

Brand Management
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Week - 02
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Good morning all, welcome to another lecture on brand management. In the lectures so far, we have seen what is a brand, what is management of a brand, what activity do we perform as brand managers when we are managing brands. We have also seen what are brand associations and we have seen the associations are primarily of four types, visual, verbal, emotional and sensory. What we have also seen is habit formation is an important ingredient towards building strong brands because if we have the habit of consuming the same brand over and over again over a long period of time, brands gain strength and if they gain strength, they create a space for themselves in the minds of the consumer and that space remains relatively permanent and because it remains relatively permanent, consumers are not willing to experiment with new brands or with another consumer experience and that is why brands remain relatively stable and they continue to sell, they continue to occupy consumers minds for a relatively long period of time. We also saw examples such as Tata Steel where it has been in existence for more than 100 years and it became so strong that it allowed the company or the group which is Tata group to extend itself into many other businesses which are completely unrelated to steel. Similarly we have seen examples of Lux and so on so forth.

In today's lecture, we are going to look at the brand associations, the idea of how they perform the function of raw material in greater detail. If you recollect in one of the lectures, we have shown a continuum of brand management where the process, the activity begins with product, the conceptualization and launching of the product and once we complete the activity of communication, of advertising, of creating an identity for the brand, of launching various campaigns, we can hope that the brand becomes a leader. In that continuum, the continuum of brand management activity, we saw that the foundation of the activity rests upon brand associations and those brand associations go on to contribute significantly in the formation of brand as a leader brand, as an iconic brand or simply as a strong brand that continues to sell in the market for a reasonably long period of time. So, today we will look at brand associations as raw material, the idea of it in greater detail.

Let us move further. Before we go to those four different types of associations, we must know that an in-depth understanding of brand association is a necessity. It is a necessity because what really consumers are experiencing about your brand, we are not very sure. We may be sure about the primary association. For example, when I ask someone about

say, Lux, people would say it is about celebrities, it is about film stars.

They may also talk about the color of the soap, they may talk about the price of the soap, they may also talk about the packaging, how it looks, it is white in color or it is pink in color and so on. People may also talk about the fact that Lux is being used by generations. So maybe my parents have used, perhaps their parents have also used and so there is a reasonably large body of experience that we have about the brand Lux. However, these are called primary associations and these are the associations which people recall almost quickly or spontaneously. However, brand managers must not be satisfied with these primary brand associations alone because these are obvious and these are known to everybody and therefore, they do not give any significant insight to the brand manager on which they can perform managerial interventions like launching a new campaign or creating a new product or extending the brand and so on so forth.

So brand managers must look at secondary brand associations. So when we say white in color, so if I ask a consumer what comes to your mind when you think of Lux as a brand. He may say white but the person who is conducting research, he must probe further and he must ask what do you mean by white? Does it mean creamy? Does it mean milky? Does it mean smooth? What really does it mean? So you have to go further and probe for the secondary associations. Then only you will get some insights which will be beyond the known and beyond the obvious. So brand managers must seek an in-depth understanding of brand associations.

Only then they would be able to lend a certain depth to their activity. This is also because when consumers experience a brand, most of their experiences are preconscious. Now what does it mean? When it is preconscious, it means that when a consumer is going about making a purchase, or going about a departmental store, buying things that he requires, he may not be paying sufficient attention to all the products on display. He may not be engaging with all the brands, all the products, the way they are laid out, the way they are displayed, the way they are attacking my senses. We may not pay sufficient attention.

We may not even attend to their names, to their color. It is simply a passing by of products and brands that happens in a departmental store in a store. And therefore these images go directly to our mind without really being processed by our conscious brain or by our conscious mind. They straight away go into the unconscious and therefore we may not be even aware that they are entering our mind. Therefore we can also say that they are largely non-verbal in nature.

Why are they non-verbal? Because we are not paying sufficient attention to the name of

the brand, to the meaning that the name conveys and what experience that brand or those brands are registering on our mind. So, since they go straight into our minds, we are not really cognizant of what is happening to us pertaining to brands and images that we are encountering every day all the time if we are not buying that particular product or a brand. So what I am trying to say here is that while we may buy one particular product, but we may evaluate 10 of them or 20 of them and those evaluations often happen unconsciously because since there is a habit, remember we spoke about habit formation. So since there is a habit that we tend to go towards one particular brand when we are buying, it does not mean that we are not evaluating, we are evaluating, but we are doing it unconsciously. We are not processing that evaluation in a cognitive manner and straight away we perhaps go to the brand that we refer and buy straight away.

So as we were saying that these brand associations are not really processed by our cognitive mind and therefore, we are not aware that they exist and that is why it becomes very difficult to elicit them. So while we are saying that the brand managers must obtain an in-depth understanding of brand associations, we must also be aware that these brand associations especially the secondary or the tertiary brand associations are very difficult to elicit because they reside in our unconscious. They reside deep in our unconscious and because of that extracting them, eliciting them is not really easy and therefore, special tools are necessary so that we can extract them and perhaps understand them and then use them for our brand management activity. Let us move forward. One of the major definitions given by the great brand experts like David Acker or Jean-Oel Capferrer is as follows.

You can see it on the slide branding as the enterprise of creating added value in the minds of consumers that is building perceived values beyond the observable physical value of the product and thus differentiating the product. It means and this is a relatively new definition as you can see Capferrer has given this definition in 1997 and David Acker something said something similar in 1991. We know that brand has a very long history and if you recollect one of our lectures, we were talking about how animals were being branded by the number by the name of their owners. So, which means that the branding activity is thousands of year old. However, this definition we are talking about is just about 25 years old.

So, Capferrer and Acker both are great brand experts. They are also professors at different business schools in America and in Europe and you will do well to refer to their works while you are preparing for a course on brand management. However, let us come back to this definition and this says that the value added that is created is about building perceived values beyond the observable physical value. So, which means that when you observe a brand, when you engage with a brand, when you purchase a brand, are you

purchasing only the physical value of the product or you are buying something more.
Let us come back to lux.

Are you buying cleanliness that the soap lux promises? Are you buying the smoothness that the soap promises to you while you apply it on your body or you are buying a status that usage of lux brand confers upon you the status of being a cinema star. So, this is something that you must think about and this is something that these two great marketing experts are also talking about in this definition that branding is an activity where you have to build value which is beyond the observable physical value of the product. So, no matter what the product is you must try and go beyond the physical value of the product. If you recollect one of the experience one of the examples we were giving or talking about was Finical by Infosys. Now, Finical as you would recollect is a software that is used by many banks to conduct banking transactions, but Infosys has lend its own name to it and it has created managerial structure which would ensure consistency of experience of consumers and of bank employees who are using Finical.

So, what they are doing or what they have done is not just they have created value around the product features, but they have created value something beyond that. So, if an employee joins a bank and he realizes that this bank is using Finical he feels great comfort because the bank where from he is coming also was using Finical. Similarly, when a consumer knows that this bank runs on Finical which is an Infosys product consumer will feel more confident of the banks ability to deliver service and be trustworthy for the consumer. So, there are examples galore, but what I am trying to say is that as brand managers our duty is to go beyond the physical value of the product and confer value which is abstract, which is in addition to that which is tangible and that is what the definition of branding is as per Cappere and David Acker. So, let us move further and look at brand associations how they go beyond the perceived physical value of the product.

Now let us really see where do these brand associations reside and how can we access them. If you look at this slide it says large portion of brand perception happens under low involvement conditions and so are stored in the unconscious in non-verbal mode. This is what I was referring to earlier when I was saying that while imagine you are walking inside a department store and you have to buy say a can of coke and you have to buy several other things for your house. Now, as you are passing by various aisles, you are passing by shelves in the store you are looking at various products and brands on display. You may not be intending to buy tea or coffee or biscuits yet you are exposed to them and they are registering in your mind.

However, since you are not paying conscious attention to these brands, you are not

acutely aware of their existence in a verbal mode or in a cognitive mode which means you are not processing those experiences. Those experiences are directly entering through your eyes in a visual manner to your unconscious and that is how they get stored in the unconscious. When I say they are stored in the unconscious what does it mean? It means that they are stored as images in your unconscious and unconscious means that they are not accessible easily because they are pushed down because if they remain in the conscious you will have a large body of information to process which you will not be able to do and you will be overwhelmed. So that is why it is mind performs this activity and it pushes those experiences those images into the unconscious. Another point to note is that these images or these experiences are largely in the nonverbal mode.

What does it mean? When we say nonverbal mode it means that we are not assigning any text or any word to those images. If we do not assign a word our mind is not working. Our mind has not paid sufficient attention to those images. It has not processed those experiences those images cognitively and therefore it has not assigned a word regardless of any language it has not assigned any word to it and because it has not assigned any word it is stored in the unconscious in nonverbal mode. Please remember this nonverbal mode is very important because today all of us are so overwhelmed by language that we tend to ignore our experiences that cannot be captured with the help of language.

And we must also know that a large part of our experience is actually visual. It is not verbal. Most experiences are not the experiences to which we assign verbal descriptions. So that is why as brand managers we must understand that our consumers are carrying impressions of our brand in nonverbal mode in the unconscious and that is what we have to extract from the minds of the consumers. Another point that we must understand as brand managers and specially this point which is almost a corollary to the previous point is the limits of asking.

Now we may feel that when we are doing market survey or consumer research we can ask consumers what really do you think about my brand and we are sure that consumers will be able to answer our questions. However when we have come to this point where we see that most of the experiences are stored in the unconscious in the nonverbal mode we get a glimpse of the fact that even if we ask consumers what tell you what you think about my brands or what are your associations he or she may not be able to verbalize because he has not assigned an equivalent word to that experience and that is why it is important that brand managers know tools which will help the brand managers to extract those nonverbal experiences that are stored in the unconscious of the consumer. What is also done because people think that there are limits of asking and therefore we must apply other techniques and as you can see in this slide the other techniques can be

studying and inferring from behavioral patterns gestures and facial expressions. Now it is also a vast body of work and scientific research where marketers are applying a large number of technology tools to study the behavioral patterns gestures and facial expressions. In fact in many department stores you would see that cameras are fixed with very advanced tools at the back which will analyze even the flicker of your eyelid when you look at a brand.

Sometimes in the department stores some cues are also placed so that they can do or perform experiments on consumers as to how are they reacting to certain brands to certain color or to certain experiences of smell or touch. So these studies are also going on and they all contribute to the marketing research of how and why consumers buy what they actually buy. But in this session we would focus more on consumer memory and we will assert that consumer memory is the primary source of retrieving brand associations and let us understand how consumer memory can be utilized to extract these brand associations with which brand managers can work better. Thank you very much.