

Lecture 7

Why do they matter?

Customers use brands as a means to show “this is what I stand for” & hence use brands to express themselves → The customers remain loyal to brands & they become advocates for those brands → Thus, you can see that people connect emotionally with brands that stand for things that are important to them

Brands for Consumers

Source of Product – Consumers can easily make a purchase decision based on brands. Consumers usually find brands which satisfy their needs.

Lower Risk – Brands mean lower purchase risk to consumers as they are dealing with a product or organisation that they trust

Less cost of Searching for a Choice – If the consumers recognize a particular brand and have knowledge about it, they make quick purchase decisions and save a lot of time. Also, they save search costs for product.

Symbol of Quality – Consumers see ‘brands’ as a symbol of quality and remain committed and loyal to a brand as long as they believe that the brand will continue meeting their expectations and perform in the desired manner consistently.

Symbolic Device – Brands play a significant role in stylizing certain product features to consumers.

Brands for Sellers

Means of Competitive Advantage – A brand helps the firms to provide consistently a unique set of characteristics, advantages, and services to the buyers/consumers.

Legal Protection of Products’ Features – Brands help to protect the unique features/traits of products by legal copyrights.

Satisfied Customer – Brand represents values, ideas and even personality and hence leads to an assortment of memories in customers’ mind and hence satisfied customers.

Means of Profits – Brands form the basis of purchase decision among consumers and thus are a means of financial profits.

Brand Management: Process of building, managing and improving a brand. Its main aim is to differentiate a company’s products and services from its competitors.

“A brand is the most valuable piece of real estate in the world – a corner of someone’s mind” – Sir John Hegarty

(Bartle, Bootle & Hegarty, 2011)

Brand Knowledge: Awareness of the brand name and belief about the brand image. Consumer experience is an important part of this.