

market. However, launching a new brand requires moving resources from the core brand to a new sub-brand which might either affect the sales of the core brand or a company's image. Sub-branding is a common strategy in the airline industry. A number of major airlines introduced express shuttle products such as Delta Express, Shuttle by United or Air France's La Navette, as well as other sub-branded services such as premium cabins like Raffle Class at Singapore Airlines or Club World at British Airways.

**Endorsed brands** - this strategy is used when a company decides to introduce a new product or service under its own name, but the corporate brand is still featured to support the new product brand name and to ensure its credibility. The parent brand communicates value that strengthens the promise of the endorsed brand, but at the same time the endorsed brand can develop its own personality and usually dominates the core brand. Developing endorsed brands is a common practice among hotel corporations. Starwood Hotels and Resorts Worldwide endorsed several hotel brands targeted at different segments. Westin, Sheraton, St. Regis, and other brands offer distinctive value propositions and a loyalty program developed under the Starwood brand name and it is an additional benefit for the customers. Another example of using endorsed brands is McDonald's with its products, such as Big Mac, McNuggets, McChicken, and McMuffin. By adding Mc or Mac to the names of the products, the relationship between the parent brand and the endorsed brands is stressed.

**House of brands** - this strategy focuses on introducing products under their own brand name. While the core brand gets little or no attention, which means that the parent brand is not significant and does not add much credibility to the promoted products. House of brands strategy lets the company develop many unrelated brands which are aimed at reaching different market segments. Additionally, it enables to distinguish new market offerings and avoid incompatible brand associations. However, this strategy can be costly for a company, since the separate budgets are necessary to develop each new brand and introduce it into the market. Many global companies providing consumer products, like Procter & Gamble, Johnson & Johnson, Unilever, and Colgate-Palmolive, use the house of brands strategy. In the service sector Yum! Brands Inc. is an example of the global company that successfully adopted this strategy. The company's brands, such as Pizza Hut, KFC and Taco Bell are the world's leading chains of restaurants. The branding decisions are crucial for a company's success and they are very important when introducing new services into the market. Having a number of options a company has to decide whether to use an existing brand and apply it to a new market offering or to develop a new brand name for a product, or to use a combination of those. If a product is launched under its own name, another important decision refers to defining the relationship between a parent brand and a new brand and deciding which of those