

MKTG 778: Strategic Brand Management

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More and more firms have come to realize that their brands are among their most valuable assets. The goal of this course is to teach students the strategic significance of brands in creating shareholder value and to develop the necessary critical thinking skills for appropriate implementation of those strategies. Using lectures, cases, discussions, exercises, and a group project, the students will learn the general core principles associated with branding including:

- an understanding of how to develop a brand positioning
- managing total brand experience
- how to manage the brand relevancy over time
- familiarity with the various qualitative and quantitative methodologies that are used to evaluate brand equity
- how to achieve growth through brand extension
- brand design and brand messaging

Course Philosophy:

The basic philosophy for this course is to blend theory and practice of brand management. Branding is both an art and a science. Few branding situations have a definitive, unqualified “right” answer as to what is the best approach. However, when armed with relevant and comprehensive theories, appropriate frameworks and models, and familiarity with past successful and unsuccessful branding strategies, managers can make better and more informed decisions that are more likely to yield successful implementation.

While the course has obvious relevance for those contemplating marketing or consulting careers, it is also appropriate for a range of professionals as there is little in business that doesn’t at some time or another wrestle with branding issues.

Course Requirements:

Class Contribution (25%):

- *Adequate preparation for each class session.* This requires students to develop a point of view regarding cases, exercises, theoretical and/or business press readings, and data analysis activities.
- *Regular attendance.* If a student will miss a class s/he should inform me in advance via e-mail, or, in the case of emergency, as soon as possible afterward. Students are responsible for making up work missed during an absence. In grading class participation, absences are marked as "excused" or "unexcused." Unexcused absences will adversely affect a student's course participation grade.
- *Contributions to discussions in the classroom.* Students' class contributions will be judged on the basis of the quality of commentary offered, and its role in facilitating the process of collective learning in the classroom. High-quality classroom contribution requires students to:
 - state clear assumptions
 - support inferences with evidence
 - draw logical conclusions
 - communicate clearly, concisely, and specifically.

Further, effective contributors help others learn by fitting in with the discussion, adding new insights, synthesizing multiple points of view, redirecting a discussion that has hit an impasse, clarifying ambiguities, provoking constructive debate, or encouraging in-class discovery. The benefits of listening cannot be overstated. Class participants share in these responsibilities for learning by avoiding disruptions and distractions, resisting the temptation to elaborate or repeat unnecessarily, respecting others, and speaking with honesty and candor, thus guaranteeing a valuable learning experience for all.

- *Case Analyses:* I may randomly cold call students in discussions of the cases. Read the case discussion questions carefully before any class that a case is assigned and please be ready with your thoughts and recommendations. Your performance during case discussions will be included in the class participation component of your course grade.
- *In-class exercises:* There will be some in-class exercises. These will be graded and will contribute to your in-class contribution score.

Brand Audit Project (group grade) 75% —for more detail about the project and grade breakdown, please see appendix

Students will form brand management teams to work on this project. The goal of the brand audit is to assess the sources of brand equity and suggest ways to increase brand awareness and grow revenues.

Brand audits are made up of **brand inventories** (comprehensive summaries of a firm's marketing and branding program) and **brand exploratories** (in-depth consumer profiles). More details are provided in Chapter 3, p. 162 of the textbook with an example for Jose Cuervo, p. 166. and **recommendations**.

Textbook:

Strategic Brand Management: Building, Measuring and Managing Brand Equity (3rd edition)
Kevin Lane Keller, Prentice Hall 2008
Web cafe has additional readings (both required and recommended)

Understanding the Brand: Identify clear value proposition, positioning
Measuring the Brand: measure brand performance
Managing the Brand: grow and sustain brand equity

Lecture Date	Text Book Readings for Lecture and Assignments Due	Recommended Readings and REQUIRED Case Readings	Topic
1. Thursday, Sept. 1, 9:30-12:30	<p>Chapter 1 & 2</p> <p>Choose team members for Group Project (in class) and choose brand.</p>	<p>Interbrand Top 100 Global Brands</p> <p>“Brands and Branding,” Holt (2003), <i>HBR</i></p> <p>Farquhar (2000), “Brand Waves: Building Momentum throughout the Ownership Cycle” <i>Marketing Management</i></p> <p>MacInnis, Moorman and Jaworski (1991)</p>	<p>Intro: What is brand equity?</p> <ul style="list-style-type: none"> Strong brands vs. weak brands <p>Memory</p> <ul style="list-style-type: none"> Sensory memory Working memory Long-Term memory <p>CUSTOMER BASED BRAND EQUITY (CBBE):</p> <ul style="list-style-type: none"> Hierarchy of Needs MOA Model CBBE Model
2. Friday, Sept. 2, 1:00-4:00	<p>Chapter 3</p> <p>Chapter 5</p> <p>In-class :</p> <ul style="list-style-type: none"> Value Map framework POD’s, POS Experiential positioning project <p>For your group brand and its competition</p>	<p>Keller, Sternthal and Tybout (2002), “Three Questions You Need to Ask about Your Brand” <i>Harvard Business Review</i></p> <p>YoungMe Moon (2005), “Break Free from the Product Life Cycle,” <i>Harvard Business Review</i></p> <p>Aaker (2003), “The Power of the Branded Differentiator,” <i>MIT Sloan Management Reivew</i>.</p> <p>Pine and Gilmore (2001), “Welcome to the Experience Economy,” <i>Health Forum Journal</i>.</p> <p>Chase and Dasu (2001), “Want to Perfect Your Company’s Service? Use Behavioral Science,”</p>	<p>STRENGTH OF BRAND RELATIVE TO THE COMPETITION</p> <ul style="list-style-type: none"> Brand Positioning Process Brand Personality Branded Differentiator Branded Ingredients <p>BRAND EXPERIENCE</p> <ul style="list-style-type: none"> Retail Branding Branding of Services Experiential Branding

Lecture Date	Text Book Readings for Lecture and Assignments Due	Recommended Readings and REQUIRED Case Readings	Topic
		<p><i>Harvard Business Review</i></p> <p>CASE: Clorox (see questions below)</p>	
3. Friday, Sept. 9, 1:30-4:30	<p>Chapter 4 Chapter 9</p> <p>Brand Inventory Due 12 photos of another team's brand due</p> <p>In-class Zmet Exercise</p>	<p>Zaltman, Coulter and Hige (1995), "Seeing the Voice of the Consumer," <i>Journal of Advertising Research</i></p> <p>Roedder John, Loken, Kim and Monga, (2005, "Brand Concept Maps: A Methodology for Fortifying Brand Association Networks," <i>Marketing Science Institute Working Paper</i></p>	<p>Messaging, Brand Communications:</p> <ul style="list-style-type: none"> • Brand Design • Brand Packaging • Advertising • Social Media <p>MEASUREMENT FOR EVALUATION OF BRANDS:</p> <ul style="list-style-type: none"> • Qualitative Methods • Laddering • ZMET • Brand Maps • Ethnography
4. Saturday, Sept. 10, 9:00-noon	<p>Chapter 7, 12</p> <p>Brand Exploratory Due</p>	<p>Keller and Sood (2003), "Brand Equity Dilution"</p> <p>Aaker, (1997), "Should You Take Your Brand to Where the Action is?" <i>Harvard Business Review</i></p> <p>Aaker(2004), "Even Brands Need Spring Cleaning" <i>Brandweek</i></p> <p>Aaker and Joachimsthaler (2000), "The Brand Relationship Spectrum: The Key to the Brand Architecture Challenge," <i>California Management Review</i></p> <p>CASE: Polo (see questions below)</p>	<p>BRAND SYSTEMS/BRAND MANAGEMENT</p> <ul style="list-style-type: none"> • Corporate marketing • Global Brands • Brand Hierarchies • Cause Marketing <p>GROWTH: BRAND EXTENSIONS</p> <ul style="list-style-type: none"> • Extensions • Co-branding • Licensing

Lecture Date	Text Book Readings for Lecture and Assignments Due	Recommended Readings and REQUIRED Case Readings	Topic
		<i>questions below</i>	
5. Friday, Oct. 7, 9:30-12:30	Chapter 8, 10 In-class Brand Valuation Exercise	Interbrand: Best Global Brands Interband: Brand Valuation	<ul style="list-style-type: none"> Quantitative Methods Brand Awareness Brand Attitudes Conjoint Price-Market models Brand Valuation
6. Saturday, Oct. 8, 1:00-4:00	Chapter 13, p. 337-end of Chap. 6 Brand Audit Final Paper Due	Mininni (2005), "Maintaining Brand Relevance with Kids," <i>Young Consumers</i> Keller (1999), "Managing Brands for the Long Run: Brand Reinforcement and Revitalization Strategies," <i>California Management Review</i>	BRAND RELEVANCE, REPOSITIONING <ul style="list-style-type: none"> Managing Brands over Time Brands in Crises Brand Audit Presentations

CASE: Clorox: Positioning the Clorox Toilet Wand System

Clorox is planning to launch the sixth entrant into the new and fast-growing toilet cleaning systems space in April 2004. This case is about how Clorox should position its product given it is such a late entrant.

DISCUSSION QUESTIONS:

1. Should Clorox enter the toilet cleaning systems space?
2. Who should be the target consumer for the Clorox ToiletWand?
3. Identify the competitive frame for the ToiletWand. How should the ToiletWand be positioned in relation to its competitors?
4. What benefit of the ToiletWand is most important to the target consumer?
5. In its marketing plan, what should ToiletWand define as its point of difference?
6. Write the positioning statement.
7. Write the strategy statement.

CASE: Polo Ralph Lauren

The Ralph Lauren brand is one of the world's premier brands, universally recognized and associated with a distinct design, luxury, and quality. Unlike many other high fashion brands, Ralph Lauren has managed to be successful in many different lines offering products for men, women, children, and home furnishings. How does this company manage across so many different products without diluting brand equity?

DISCUSSION QUESTIONS:

1. Compare Ralph Lauren's market position relative to that of its competitors. Is their position sustainable over the long term? Why or why not?
2. Polo Ralph Lauren is currently juggling a lot of things including multiple brands, multiple collections, multiple channels and multiple licensees. What is the role of each of these elements in Ralph Lauren's overall business model?
3. What do you think is important when managing relationships with retail stores in order to guarantee that the image of the brand is accurately conveyed?
4. Does the luxury image suffer when POLO products are available at chains such as Costco?
5. What extensions could RL add in the future and why? What extensions do you think would not be able to go under the Ralph Lauren name and why could the power of the brand not extend to those items?
6. Is the brand protected if something should happen such that Ralph Lauren, the company founder, is no longer able to participate in the management of the company?

APPENDIX

ZMET project:

1. Record the stories told from images brought
2. Which pictures did respondent think about and not bring (draw a “note” of the missing image)
3. List the names of the “piles” the images were sorted into
4. Kelly Grid: what differentiates two photos from another (interviewer randomly selects the three images)? Keep doing this until nothing new emerges; usually requires 4 triads.
5. Laddering: start with the photos and ladder up to get the terminal value
6. Pick three most representative images: ask respondent to “imagine widening the frame” for each image. What’s just outside the frame? What might enter the picture to reinforce or maybe contradict the meaning? (representative image, opposite image task)
7. Sensory images: participants are asked to use non-visual sense to convey what is and what is not representative of the concept being explored (taste, touch, smell, sound, feelings/emotions, color)
8. Draw a mental map summary of the discussion so far
9. Digital Image: Create a summary image or montage key ideas so far. Explain the digital image as if the listener had not been present through the interview process
10. Vignette: imagine a short movie that describes your thoughts and feelings on the brand

Write a synthesis or summary report based on the analysis of steps 1-10. The goal is to identify the key perceptual dimensions that underlie the collection of photographs. Think of it as the “correct diagnosis.”

Group Project

There are three parts to this project:

1. Brand Inventory 20%.

Brand Inventory: a current comprehensive profile of how all products and services are marketed, branded and sold by a company (supply side).

- a. Identify all brand elements (logos, symbols, characters, packaging, slogans, trademarks)
- b. Identify the inherent attributes of the product/idea/service (pricing, communications, distribution policies, other relevant marketing activities)
- c. Profile direct and indirect competitive brands for points of parity and points of difference.
 - Understand what consumers' current perceptions may be based on
 - Assess the consistency and continuity of marketing programs
 - Assess perceptions of line and product extensions by customers and distribution channel
- d. Create a SWOT analysis for your brand.

2. Brand Exploratory 20%

Brand Exploratory: An investigation of consumer knowledge of the brand, awareness, and the strength, favorability, and uniqueness of associations (category, use, brand promise...). Research activity is directed to understanding what consumers think and feel about the brand and its corresponding product category in order to identify sources of brand equity and suggestions for new strategies for the brand.

- a. Analyze prior research studies (internal, external)
 - b. Analyze media (trade magazines, business publications, and company sources) interpretation of brand and product category (to substitute for interviews of internal personnel)
 - c. Analyze qualitative research generated by classmates
3. Final Report and Presentation (35%)

The final report will include your brand inventory and your brand exploratory, and should provide recommendations for the strategy for the brand going forward.

Each team will present their brand audit to the class. In addition I would like a copy of the presentation slides on the day of the presentation.

Your final recommendations should address the following:

1) Using the formula:

‘Traffic x Conversion x AOS (average order size) = Revenue

How can you grow sales? Consider:

- How do you increase brand awareness? (will help drive traffic)
- How do you increase conversion?
- How can you increase loyalty?
- Is positioning right?

2) How can you affect the formula using the following initiatives (as appropriate)?

- Social Media
- CRM
- Cross-channel initiatives
- Technology
- Customer service
- Trade shows
- Marketing
- E-commerce opportunities
- Physical retail opportunities (e.g., pop-up stores, partnerships with dept. stores, stand-alone stores)
- Celebrity placements
- Licensing opportunities
- Public relations/guerilla marketing

3) Consider *possible* growth opportunities for the brand through meaningful brand extensions, e.g., (may not be relevant/worthwhile for all brands, but something to consider)

4) Identify the following:

- Which component of the formula will be affected by your various suggested initiatives?
- What is your projected increase in that variable(s)?
- Prioritize your initiatives and map the dependencies among them
- What is the required investment for your initiatives and what is your predicted ROI for that investment?

Each of you will be asked to evaluate the contribution of your team peers at the conclusion of the course. These evaluations will be used in determining project evaluations.