Branding Challenges in Dynamic Market

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Abstract

Branding is a process *involved in creating a unique name and* image *for a* product *in the* consumers*' mind, mainly through* advertising campaigns *with a* consistent *theme. Branding* aims *to* establish *a* significant *and differentiated presence in the* market *that attracts and retains loyal* customers*. Today, brands and other tangible assets represent a significant proportion of a company's enterprise value. The traditional Approach to brand management is changing and there has been shift towards a new paradigm in the marketing organization .This emerging trend represents a more away from a system focuses on the individual brand manager, who is responsible for all the business activities that relate to ensuring the success of a specific brand. The American Marketing Association (AMA) defines a brand as a "name, term, sign, symbol or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers. Therefore, Branding, in dynamic market, is not about getting the consumer to choose you over the competition, but it is about getting your prospects to see you as the only one that provides a solution to their problem. To understand* ***branding in a better way****, it is important to know what brands are? A brand is the idea or image of a specific product or service that consumers connect with, by identifying the name, logo, slogan, or design of the company who owns the idea or image. Branding is when that idea or image is marketed so that it is recognizable by more and more people, and identified with a certain service or product when there are many other companies offering the same service or product.*

Advertising professionals work on branding not only to build brand recognition, but also to build good reputations and a set of standards to which the company should strive to maintain or surpass. Like, Fastrack, it's a brand launched by Titan, the mother company of both these brands is TATA. However, in present scenario, constant fluctuations in the market create challenges for branding. Brand management has proven quite adaptable to differing firm and marketing environments over its existence. As the modern corporation increasingly incorporates horizontal coordination structures, the brand manager may even become part of cross-functional teams. The original logic for the brand manager system in the multiband firm rested on the belief that competition internally for resources would improve efforts on behalf of each brand. But managers for multiple brands in the same product category (such as Pantene shampoo, Ariel detergent, Olay Face cream, and Tide detergent for P & G) often competed as ruthlessly with one another as they did with counterparts from competing firms.

Introduction: Branding is an important part of Internet commerce, as branding allows companies to build their reputations as well as expand beyond the original product and service, and add to the revenue generated by the original brand. When working on branding, or building a brand, companies that are using web pages and search engine optimization have a few details to work out before being able to build a successful brand. Present-day brand managers had to cope with a broader range of variables and pressures from the market place and from consumers who were more in control and were the brand owners and builders. Several elements are responsible for the difficulties now faced by brand managers. They include shifting market trends and greater disruption; shifting lifestyle trends; shifting media trends; and shifting sources of consumer insights. Coordinating domain names and brand names are an important part of finding and keeping visitors and clients, as well as branding a new company. Coordination of a domain name and brand names lends identification to the idea or image of a specific product or service, which in turn lets visitors easily discover the new brand. Branding is also a way to build an important company asset, which is a good reputation. Whether a company has no reputation, or a less than stellar reputation, branding can help change that. Branding can build an expectation about the company services or products, and can encourage the company to maintain that expectation, or exceed them, bringing better products and services to the market place.

Objectives: Brand will always be important given their fundamental purpose – to identify and differentiate products and services. Good brands make consumer's lives easier and better. People are loyal to brands that satisfy their expectations and deliver on its brand promise. The predictably good performance of a strong brand wills always value. Branding is a term that means to create an identifiable entity that makes a promise of value. It means that you have created a consciousness, an

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image and awareness of your business. This is your company's personality. Many businesses try, but fail to come up with a successful brand. Here are the top 10 branding objectives for businesses to achieve:

1. Think Analytically:

Too many companies think of branding as marketing or as having a catch phrase or a logo. It is more than simply vying for attention. A brand warrants attention on a consistent basis, represents something that your audience wants but does not get from your competitors. For example, it could be providing the best customer service in your industry — not just through your tagline or logo — by actually providing the best customer service in your industry.

2. Maintain Your Brand:

Too often, in a shaky economy, businesses are quick to change or alter their identity. Too much of this confuses the steady customers. For guidance, consider big brands — Nike, for instance, has used "Just Do It" as a logo for years. One rule of thumb is that when you have become tired of your logo, tagline, and branding efforts, i.e., when they begin to sink in with customers.

3. Appeasing Your Target Market:

A brand will not be liked by everyone. Focus on the target market for product or service is needed.

4. Know Who You Really Are:

If you are not the fastest overnight delivery service in the world, do not profess to be. Too many business owners think that they are providing something that they don't. Know your strengths and weaknesses through honest analyses of what you do best.

5. Fully Commit To Your Branding:

Avoid letting the company marketing and advertising department handle the "branding," while you work on sales and other important parts of the business. Sales and branding compliment each together as integral aspects of your business.

6. Share the Concept:

If only you and the people in your company get the concept, your target market will miss out. When it comes to branding, if your campaign is created for you and not your target market, your branding will not be successful.

7. Have A Marketing Plan:

Many companies come up with ideas to market themselves and establish a brand identity but have neither the resources nor a plan as to how they will reach their audience. A well-thought out marketing plan is required in place before the branding strategy will work.

8. Limit Excessive Jargon:

Many business-to-business based companies are guilty of piling on the jargon. Jargon such as benchmark, strategic partnering and value added, these examples of jargon does not benefit branding.

9. Be Different The Right Way:

Being different for the sake of being different is not branding. Yes, you will be noticed, but not necessarily in a way that increases sales.

10. Know When You Have Achieved Your Goal:

Businesses that have succeeded in their branding need to quit trying to re-invent the wheel. Just monitor the results of your branding campaign. If your small business is a local household word, spend more time maintaining your professional image.

Challenges in Dynamic Market: All of these create the need for speed, agility, innovation and flexibility in brand management. In this regard, Temporal cited Zara, which has thrived on an "instant fashion" business model. Having shortened its design-to-shelf cycle to five weeks from an industry standard of six months, Zara has changed the whole fashion dimension for customers, who are visiting Zara stores more often because of their fresher lines. Temporal said ethical branding was also on a rise as consumers were demanding that companies become more accountable and ethical, and contribute to sustainable development. Evidence of this can be seen in the high growth of rural banks and other ethical financial models, such as cooperative banks in the India.

1. Globalization of Competition and Greater Openness of Markets:

For an increasing number of cases, the globalization of the world economy can present Daunting challenges. Japanese manufacturers have had unrivalled successes in the motorcycle and Consumer electronics markets, in part due to associations with quality and reliability. The December 1993 issue of Consumer Reports carries brand name ratings in six product categories: Wrist Watches, soft drinks, SLR cameras, perfumes, rack stereos, and miniature televisions. In each category, the top rated brand and over 60% of the top ten brands were foreign.

This attack from global competitors accounts for many sleepless nights for brand managers. Brands often must thrive globally to survive locally. Brand management changes and competitive advantage: model elaboration. A systems model of brand management will be presented in the spirit of Meade and Nason (1991) in the marketing literature. A system can be defined in terms of structure and, with respect to this; the structure of a system refers to the specified set of relationships. The importance of this lays in the identification of potential interdependence among the components, that is, the influence that one or more sets of relationships may have upon the others. To succeed in branding you must understand the needs and wants of your customers and prospects. You do this by integrating your brand strategies through your company at every point of public contact. A brand resides within the hearts and minds of customers, clients, and prospects. It is the sum total of their experiences and perceptions, some of which you can influence, and some that you cannot. A strong brand is invaluable as the battle for customers intensifies day by day. It's important to spend time investing in researching, defining, and building your brand. After your entire brand is the source of a promise to your consumer. It's a foundational piece in your marketing communication and one you do not want to be without.

2. Strategic Alliances:

In the face of global competition, domestic firms may seek alliances with foreign competitors, thus co-opting them and preventing their availability to competitors. Such alliances have become the norm in the auto industry. Or, given shrinking margins and profits at home, companies may seek greater opportunity in the global arena. To survive, companies often have to share costs and risks, and therefore rewards. Increasingly, they also are forced to share knowledge, distribution, and even capital via strategic alliances that can stretch organizational capabilities and change the nature of brand management. The brand manager must coordinate with counterparts outside the firm as well as traditional contacts within.

For many firms, strategic alliances with certain suppliers, distributors, and even former competitors are a key to future competitive strength. Co branding extends to alliances between the complementary brand names of independent producers, for example, Ford's Citibank MasterCard.

3. Collaborating With Competitors:

Although alliances between manufacturers with complementary skills, or between manufacturers and their suppliers and distributors, is natural and understandable, even direct Competitors can find reasons to collaborate. The strength of global challenges encourages domestic competitors to form alliances and creates pressures for changes in antitrust regulation to make the alliance feasible. Global alliances may provide a way of weakening antitrust restraints. This requires new thinking and possibly a split personality for the brand manager, as they need to cooperate in one domain while possibly remaining competitive in another. This may force new organizational arrangements on the firm.

4. Product designing for Global Acceptance:

There are myriad factors that influence both customer and competitor behavior in foreign markets. An emerging strategy that seems to be succeeding is to plan globally and act locally, in which activities such as product design are conducted at a global level, but marketing and other transactional activities are customized locally. Finally, managers must be careful in coping with cultural or language differences. The expansion into Europe was comparatively easy from a cultural standpoint. As Japan developed, the cultural differences were larger, and U.S. business had more difficulty there. As we look ahead, the cultural challenges will be larger still in the rest of Asia – from China to Indonesia in Thailand to India – where more than half the world lives. U.S. companies will have to adapt to those cultures if they are to succeed in the 21st century. The brand manager may press for flexible product designs that contain features important to all markets collectively or options that can be added readily to a basic design to satisfy local requirements. Brand management will be involved actively in seeking out, selecting from, and implementing an array of such options.

5. The Increasing Openness of Markets:

Deregulation often leads to increased competition from outside traditionally defined product – market boundaries. Each of these new competitors are leveraging their established relationships with customers to penetrate the credit card market rapidly. To contain threats, banks have gone into partnership with airlines and telecommunication companies to offer credit cards with "frequent user" miles. The effects of deregulation are felt in varied industries, ranging from import / export to telecommunications, health care, and transportation. It is worth nothing that competitive forces often precede deregulation. They are both a cause and an effect. The challenge to brand management is sometimes how to adapt proactively to harsh new market realities before the protection afforded by regulation is removed.

6. Impact of Change in Technology:

The pace and nature of technological change is itself affected by the globalization of markets. Globalization means larger markets for the products of technology and greater need to coordinate management activities over wider expanses of distance and time. Greater opportunity and reward brings more players to the table and affects the direction of research efforts. Technology can be leveraged to gain competitive advantage or technological change can be resisted by entrenched interests to their own detriment. Other impacts of technology on brand management follow.

7. Product Innovation:

Technological innovation often leads to new and better ways of solving old problems. These innovative new products may offer greater functionality at lower costs and can displace existing products (e.g., compact discs replacing cassettes; camcorders replacing 8mm movie cameras), thus providing opportunities for new entrants that may not have been otherwise available. Innovations sometime provide additional opportunity for complementary products (e.g., simplified programming devices for VCRs). Brand managers are challenged to think creatively, even in mature or stable product categories. Often innovation in the nonproduction dimensions of service, imagery, distribution (e.g., direct mail), or creative pricing (e.g., frequent flyer plans) can create differentiation. The brand manager is often in a position of leadership in identifying such opportunities.

8. Convergence of Product- Markets:

Technological advances sometimes have blurred boundaries between product markets. The challenges to brand managers include (1) how to utilize skills from one product market in another, (2) assembling and managing skills of several partners (i.e., ignoring traditional organizational boundaries) in developing and marketing new products and services, and (2)managing joint promotions and ensuring that "partner brand" strategies do not adversely affect their own brands.

Regardless of whether it is technology – driven, the search for defensible competitive advantage also has extended the boundaries of existing product categories or blurred existing definitions. Many industrial producers have discovered the added value that a recognized brand name, as an ingredient or component, can add. By establishing a credible brand present in the final consumer market, producers such as Intel, with its "Intel Inside" campaign, or TATA, with its Titan or Sonata brands, are attempting to further their influence with manufacturers of personal computers and watches.

9. Time-Based Competition (Market Entry Timing):

In an era of rapid technological change accompanied by fast innovation, shorter product life cycles, and converging markets, time-based competition is becoming increasingly important. Companies with shorter product development cycles can close in on potential markets faster. Each product iteration enables a fast-cycle company to apply marketplace learning (e.g., features and functions that customers like or do not want), thereby potentially improving success of the next model. Brand managers acquire greater control. When competitors can leverage similar technologies to duplicate products and services, speed is even more important.

10. Changing Consumer Markets:

It is at the product – market level that broad environmental forces are transformed into specific competitive threats and opportunities that require new and creative brand management responses. Both customers and competitors learn and adapt. Once PC buyers learned that IBM compatible clones were reliable and used the same components as name brands, they refused to pay hefty price premiums for IBM or Compaq. The introduction of Microsoft "Windows" improved the user-friendliness of PCs and drove Apple and IBM – compatible computers, closer together and made each more vulnerable to price competition from the other. Corporate downsizing and corresponding reduction in in-house purchasing expertise may imply increased importance for intangible "product" components such as the service and relationship dimensions. This shift may cause an increase in the importance of corporate brands and bring reward to reapportions that are compatible. The brand manager must become ever more sensitive to these possibilities. Brand management is challenged to understand the dynamics of changing markets and manage brand association.

11. Measuring Market Change:

Because it is inherently individual and multidimensional, brand equity can be difficult to measure, and even an appropriate measure can depend on user purpose. A variety of measures have been proposed in the literature of offered as the proprietary products of market research and advertising firms. Each has strengths and weaknesses and must be evaluated in light of brand management's purposes. The brand manager gains understanding of the relative contribution of product attribute perceptions and no attribute imagery to the brand equity for different segments and enables valuation of a brand's extension to different product lines and other markets. The rapid increase in market information for managing brands, particularly from scanner technology at the retail level, has had a major effect on how brand management decisions are made. Such research data are more objective and can be collected and processed in a timely fashion. Often historical data for a product category are immediately available to the manager when the need for them arises. Increasingly, more and better decision aids have been created to analyze such data. The different strengths of data collected at the household (micro) and store (macro) levels might be combined to offer the brand manager more detailed information about brand preferences and socioeconomic characteristics of buyers (and segments), along with information regarding the sensitivity of the market to price promotions, the impact of a brand's strategy on competitors, and the vulnerability of the brand to competitive actions.

Six Common Challenges to Brands:

1. The Shift from Strategy to Tactics:

With the increasing pressure to generate ever-improving profitability, it is often considered as luxury for managers to develop long term strategic plans. This is further exacerbated by short-term goal setting, which is frequently designed preliminary for the convenience of the financial community.

2. The Shift from Advertisement to Promotions:

As a consequence of the increasing pressure on brand-manager to achieve short term goals, there is a temptation to cut back on advertising support, since it is viewed as a long term brand-building investment, in favour of promotions which generate much quicker short term results.

3. On-Line Shopping:

The internet is facilitating on-line shopping. Online shopping is different traditional mail order because brands are available all the time and from all over the world; information and interaction are in real time; Consumers can chose between brands which meet their criteria, as a result of selecting information which is in a much more convenient form for them, rather than the standard catalogue format.

4. Opportunities from Technology:

Brand Marketers are now able to take advantage of technology to gain a competitive advantage through time. Technology is already reducing the lead time needed to respond rapidly to changing consumers need and minimizing any delay in supply chain.

5. More Sophisticated Buyers:

In B2B marketing there is already an emphasis on bringing together individuals from different department to evaluate supplier's new brands. As interdepartmental barriers break down even more sellers are going to face increasingly sophisticated buyers who are served by better information system enabling them to pay off brand suppliers among each other.

6. The Growth of Corporate Branding:

With media inhabiting individual brand advertising, many firms are putting more emphasis on corporate branding, unifying their portfolio of brands through clearer linkages with the corporation, which clarifies those all the line brands adhere to. Through corporate identity program functional aspects of individual brands in the firm's portfolio can be argument, enabling the consumer to select brands through assessment of the value of competing firms. Firms developed powerful corporate identity programs by recognizing the need first to identify their internal corporate values, from which flow employee attitude and specific type of staff behavior. Secondly, to devise integrated communication programs for different external audiences.

Conclusion: Branding and brand management has clearly become an important management priority for all types of organizations. To put the academic literature in marketing in some perspective, it could be argued that there has been somewhat of a preoccupation with brand extensions and some of the processes that lead to the development of brand equity. Although much progress has been made, especially in the last decade or so, a number of important research priorities exist that suggest that branding will be a fertile area for research for years to come. This review of these different areas suggests a number of specific research directions in those various research programs. Many important branding questions and issues are yet to be resolved. The above discussion will hopefully stimulate progress in these and other areas.

Needless to say, brand managers appear increasingly challenged. The world of the brand manager is complex and becoming more so. Technology is at once a curse and an opportunity –while creating new capabilities for the brand manager; it also provides a need for new skills and different vision. The forces brand managers face is not temporary. If anything, they increase the need for the type of coordinated management brand management traditionally has as its strength. Brands continue to have value in a competitive marketplace and undoubtedly will continue to exist. Although specific organizational forms may change, brand management itself will adapt and thrive as managers accept new challenges by improving their competitive ability. The global management of brands, especially with respect to whether, when, and how brand names can be used as sources of competitive advantage in an increasingly global economy; The impact of information technology on the brand management system and brand manager's job-how that job is changing as decisions are decentralized and involvement in those decision is broadened both inside and outside the organization.

Better understanding of the circumstances under which brand equity varies and when individual-or segment-level measures are better. Globalization may imply that buyers are less (more?) homogeneous then they may be domestically. The role of usage application on brand equity is poorly understood; the relationship between the shift in power in distribution channels and the control over brand over brand names and the marketing programs that support those brands. Must private label national brand status create a fundamental distinction, irrespective of quality of the product? The development and importance of corporate brands and brand identity, especially within business-to-business and service contexts; The understanding of better ways to manage joint and co-branding and other forms of strategic alliances, especially those between erstwhile competitors

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