a brand manager, he is an agency guy.

He is a creative person and he created this Amul girl and today after so many years almost 40-50 years Amul girl continues to remain in the consciousness of Indian consumers. She continues to inspire, she continues to remark on contemporary political sports and other issues in that is happening around the world and it is one of the most endearing character that Indian marketing system has produced for people to enjoy and consume. So Rahul Dakhuna as I said was not really a brand manager, he was an agency manager. In India you will again see that agency managers like Alik Padamsee or Rahul Dakhuna are very important like Prasoon Pa. So there are many important agency managers, renowned popular agency managers who have created who have done this creative work while they have created new and different brands.

Rahul Dakhuna is one of them. Unfortunately till now we do not have names like Steve Jobs in India who can be considered as CEO, who may also be considered as brand managers. We can eagerly look forward to that kind of category of brand managers in the years to come. I hope that some of you who are listening to this lecture will go on to become one such brand manager. Thank you very much.