BRAND NAME CLASSIFICATIONS, ITS STRATEGIES: AN EMPIRICAL STUDY

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ABSTRACT:

This paper primarily presents a review of work of Brand classifications and its strategies which has published in various journals of marketing. The main theme is to relate the theory developed and it's applicability in Indian scenario. To achieve this, a small project was introduced to some of the students of management in the department. They have conduct this survey and presented the data. The author is grateful to them for the task completed. This paper thus reflected and endorsed the development of Brand, its name, classification and strategies significantly differ for different product category. It has also discussed the managerial implications in terms of organization and other factors and the study has limitations which are mentioned.

Key words: Brand name, Brand Classification, Strategies

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INTRODUCTION

Choosing a brand name for a product or service is so critical that some writers argue it is one of the most important marketing management decisions (Landler et al., 1991). A brand name can provide a customer with a symbolic meaning which assists in both the recognition of the product and the decision-making process (Herbig and Milewicz, 1993). A well-chosen brand name can produce a number of specific advantages including suggesting product benefits (McCarthy and Perault, 1990), contributing to brand identity, simplifying shopping, implying quality (McNeal and Zerren, 1981), evoking feelings of trust, confidence, security, strength, durability, speed, status and exclusivity (Shimp, 1993). There are even times, particularly when marketing homogeneous goods, where the brand name may be a product's only distinguishing characteristic (Skinner, 1990).

Although branding has attracted considerable attention from marketing academics in recent years, the overwhelming majority of this interest has been directed at products with physical forms (goods), rather than services. The intangibility factor associated with services has led to the suggestion that branding and image creation may be even more critical for services (Onkvisit and Shaw, 1989). Also, while the rationale for branding is the same for goods and services, at least some of the concepts from the marketing literature associated with goods branding may not apply in the service sector. The authors contend that due to the heterogeneous nature of product and services, branding strategies, particularly brand name strategies, used by diverse types of product and services are likely to differ and follow some principle that can be generalized.

BRANDING AND BRAND NAMES

A brand is a name, term, sign, symbol, design, or any combination of these concepts, used to identify the goods and services of a seller (Bennett, 1988). Although not used in the marketing of all products, branding is an extremely popular practice. However, brand management is becoming an increasingly more complex process. For example, international marketing has fostered the growth of transnational brands, products manufactured in one country and branded by a company from another country (Ettenson and Gaeth, 1991). These brands can be very difficult to manage due to a variety of cultural and communication problems.

For many goods, the decision is not whether to brand, but rather who should brand the product. This is often called the battle of the brands, or, alternatively, brand level decisions. The decision is usually between having the producer develop a manufacturer's brand (sometimes called a dealer brand) or having the retailer use the product as a private brand. Although generic brands (which are actually non-branded products) do exist, their general popularity has been waning for some time now (Lewison and Delozier, 1992).

Brand Associations

Brand associations are fundamental to our understanding of inference making (Alba, Hutchinson, and Lynch 1991), categorization (Sujan 1985), product evaluation Broniarczyk and Alba 1994), persuasion (Greenwald and Leavitt 1984), and brand equity (Keller 1993, 1998). Fundamental to all of these literatures is the assumption that consumers use brand names and product attributes as retrieval cues for information about product performance. In effect, brand names and product attributes are the links to diagnostic information about the product (Feldman and Lynch 1988; Hutchinson and Alba 1991).

The studies show that consumers have not one but two distinct learning processes that allow them to use brand names and other product features to predict consumption benefits. The first learning process is a relatively unfocused process in which all stimulus elements get cross-referenced for later retrieval. This process is backward looking and consistent with human associative memory (HAM) models(Keller1993,1998). The second learning process requires that a benefit be the focus of prediction during learning. It assumes feature-benefit associations change only to the extent that the expected performance of the product does not match the experienced performance of the product. This process is forward looking and consistent with adaptive network models (van Osselaer and Alba 2000). The importance of this two-process theory is most apparent when a product has multiple features.

Brand equity and recall

The concept of brand equity has been the subject of a number of studies and has been viewed from a number of perspectives. It has been described frequently as the value a brand name adds to a product. That value can be a halo extending beyond the current product category to other product classes. Generally, brand equity results from all the activities needed to market the brand. Therefore, it can be viewed in terms of the brand-focused marketing effects of those activities. It has received a great deal of attention recently for several reasons, the foremost of which is the increasing strategic pressure to maximize marketing productivity. That pressure yields managerial attempts to gain advantage by increasing efficiency. In addition, references to marketing success based on synergy, consistency, and complementarily (Park and Zaltman, 1987) have tended to support a deeper understanding of the underlying components of products, and have awakened marketing managers to survival opportunities in an era of flat markets, increasing costs, and greater international competition. Some authors have focussed on the financial aspects of brand equity, more pertinent to determining a brand's valuation for accounting, merger, or acquisition purposes. Others have focussed on the consumer behavior effects specific to a particular brand. For marketers, the consumer effects are the appropriate focus and include a number of cognitive effects.

Various authors have described brand equity in terms of components of brand knowledge. Of all the definitions, the most relevant treats it as the differential effect of brand knowledge on consumer response to the marketing of the brand (Keller, 1993). Brand equity represents a condition in which the consumer is familiar with the brand and recalls some favorable, strong, and unique brand associations. This definition focusses on the individual consumer and the consumer's reaction to the marketing of a particular product. In addition, Keller describes what consumers know about brands and what such knowledge implies for marketing strategy. Keller (1993) conceptualized brand equity using an associative memory model focussed on brand knowledge and involving two components, brand awareness and brand image, described as a set of brand associations.

Consumers who are able to recall a brand name without aid achieve a high level of brand awareness, often termed unaided recall. In this situation, the associative model of memory would describe the strength of association of a brand name with a situation as strong. In the classic consumer behavior model, consumers who recognize a problem and engage in internal search can use unaided recall to generate alternative product choices, or even to engage in routine product choice. Because recall determines which alternatives are generated, those not recalled cannot be part of the consideration set of products, the subset of products that receive serious consideration for purchase. Thus, for many products, brand recall is critical for success.

Brand Name selection

A principal component of branding is the selection of a brand name. A commonly used definition of a brand name is that it is the component of a brand, which can be spoken or verbalized (Bennett, 1988). It can contain words, numbers or letters.
Most introductory marketing textbooks recognize that a good brand name should also have several properties. A short crisp brand name is usually preferred over longer more complex names. It should suggest benefits or qualities associated with the product. A good brand name should be easy to spell, pronounce and remember. It also should be distinctive and free of any negative connotations.

As was mentioned earlier, brand name research has garnered some interest from academic marketing researchers. One study found that subjects felt computer-generated words sounded more appropriate for some products than they did for others (Peterson and Ross, 1972). Zinkhan and Martin (1987) found that "based on product name alone, customers form instant, nonneutral attitudes about the product that may prove difficult to change through the use of subsequent communications" (p. 170). The brand name itself can also influence the degree and nature of the information which consumers are able to recall from memory (Myers-Levy, 1989).

Several other researchers are beginning to explore the use of alpha-numeric brand names, those using one or more numbers in the name (Boyd, 1985; Pavia and Costa, 1993). Based on the research in this area, it appears that alpha-numeric brand names are more appropriate for some types of products. Functional, high-tech, and futuristic products are particularly good candidates for this naming alternative (Pavia and Costa, 1993).

An examination of the branding literature reveals that branding terms and concepts are different for different category of products and services. For example, since services are intangible and therefore cannot be transported, the battle of the brands (manufacturer vs. dealer vs. generic brands) is not directly applicable to the vast majority of services. Other branding terms and concepts which have limited applicability to the marketing of products and services include line family branding, family packaging, brand extensions, and fighting brands.

The debate here concerns the applicability of individual branding in the field of marketing of goods and services. Although Onkvisit and Shaw are correct when they note that some service providers are able to launch and manage several distinctly different brands, Berry et al. are also correct since these different brands are essentially different organizations, at least to the consumer. In these cases the organizational name is still the brand name to prospective consumers (eg:TATA).

If Procter & Gamble decides to launch a new brand of some type of supermarket product, it can usually be supported by the company's established retail sales-force. However, if Holiday Inn decides to introduce a new brand of hotels, a distinct organization must be created to manage that effort and to keep the new brand's image distinct from Holiday Inn. When real estate and facility design expenses are added into the picture, the costs may prove to be too high. Also it is being learned that probably few multiple branding strategies exist in services. Most small firms simply cannot afford to manage two different and a separate entity, launching different brands is probably not possible for financially reasons.

For many smaller firms, a geographical brand name may be an advantage. It may help connect a smaller firm to the market it serves better than a less connotative "nationally appropriate" name might.

However, Berry et al. (1988) do identify four properties which a good brand name should possess: *distinctiveness, relevance, memorability and flexibility*. The meaning of "relevance" and "flexibility", however, may be very different depending on the size and geographical scope of the firm.

BRAND NAME CLASSIFICATION

Descriptive brands: the name describes a key benefit or aspect associated with the product and services (UJALA).

Person-based brands: with this approach the product and services are identified by the names of owners, partners or key individuals (ADAG group). Very commonly used by attorneys and physicians (HANEMAN), celebrity named perfumes., etc.

Associative brands: this type of branding uses fabricated words, or words that do not normally have meaning in this context, and then uses promotion to forge them into an identity (AIRTEL, IDEA,FA etc).

Geographic brand names: this strategy can be used in several different ways.One approach uses local or regional folklore to create a "down home" feel for the product or service. Another variant of this strategy is to use words like "INDIAN" or "US" to provide a patriotic appeal. Finally, distant geographic names can be used to create an exotic image. Examples include, American Airlines, Asian paints, AIR INDIA etc.

Alpha-numeric brand names: this approach uses the combination of letters and numbers (either in numerical form or in script) to describe a product service brand.

Sometimes used because numbers have connotations different than words. Commonly used by banks, examples of this strategy are First Security Bank of Tennessee, Third National Bank.(foreign brands)

THE METHODOLOGY

The specific branding options were developed from a list of names generated from telephone directory accumulated from different capital cities. After examining this list of names, several patterns became apparent and these patterns led to the five options shown above. Although a completely mutually exclusive classification system for product and services is impossible.

In order to determine the frequency with which different product and service brand name strategies are used and the degree to which this usage varies between the product and services, a study of televised commercials was performed. The authors evaluated television commercials which advertised product and /or services firms and noted their classification and their brand strategy selection. This type of methodology is often referred to as “theory-in-use” and is a fairly common practice in consumer marketing research (Zinkhan *et al., 1992).*

The hypotheses formulated as: *There is a significant difference in branding strategies for different product category and brand classification.*

The data were gathered during a four-week time period in the winter and summer and contained advertisements which were run during the morning, afternoon and evening on cable network connection. A total of 173 commercials were evaluated during the period.

In order to assess the degree of branding strategy variance between different types of products and services, a classification strategy was compared. The approach, used to compare differences between product and services, divided the sample into professional and nonprofessional category according to utility. Although this classification can be arbitrary, I defined a professional as a calling requiring specialized knowledge and often long and intensive preparation .Product and services where providers meet those criteria were considered to be professional services, and all others were classified as nonprofessional services.

STUDY RESULTS

When the aggregate data from this study are viewed it becomes clear that the three most commonly used branding strategies are associative branding (24.85%), geographic branding (23.69%), and descriptive branding (21.96%). There were relatively fewer examples of alpha-numeric branding (15.60%), and person-based branding (13.87%) in our sample (see Table I).

Table I displays the results of the brand name strategy decision by the level of professionalism. This table indicates that the brand name strategies used by professional and nonprofessional category are significantly different. Person-based branding is the most common strategy for professional category (28.5%). However, this should be interpreted with caution because of the relatively small number of sample in this category (56 firms). Post-hoc analysis of the data indicates that there were 16 others in the sample and all of them used person-based branding strategies. However, the data also indicated that person-based branding may be much less common in other professional services which advertise on television. In nonprofessional category, associative brand name strategies (28.20%) are the most common, but geographic (24.78%) and descriptive strategies (23.93%) are also heavily used. Chi-square analysis indicates the differences are significant. It also indicates that the differences between the product categories are statistically significant, further indicating those different types of product category and brand classification do employ different branding techniques.

Classification→ Category↓	Descriptive	Person based	Associative	Geographic	Alphanumeric	Total Observed
Professional	10 (17.85)	16(28.5)	10(17.85)	12 (21.42)	8 (14.28)	56(100.0)
Non-Professional	28 (23.93)	8(6.83)	33(28.20)	29 (24.78)	19 (16.23)	117(100.0)
Total observed	38	24	43	41	27	173
Chi-Square $\chi 2$ = 18.6 at d*f* = 4 ; p< .0001						

Note: Percentages in parentheses

Table I. Level by brand classification and category

Managerial implications and recommendations

Brand managers in the different sector face distinct problems which are probably due to their inherent intangibility, provide consumers with fewer cues, which makes their evaluation process more difficult (Zeithaml, 1981). In some cases, the brand name, the price, and the facility or "factory" may be the only cues available to the consumer prior to purchasing the product or services.When coupled with the increasing competitive environment, this lack of information tends to make the purchasing a high risk proposition for consumers (Turley, 1990).

The change in consumer lifestyle from child to independent consumer would appear to provide a marketing opportunity. This window provides an important opportunity for affecting brand choice. Although individuals are likely to purchase the parental brand when they first leave home, this loyalty may be short-lived when new influences on brand choice intervene. This stage in the consumer lifecycle may therefore provide an opportunity for brand switching. Conversely, to retain customers whose families used these products, reinforcing campaigns may prove valuable.

This risk and increased difficulty in evaluation of a category makes the selection of a brand name extremely crucial. A poorly chosen brand name may become a differential disadvantage from which a firm may never recover. Conversely, a properly chosen and developed brand name is a strategy which cannot be easily neutralized by competition and may contribute to a firm's ultimate success. This study indicates that different types of firms tend to use different brand name strategies. In some cases, particular branding strategies may be dictated by custom and tradition. Managers in the firms must exercise caution and research several options before choosing a name for the firm. During this process, managers should be aware of the different branding strategies which are logically available to them. They should also analyze existing competitors to see which general strategies they are following. In order to differentiate themselves, they might consider branding strategies which are not common in their market area. A well chosen brand name which employs a different branding strategy than that used by the competition may help differentiate a firm from its competitors.

RESEARCH -EXISTING AND FUTURE

This theme of this study was generated from a working research paper titled *Brand name strategies in the service sector* by L.W. Turley and Patrick A. Moore. Although there has been an explosion of research during the last decade, much of it has either compared products to services or viewed services as a monolithic mass. Fewer studies have actually investigated the differences between product or service categories (Zeithaml et al., 1985). This study has investigated the differences in managerial strategies associated with branding.

However, a replication of the study described here which utilizes a different method for generating brand names, such as different product and services classification(Philip kotler 1980 edn), needs to be done. Due to the tangible and intangible nature of product and services, the brand name decision is very important and managers can utilize the classification described here to identify broad alternatives when considering new brand names.

Also, more light needs to be shed on the organizational decision making associated with choosing a brand name and its classifications. We do not know what kind of research, if any, firms conduct when evaluating brand name options. Future research might also investigate whether larger firms conduct more formalized research than smaller firms when facing branding decisions. Also, the corporate decision-making process used by firms in different industries could prove to be an interesting study.

Further Name classifications are *peaked* into: *Utility based Brand*; *Celebrity personality based Brand-* Lata Manageshkar perfume, AmitabhBachhan Body deodarant etc.;*Brand Name Extentions-* splendour :splendour+ ; *Brand Name with numeric extensions; International Brand* and its implications.

Since this study is a project study conducted by students of management under the guidance of author with limitation of time and many constraints, many issues were not touched /left with the prior knowledge, which will be dealt in ongoing further study. Efforts are being made for sponsorship to work for the various extensions of this study nationally and internationally.

Any remedies, suggestions and/or collaborations for future development for this and similar nature of study are sincerely obliged.

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