

MARK BAIER,
CEO, BJETS

MIND YOUR Brand

How does a product obtain a cult status? How does it become a must-have even though the choice is varied? The answer lies in branding. MillionaireAsia gives you some simple tips to enhance the value of your merchandise endorsed by top CEOs of cult brands.

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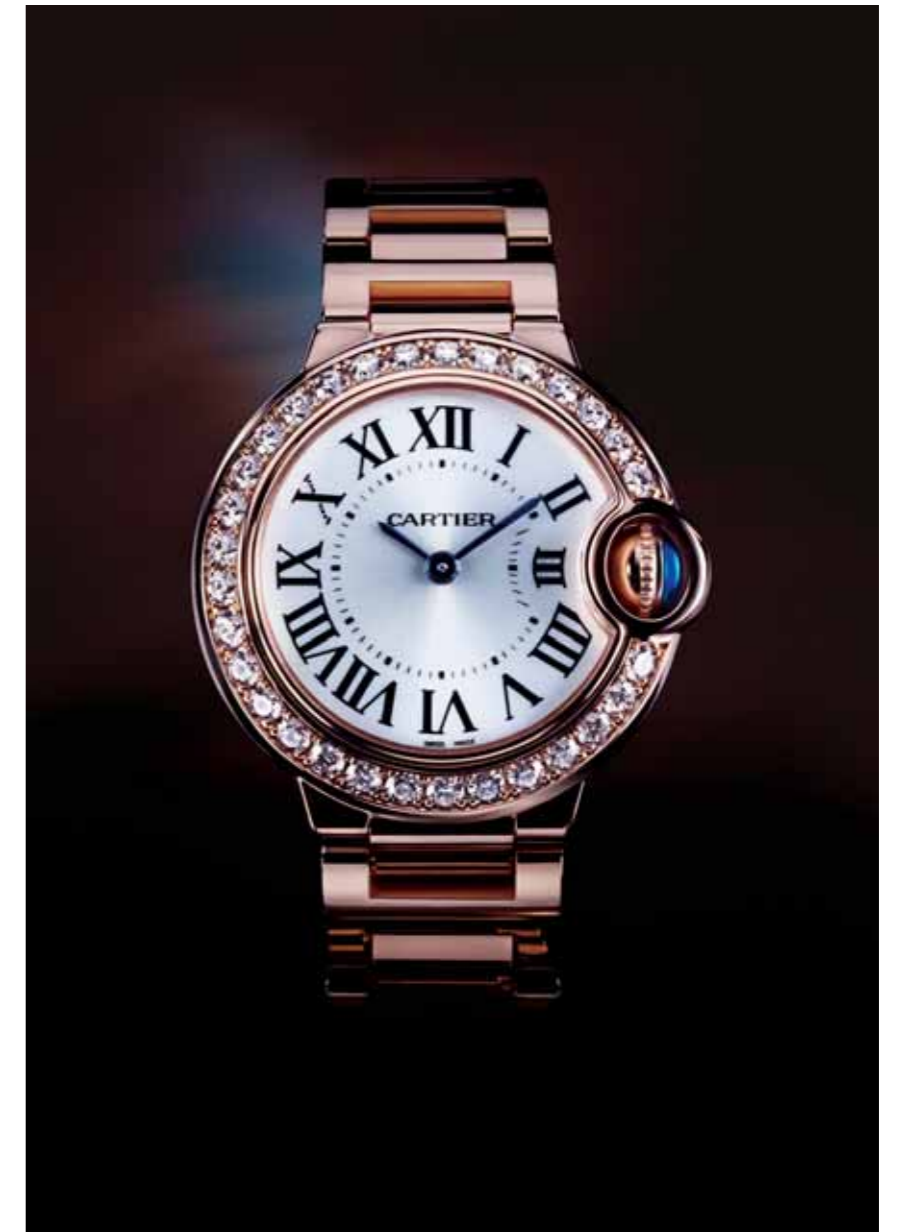
With the recession hitting one and all, safeguarding your business gained paramount importance. A very important part of business is branding your product or service. Academically, a brand is a name, term, symbol, sign or design, or a combination of these, that identifies the maker or seller of a product or service. The brand name becomes the basis on which an entire story can be built about a product's special qualities. The seller's brand name and trademark provide legal protection for unique product features that otherwise might be copied by

competitors. Mark Baier, CEO, BJETS explains, "Brand is of utmost importance to any product/venture in today's market place. For us, in particular, it is critical. We stand for safety and quality which is what our travellers want. This must be reinforced by our brand."

Brands, however, are more than just names and symbols. The real value of a strong brand is its power to capture consumer preference and loyalty. As Madhur Daga, Executive Director, Orient Ceramics and Industries Ltd. (OCIL) puts it, "Though we had the best quality standards in the tile industry, we didn't

have sufficient brand pull. Therefore, Orient Tiles needed a new orientation. As a part of our strategy, we needed to engage in brand building, which included product innovation, customer focus and above the line/below the line spending."

Some brands become larger-than-life icons that maintain their power in the market for generations. Take for example Cartier. "Cartier sees India as a very important region and its culture very influential in art and jewellery. The house's association with the country has spanned a hundred years, beginning



BUSINESS

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PATRICK NORMAND,
MANAGING
DIRECTOR (SOUTH
EAST ASIA AND
MIDDLE EAST,
CARTIER)

when Jacques Cartier visited India in pursuit of fine pearls and persuaded a number of Maharajas to reset their jewels using Cartier designs. A necklace that was created for the erstwhile Maharaja Sir Bhupinder Singh of Patiala by the House of Cartier in 1928 remains one of the most expensive pieces of jewellery ever made. Furthermore, many of Cartier's designs from the traditional Tutti Frutti collection to the latest Inde Mysterieuse collection, in addition to other High Jewellery pieces are inspired by the Indian culture and art," says Patrick Normand, Managing Director, Cartier (Middle East & South Asia).

Brand Equity

A powerful brand has high brand equity. Brand equity is the positive differential effect that knowing the brand name has on customer response to the product or service. A product with high customer affinity but low product differentiation has more brand equity.

Since a powerful brand enjoys a high-level of consumer brand awareness and loyalty, the brand carries high credibility and it can easily launch line and brand extensions. A powerful brand also offers the company some defence against fierce price competition. Thus, the key to a successful brand is increasing your brand equity. "They understand the 'soul' of their brand. What they need are solutions to keep it intact without compromising commercial success," says image guru Dilip Cherian

Quality and Exclusivity

A brand, first and foremost, should provide quality and exclusivity to capture the market effectively. Providing good quality products is one of the primary steps to creating a brand. Take any name - Rolls Royce, Breguet, Porsche or Parmigiani - they are first and foremost known for their quality and design innovation. "Customers constantly need new designs. Product design is a

fundamental part of brand building. To further that aim, we devised the 4D strategy: Design, Develop, Display and Deliver," explains Daga.

The standard of a product is defined by the exclusivity they provide to customers. Normand explains, "Cartier has been a leader in exclusivity and its creations have proven over the years to be timeless, distinctive and unique. A fashion product exists within a limited time frame, after which its appeal fades. Cartier creations, on the other hand, are timeless. At Cartier, exclusiveness and distinction is what our clients look for."

Brand positioning

Marketers need to position their brands clearly in target customers' minds. The brand's intent should be clearly expressed. Theoretically, a brand can be positioned at three levels. At the initial level, you can position the brand on product attributes. However, competitors can easily copy attributes. Also, customers are less interested in attributes and more interested in what the attributes will do for them. A brand can be better positioned by associating its name with a desirable benefit. Some successful brands positioned on benefits are Volvo (safety), Hallmark (caring), Harley-Davidson (adventure) and Nike (performance).

Cherian explains whether you should make your brand a household name or not - "I would take the middle path - expand the universe of familiarity but maintain the universe of access. Unfortunately, so far, luxury brands have tended to focus on the latter hoping that limited access would automatically bestow premium and therefore aspiration."

The strongest brands go beyond attribute or benefit positioning. They are positioned on strong beliefs and values. The key is in touching a universal emotion. Marketing through taglines and advertisements which evoke an emotion will go a long way in promoting your brand.

Managing Brands

OCIL saw a 15 per cent growth over the last year after continued efforts in



brand building. They also experienced the maximum growth in the tile industry from September 2008 to December 2008. However, it is equally important to manage your brand once it is positioned. First, the brand's positioning must be continuously communicated to the consumer. Sometimes, brands are not maintained only by advertising but by the brand experience. Today customers come to know a brand through a wide range of contacts and touch points. These include advertising, but also personal experience with the brand, word of mouth, personal interactions with the company people, telephone interactions, company web pages and many others. The company must put as much care into managing these touch points as it does into producing its ads. Baier also explains this as his mantra to capturing the Indian market, "We have a very direct sales oriented product so we make sure that we are in close touch. For example, we

approach our audience through targeted meetings, closed room events, etc." The brand's positioning may not take hold fully unless everyone in the company lives the brand. Therefore, the company needs to train its people to be customer-centered. The company should carry on internal brand building to help employees to understand and be enthusiastic about the brand promise. Finally, you need to periodically audit your brands' strength and weaknesses. You should ask: Does our brand excel at delivering benefits that consumers truly value? Is the brand properly positioned? Do the brand's managers understand what the brand means to consumers? The brand audit may reveal that your brand needs to be repositioned because of changing customer preferences or new competitors. It is very important to be abreast with market developments and to keep adapting yourself to the changing scenario. ■



Wise Words

There are three things one must remember about luxury brands. Firstly, demystification and mystification. Demystification because being a relatively young luxury market, the brand DNA sometimes needs to be explained in finer nuance. At the same time, a certain mystery around the brand not only helps preserve the premium but also allows the consumer to engage with and discover the brand more actively.

Then, who the brand speaks to and where it is seen is obviously a universal consideration. In India bridging the gap between what the brand's environment globally versus what it needs to be in India is the expert advice an image manager can offer, more so in the absence of the exclusive, top-end media and even retail environment.

Thirdly, while at entry, there is enough going for a brand especially when it is a top league (brand). Keeping it alive and relevant six months after the launch becomes crucial especially when global luxury brands are discovering India and consequently a launch a week is not unheard of.

-Dilip Cherian, Founding Partner, Perfect Relations