4 - Branding

BUILDING A SUCCESSFUL BRAND

To create successful brands:
- Quality and superior service must be top priority.
- Preempt the competition in the minds of the customers.
- Appropriately differentiate the brands.
- Develop a unique and superior positioning.
- Ensure the communication programme is strong enough to make target consumers aware of the brand and its positioning proposition.
- Maintain brand values consistently and visibly.

WHEN PRODUCT BECOMES BRAND

Core product:
The commodity and its offering
ENERGY DRINK IN A CAN

Actual Product Features:
No features that cannot confer a brand benefit, provide a functional level.

Augmented Product Features:
Taurine, caffeine filled sweetness, in a small can.

Added values and benefits that work on the product.
INSTANT EFFECT, LOW RISK PURCHASE, CLEAN AND SAFE, WHEN TIRED AS A PICK ME UP.

Augmented Product Features:
MORE THAN A DRINK, IT WOULD BE THE LIFE ENERGIZED, REFRESHED, RECHARGED, ANTI-ESTABLISHMENT, EDGY, HIP, HIT.

WHY WHAT AND WHY OF PRODUCT Positioning and Brand

Who buys Red Bull?
Product: What is it for (demographics).
GEN YERS, ADRENALIN SPORTS JUNKIES.

Positioning: When/how is it used.
ADRENALIN SPORTS JUNKIES, IT SUPPORTS ITS OWN HIP PERSONALITY, IT GIVES YOU THE EDGE. WILL MAKE YOU STAND OUT FROM THE USUAL CROWD.

What are they buying?
Product: What will it do? (physical characteristics).

Why should they buy Red Bull?
Product: Why use this brand? (psychographics).
INSTANT EFFECT, LOW RISK PURCHASE, CLEAN AND SAFE, ALWAYS AVAILABLE, PART OF A COOL SUBCULTURE.

Positioning: How our claims are justified.
TRALLLEADS TO REPEAT PURCHASES, IT WORKS AND ALL THE HIP PEOPLE SAY IT AND THEREFORE IT MUST BE SO.

8 WAYS OF POSITIONING

Creative positioning of the brand in the consumers mind
- Consistency: It gives you WINGS and Gives you ENERGY.
- Price: PREMIUM PRICED AND CUSTOMER DESIRE.
- Product Use: ASSOCIATION OF RB AS THE BEST WAY TO GET A RED BULL - CAN.
- User: LINKED TO THRILL SEEKERS AS AIR FORCE CHALLENGE.
- Product Class: RB SEE IT IN A CLASS OF ITS OWN: \( \text{HERCULES/TWO RED BULLS = POWER} \)
- Comparisons: COMPARISON TO RIVALS – MORE THAN A DRINK IT’S A WAY OF LIFE (8-2).

Positioning ERRORS
Underposist: No clear identity in the eyes of the customer. Overposist: Buyers have too narrow an image of brand
Brand posist: Too many claims made for brand to support
Doubtful posist: Lack of credibility in the eyes of the buyer

ABC OF MARKET POSITIONING

Attributes: Distinguishing Qualities, characteristics
Distinguirshing Qualities, characteristics.

Benefit: comparative advantage of product
Branding: What makes our product different

Positioning: Users attitudes, lifestyle, psychographics
Counter offensive - This involves countering an attack with an offer of your own - If a competitor introduces a new product, retaliate with a fighting brand

Counter offensive - This involves countering an attack with an offer of your own - If a competitor introduces a new product, retaliate with a fighting brand

Defensive marketing strategies - These strategies are designed to protect your market share, profitability, positioning, or mind share.

Keeps by Red Bull!

Doubtful posit: \( \text{IT WERE ANEURALAN IT WOULD BE ABLE} \)

WHO WHAT AND WHY OF PRODUCT Positioning and Brand

- Product: What is it for (demographics).
- GEN YERS, ADRENALIN SPORTS JUNKIES.
- Positioning: When/how is it used.
- ADS CONCENTRATION, KEPS YOU GOING, INOVIGATES, STIMULATES MIND AND BODY, GIVES YOU THE COMPETITIVE EDGE.
- WILL MAKE YOU STAND OUT FROM THE USUAL CROWD.
- Branding: What makes our product different
- Positioning: How our claims are justified.
- TRAILLEADS TO REPEAT PURCHASES, IT WORKS AND ALL THE HIP PEOPLE SAY IT AND THEREFORE IT MUST BE SO.
- What are they buying?
- Product: What will it do? (physical characteristics).
- INSTANT EFFECT, LOW RISK PURCHASE, CLEAN AND SAFE.
- Positioning: How/when is it used.
- THE BLOODSTREAM VIA A VISCOUS SWEET SYRUPY LIQUID JOLT.
- Product: What will it do? (physical characteristics).
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**3 - Integrated Marketing – The MARKETING MIX**

**MARKETING ORIENTATED PRICING**

<table>
<thead>
<tr>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Promotion</strong></td>
<td><strong>Price</strong></td>
</tr>
<tr>
<td>High</td>
<td>Slow penetration</td>
</tr>
<tr>
<td>Low</td>
<td>Rapid penetration</td>
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</tbody>
</table>

**PRODUCT LAUNCH STRATEGIES**

- **Push**
- **Pull**

**DISTRIBUTION CHANNELS**

- **4P's**
  - Product
  - Price
  - Place
  - Promotion

**MARKETING MIX**

- **Product**
  - Tangible: Availability and delivery, Performance/ features, Price
  - Intangible: Image/reputation, perceived value, guarantees/ service support, immaterial properties

- **Price**
  - Differential advantage
  - Competitive advantage

- **Place**
  - Physical: What the product is
  - Functional: What the product does

- **Promotion**
  - Symbolic: What it means to have the product
  - Communicative: Customer’s ability to buy the product

- **Search**
  - Experience: Customer can easily discern, evaluate and compare (size, shape, colour)
  - Experience: Cannot be discerned until the customer has used it (taste in case of food)

- **Competitive Advantage**
  - Sources of competitive advantage
  - Cost leadership
  - Differentiation

- **Planning at Product Level**
  - **Target markets**
  - **Competitor advantage**
  - **Advertising targets**

**PLANNING AT PRODUCT LEVEL**

- **Target markets**
  - **Competitor advantage**
  - **Advertising targets**

**DIFFERENTIAL ADVANTAGE**

- **Cost Drivers**
  - Development: Getting the product right most important element of marketing mix, high costs / risks
  - Introduction: Sales low & negative profits due to promotion/ advertising costs
  - Growth: Sales rise rapidly, profits peak, competition starts to increase
  - Maturity: Growth slows down, more severe competition, shake-out of competitors
  - Decline: Caused by introduction of better or substitute products or changes in environment or consumer attitudes

**COMPETITIVE ADVANTAGE**

- **Sources of competitive advantage**
  - **Cost leadership**
  - **Differentiation**
  - **Speed**
  - **Market focus**

**PRODUCT STRATEGIES**

- **Market Penetration**
  - Low entry price to gain market share
  - In other RB competitors did this to fight for lower order of late majority consumers

- **Market Skimming**
  - High initial price to capitalise from those that are willing to pay a premium. Once exhausted the price is lowered to attract more conscious – Sales in petrol stations and bars

**STAGE 5: RUSSIAN ROULETTE**

- **Concentration or sexual way of life**
  -集中化或性爱的方式

**STAGE 6: CYBERNETIC MARKETING**

- **In the worst case**
  - Evaluate integrated marketing comms strategy
  - Execute integrated marketing comms strategy

**STAGE 7: ELECTROLYTIC MARKETING**

- **Concentration or sexual way of life**
  -集中化或性爱的方式

**STAGE 8: CYBORGIC MARKETING**

- **In the worst case**
  - Evaluate integrated marketing comms strategy
  - Execute integrated marketing comms strategy

**STAGE 9: ECENTRIC MARKETING**

- **Concentration or sexual way of life**
  -集中化或性爱的方式

**STAGE 10: ECENTRIC MARKETING**

- **In the worst case**
  - Evaluate integrated marketing comms strategy
  - Execute integrated marketing comms strategy