

ECOLE DES HAUTES ETUDES COMMERCIALES

EHEC

Master dissertation

THEME:

The strategic choice of branding and brand equity

Case study: LU Algeria

Presented by:

Nor El Houda TOBBAKH

Supervised by:

Mr, Mustapha BOUKHATEM

4th Promotion

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Abstract:

In a competitive market, branding became a top management priority companies are developing strategies to create value and strengthen their brand equity in order to be one step ahead of their rivals; they realize that strong equity is directly linked to accelerated revenue growth and improved returns to shareholders.

Branding creates an unbreakable long term relationship with the brand that forms in the minds of the customers through their accumulated experience with that brand. These experiences contribute to increased consumer trust and loyalty and result in building strong equity.

In this dissertation we attempt to study the strategic choice of branding and brand equity.

Key-Words: Branding, Brand equity, Brand Growth Barriers, Brand.

Résumé :

Dans un marché concurrentiel, la marque devient une priorité de management. Les entreprises développent des stratégies pour créer de la valeur et renforcer leur capital de marque afin d'être un pas en avance sur leurs rivaux; Ils se rendent compte qu'une forte equity est directement liée à la croissance accélérée des revenus et à l'amélioration des rendements des actionnaires.

Le branding crée une forte relation à long terme avec la marque qui se forme dans l'esprit des clients grâce à leur expérience accumulée avec cette marque. Ces expériences contribuent à accroître la loyauté et la fidélisation des consommateurs et à créer une forte équité.

Dans cette dissertation, nous essayons d'étudier le choix stratégique de branding et de brand equity.

Mots-clés: Branding, Brand equity, Brand Growth Barriers, Brand.

ملخص

في ظل التنافس الذي تشهده السوق اليوم ، أصبحت العلامات التجارية أولوية لادارة الشركات, فالشركة أصبحت تعمل على تطوير استراتيجيات لخلق القيمة وتعزيز أسهم العلامة التجارية الخاصة بها من أجل أن تتقدم على منافسيها. فلانهم يدركون مدى اهمية العلامة التجارية و ارتباط هذه الاخيرة بالتطور السريع في الإيرادات وتحسين العائدات للمساهمين العلامات التجارية تخلق علاقة طويلة الأجل و مميزة مع العملاء و ذلك بتشكيل صورة خاصة للعلامة لهذه الاخيرة في ذهن الزبون من خلال تجاربه المتراكمة مع تلك العلامة التجارية. وتسهم هذه التجارب في زيادة ثقة المستهلك وولائه، وتؤدي إلى بناء أسهم قوية

من خلال هذا العمل نحاول دراسة الخيار الاستراتيجي للعلامة التجارية و اهميته

مفتاح الكلمات:

العلامات التجارية، الأسهم العلامة التجارية، العلامة التجارية النمو الحواجز، العلامة التجارية

Dedication :

I proudly dedicate this dissertation to my parents, my mother Salima, who always had my back, encouraged me and supported me through thick and thin, my father, the man who gave me strength to overcome all life difficulties.

Secondly, I dedicate it to all the members of my family, my sisters Fatima el zohra, and cousin Zineb for their unconditional love and wise advice, Meriem who never hesitates to offer me a helping hand, my brother Malik for being there for me, and my aunt Yasmina.

I would like to express my heartfelt gratitude to my friends, my sisters who helped me smile through difficult times, inspired me to keep going , Randouch, Imen, Rayane, Sana, Lilia, Houda, Zahra, Sarah, Sabrina and Ahlam.

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List of abbreviation

abbreviation	Meaning
R&D	Research and développement
BGB	Brand growth benefit
URL	Uniform resource Locator
UN	United nation
WIPO	World intellectual property organisation
KPI	Key performance indicateurs

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General Introduction

General Introduction

Brands have existed since the dawn of time. People used to mark their hand made products such as cattle or clay pots by burning a mark on them. A brand is a distinctive sign that allows the consumer to distinguish the product or service of a company from those offered by the competitors. The brand may be represented by a proper name, word, phrase or visual symbol.

It wasn't until the 1980's that branding appeared to take the concept of brands to a whole new level, branding seeks to create a relationship between consumers and the brand, it embellishes the mental image that consumers have about the brand, it influences them into embracing the brand as a part of their life, into using it to express themselves.

The long term connection that is created between the brand and the company made branding a high priority in management.

Companies invest more and more in building, strengthening and sustaining strong, and above all positive, brand equity through branding.

Since strong brand equity is the manifestation of good branding, in this research we will try to measure two brand equities, in an attempt to help the company LU Algeria in making a strategic choice of branding and brand equity.

This leads us to the main question:

Which brand equity should Mondelez international emphasize in branding Major biscuits?

After defining our main problem a couple of questions come to mind:

- ❖ Does brand equity influence consumers top of mind list?
- ❖ Is there a relation between perceived quality and brand equity?
- ❖ Does brand equity drive consumers into actively recommending the brand to other people?

To answer these questions we have formulated the following hypotheses:

H1: The stronger the brand equity, the more frequently its name appears in consumers top of mind lists.

H2: There is a positive relation between perceived quality and brand equity.

H3: The stronger brand equity is, the more the brand is actively recommended by consumers.

General Introduction

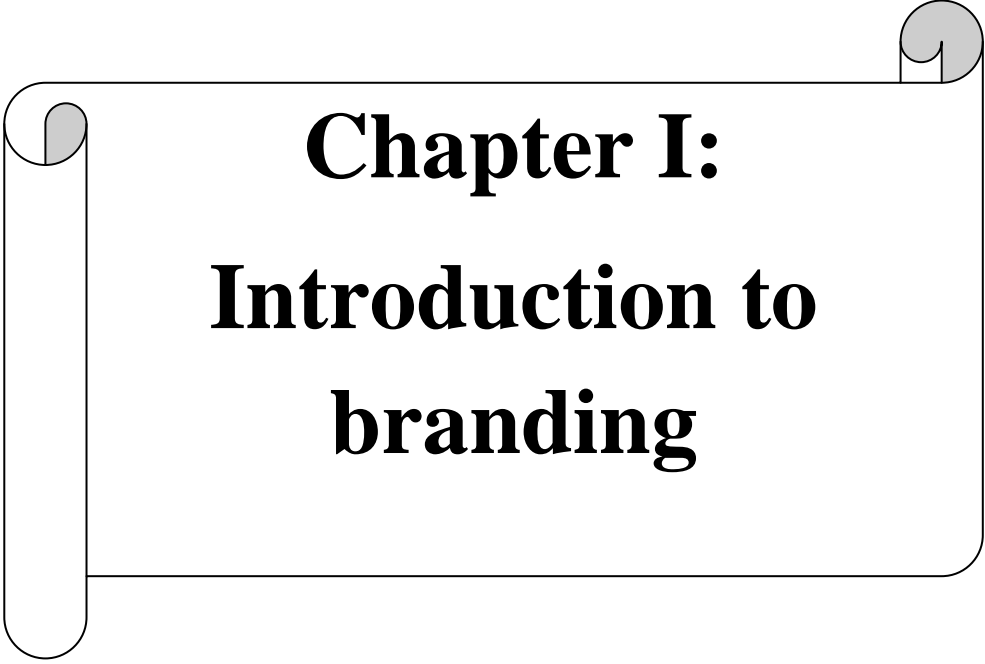
Our study is based on a bibliographic and documentary research such as books and dissertations for the theoretical chapters and a quantitative study by means of a questionnaire where we interviewed 130 people for the practical chapter.

To achieve our goal, we will break down the work into three chapters; two theoretical chapters and one practical chapter.

The first chapter will focus on the fundamentals of branding where we will define key concepts like brands and brand elements and also highlight some of the most useful brand building tools in branding.

The second chapter is devoted to brand equity, where we will draw attention to consumer based brand equity and brand equity models.

In the third chapter which is the practical chapter, we will present the Mondelez International, then we will present the methodology of our quantitative study and finally we will analyze the results of our research and make recommendations.



Chapter I:
Introduction to
branding

Branding is a concept that has evolved through the years we can trace back the usage of brands to the Stone Age, where huntsmen pick up distinct brands of weapons to accomplish their hunt missions effectively, which means that toolmakers had signature marking styles.¹ Another example is how hot metal sticks were used to create a mark on livestock so their rightful owners would identify them easily.

Section1: Branding fundamentals

1. Brand history:

It wasn't until the 16th century that brands that resemble what we know today started to appear, one of the first known brands in history belong to the English ceramist Josiah Wedgwood and the French fashion designer Rose Bertin.²

Josiah Wedgwood is often referred to as the father of the modern brand. He marked his pottery and china with his name as a statement to indicate their source and therefore their quality.

However it was in the early 1980s that Branding appeared as a marketing strategy, it was the recession of this decade that drove some of the most powerful manufacturers of the world into thinking of a new approach to marketing.

Large companies are no longer simply producers of goods, because now they will have to produce brands to sell their products.³

Since then branding theories, knowledge and practices evolved in a remarkable way. However contemporary branding theories started appearing in the middle of the 20th century mainly as a result of the development of commercials in mass media.⁴

¹ALMQUIST (E) and ROBERTS (K),A "mindshare" manifesto. *Mercer Management Journal*,2000, P10.

² DE PAOLA (H),*Marketing Today's Fashion*. PRENTICE-HALL, New Jersey, 1985, p.57-93.

³ KLEIN(N), *No logo, La tyrannie des marques*, LEMEAC ÉDITEURS, France, 2001, p.29.

⁴FARQUHAR(H), *Strategic Challenges For Branding. Marketing Management.*, 1995 p.8-15.

2. Branding definitions:

By taking a look at some definitions for branding we can get a better understanding of what it means, according to Kotler and Keller:

“Branding is endowing products and services with the power of a brand. It’s all about creating differences between products. Marketers need to teach consumers “who” the product is—by giving it a name and other brand elements to identify it—as well as what the product does and why consumers should care.

Branding creates mental structures that help consumers organize their knowledge about products and services in a way that clarifies their decision making and, in the process, provides value to the firm.”⁵

This means, Branding aims for the introduction of a product to consumers’ life, a product that is easily distinguished from others, giving it elements and characteristics to make it recognizable, creating a relationship between the customer and the product.

This definition was supported by Graham who sees that “Branding is a significant marketing tool and is used to differentiate an organization’s product(s) in the marketplace.” And that “the successful application of branding can create distinctiveness and value for the organization, its product and the consumer.”⁶ Along with Doyle who says that “a branded product distinguishes itself from the competition, enabling it to be easily recognized by consumers”⁷

From these three opinions we understand that:

A powerful brand is the one that leaves a long term impression on the consumer, and that branding is an essential tool to reach that kind of influence by communicating the right signals using elements like the name and logo.

⁵KOTLER (P) et KELLER (K), *Marketing Management*, 14th edition, PEARSON-PRENTICEHALL New Jersey, 2014, p.243.

⁶GRAHAM (P), HARKER (D), HARKER (M) and TUCK (M), *Branding Food Endorsement Programs. The National Heart Foundation of Australia., Journal of Product and Brand Management*, 1994, p.31-43.

⁷DOYLE (P), *Building Successful Brands: The Strategic Options Journal of Marketing Management*, 1989, p. 77-95.

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Kapferer on the other hand states that Branding means a lot more than just giving name and communicating to the outside world that such a product or service has been stamped with the mark and imprint of an organization. He stresses that branding consists in transforming the product category; it requires a corporate long term involvement, a high level of resources and skills.⁸

In other words it is not just about creating a mental connection but also an emotional connection between the customer and the brand that translates into a behavioral loyalty, which means that the consumer would chose to buy the product out of emotional attachment. this kind of loyalty can only be established with a great amount of skills, commitment and involvement.

In this context, it is important to address the notion of emotional branding that emerged in the late 1990s.⁹

According to Roberts, it is a consumer-centered, relational-driven, narrative-based approach that forges true, deep and lasting relationships between clients. For this reason, companies cannot rely on the utilitarian or even symbolic benefits of the brand¹⁰. On the contrary, they need to use stories and actions that demonstrate empathy for consumers and thus generate a sense of community among consumers.

Branding became a top management priority in the last decades, it became an art and a major key for a successful business, it exceeds the simple purpose of differentiating a product from another, which was the case in the olden days, now it aims to create emotional attachment to the brand and the company.

⁸KAPFERER (J.N), *The New Strategic Brand Management: Creating and Sustaining Brand Equity Long Term*.London, KOGAN 2004, p.31-32.

⁹GOBE (M), *.Emotional Branding: The new paradigm for connecting brands to people*, ALLWORTH PRESS, New York, 2001, p.119-140

¹⁰ ROBERTS (K), *the future beyond brands: Lovemarks*, 1st edition, New York: Powerhouse Books2004.p.39.

3. Characteristics of a successful brand:

The characteristics of a successful brand according to Doyle and Stern is that a product which satisfies the functional requirements of consumers need also to have added values that would satisfy their hidden psychological needs.¹¹

These added values must evoke sentiments of trust in the higher quality of the product and judge that it is more desirable compared to competitors products. So a successful brand can be perceived as a mix of an effective product, a distinctive identity and added value.

In other words we can say that branding in its modern form seeks to create an emotional connection with the consumer, making the product familiar and an enjoyable experience by building a feeling of involvement, where the consumer would judge that the product is of higher quality and think that the product is more suitable for his personality and his lifestyle.

Consumers now consume more than just the product, they consume the idea of that product, and thus they should be offered an extraordinary experience rather than a simple purchase of the product, this marketing being supposed to meet the existential desires of the current consumer.¹²

The industry has strongly adopted this way of merchandising its products, notably by introducing brand stores offering a sensory immersion for consumers in addition to an exceptional customer service, or by the creation of websites with interactive content that enhances the visitor's attention and promotes a positive experience.

Indeed, the development of the Internet has only increased the use of this concept, since the immersion of the consumer in the virtual experience seems the aim sought by many brands¹³

Brands today need to create and manage experiential contexts of various types in which consumers are supposed to immerse themselves in order to access this famous brand experience which, in saturated markets, represents a powerful means of attraction and loyalty

¹¹DOYLE (P) and STERN (P), *Marketing Management and Strategy*, 4th Edition, London: PRENTICE HALL, 2006, p.132-150.

¹²ANTONELLA(C), BERNARD(C), *Expériences de consommation et marketing expérientiel*, *Revue Française de Gestion*, 2006, p. 99.

¹³ANTONELLA (C), Bernard(C), *Expériences de marque: comment favoriser l'immersion de consommateur*, *Décisions Marketing*, 2006, p.43.

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from the consumer to the brand. There are thus four types of experiential contexts: brand stores, brand plants, brand fests and brand websites.¹⁴

All these experiential contexts create a space for consumer immersion. Immersion "is the means of access to a particular goal, the experience of a subjective experience, which, combined with other subjective experiences, contributes in particular to achieving an overall goal of continuous identity construction of the individual"¹⁵, so in the experiential perspective, on the contrary, the consumer seeks less to maximize a profit than to claim hedonistic gratification in a social context; Consumption, which provokes sensations and emotions, which far from responding only to needs, go so far as to touch the consumer's quest for identity.¹⁶

That is why Brands rely on the accumulation of immersion into brand experiences in order to satisfy the consumer's quest for sensation and to encourage their loyalty to the brand. there is thus an incorporation of meanings under the in the form of experiment, that is to say staging, where the emphasis is on sensualism and the importance of experience.¹⁷

The brands resort to immersive strategies using the over-stimulation of the five senses and the imagination which go through the constantly renewed use of narratives, stories, intrigues, images ... built around the brand In a playful approach known as shoptainment in the distribution.¹⁸

However, it should be noted that access to experience is very complex and subjective; Not all consumers will react in the same way. The consumer must have certain skills and be quick to open up to the experience built by the brand. That said, "Facilitating immersion of a consumer in a branded context requires both an understanding of the diversity of possible contexts and also mechanisms that facilitate or not immersion in these contexts."¹⁹

Brands therefore produce various experiential contexts designed according to prerequisites applying to their typical consumers with the intention of facilitating their immersion.

¹⁴Ibid. p. 44.

¹⁵Ibid. p. 45

¹⁶ANTONELLA(C), BERNARD(C), *Expériences de consommation et marketing expérientiel*, *Revue Française de Gestion*, 2006, p. 100

¹⁷Ibid. p.100

¹⁸ANTONELLA (C), BERNARD(C), *Expériences de marque: comment favoriser l'immersion de consommateur*, *Décisions Marketing*, 2006, p. 47

¹⁹Ibid. p. 51

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After analyzing the previous definitions and the different perspective of each practicing manager we come to the conclusion that Branding is a process and a tool that brand managers use to build a connection between the customers and the brand by learning their needs and offering a product that could satisfy their explicit and implicit needs by choosing the correct strategy and orientation, it can also be viewed as a positioning tool to keep a consistent image of quality and value to ensure the reoccurring preference from consumers, keeping in mind that his choice could be influenced by many factors no matter how simple they are like the name for instance.

It is also important to point out that when a consumer is satisfied by a certain product he tends to avoid going through comparisons with the alternative choices, once a brand is chosen, the consumer is most likely to stay with it unless there a huge price augmentation or a new product that comes to his knowledge and judges it to be of a better quality, in which case the consumer would switch brand.

4. What is a brand?

Ever more firms and other organizations have come to the entelechy that one of their most valuable assets is the brand names associated with their products or accommodations. In our increasingly intricate world, all of us, as individuals and as business managers, face more culls with less time to make them. Thus a vigorous brand's facility to simplify decision making, reduce jeopardy, and set prospects is invaluable. Engendering powerful brands that act on that promise, maintaining and enhancing the strength of those brands over time, is a management imperative.

Brands nowadays are everywhere, they have invaded every single aspect of our lives, economic, social, cultural and sometimes even religious, starting with the American Marketing Association (AMA) definition, a brand is 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 competition." Which is more of a technical definition compared to how many practicing managers see it, since they refer to it as

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an entity that actually creates a certain degree of awareness, reputation, prominence in its environment.²⁰

According to JN Kapferer, “Brands are intangible assets, assets that produce added benefits for the business.” That should be analyzed on different levels, since we have started using brands to call objects like cars and beverages. We have to focus on the managerial perspective on how to manage a brand in the most efficient way and how to use it for profit since it is considered now to be a part of the company’s capital.

The main problem when it comes to defining what a brand is, experts seems to fall under two paradigms, the first one is customer-based that only fixates on the relationship between the brand and customers. The second one on the other hand targets producing measures in capital.²¹

Kapferer also says that we should not call everything a brand, that a brand should be a name that has a power to influence the consumers’ behavior and thinking process, he stresses that this term is not to be thrown around , for it is more than just a label, the easy pronounceable name should evoke desirable associations that goes beyond the mental aspect to become an emotional attachment that would provide a competitive advantage in the long term, in other words “a brand exists when it has acquired power to influence the market ”²²

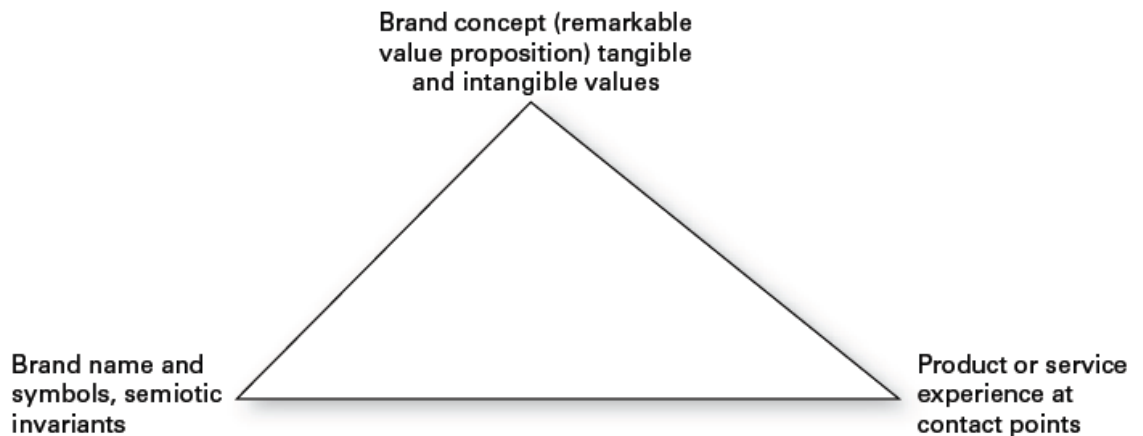
Figure I-1: The brand system

²⁰ KELLER, (K.L): *Strategic Brand Management. Building, Measuring, and managing brand equity*, PEARSON Education, HARLOW, 2013, p.30.

²¹ KAPFERER (J.N), *The New Strategic Brand Management Advanced insights and strategic thinking* D’ORGANIZATION, Paris, 2012, p7.

²² Ibid. p9.

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Source: KAPFERER (J.N):*The New Strategic Brand Management Advanced insights and strategic thinking*, Les Editions d'Organization, Great Britain, 2012, p.10.

Brands nowadays mark a presence in the subconscious of consumers, this perception of a product in consumers' minds is called a brand image, Keller stated that the Brand image is the perception of a product which is a reflection of customers' memory in the product.²³

Brand is defined as an image that can be remembered by the public, which makes a positive brand, relevant and easy to remember by the people.²⁴

We define brand as an image the public remembers and associate themselves to, that positive association makes a brand relevant and easy to remember, Keller refers often to the image of the brand as a thought that is present due to previous experiences and personal emotions of the customer²⁵, A competitive market occurs due to inimitability of brand which in result creates value for customers to choose a particular brand.²⁶

²³ KELLER (K.L),*Conceptualizing, Measuring and Managing Customer-Based Brand Equity. Journal of Marketing*, 1993, p.3.

²⁴ AAKER (J.L),Dimensions of Brand Personality.*Journal of Marketing Research*, 1997, p350.

²⁵KELLER (K.L), Op. cit. P.5.

²⁶DESHIELDS (J),OSCAR(W)., KARA(A), KAYNAK(E). *Determinants of Business Student Satisfaction and Retention in Higher Education: Applying Herzberg's Two-Factor Theory. International Journal of Educational Management*, 2005,128-139

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The basic problem of a brand lies not only limited to the selection of the name itself though is certainly a choice of good name could help.²⁷

A positive brand image will enable marketing program can be liked and be able to produce unique associations to the brand that always exist in customer retention

Keller states that the factors forming the image of the brand in terms of brand association is the presence of brand associations that describe the attributes of customer trust and benefits provided by a brand can satisfy the needs and desires of customers so as to create a positive attitude towards the brand.²⁸ Strength of brand associations depends on how brands can survive the information as part of the brand image.²⁹ Then the uniqueness of brand associations, given the increasingly difficult market competition forced the company to be different from creating a competitive advantage that can be used as a reason for customers to choose a particular brand.³⁰

The uniqueness of brand associations can start from product-related attributes, functional benefits or perceived image. Brand image is also regarded as a description of the offer of the company which includes the symbolic meaning associated customers through specific attributes of the products or services. Not only that, the brand image may also reflect some of the strongest associations of a brand such attributes are intangible, abstract benefits and customer attitude at every different product categories above if a brand of product or service associated with products in diverse categories³¹. Brand image is a perception in the mind of the customers a good impression of a brand. The good impression could arise if the brand has a unique advantage, good reputation, popular, trustworthy and willing to provide the best service.³²

5. Brand elements:

At the very core of branding and brand management is the brand itself, which is composed of various elements. Brand elements are those trademarkable devices that have an identifying

²⁷ AAKER (J.L), Op. Cit, 348.

²⁸ KELLER, Op .Cit, p5.

²⁹ ALSERHAN(B), *on islamic branding: brands as good deeds. Journal of islamic Marketing*, p101-106.

³⁰ KELLER (K.L), Op. Cit. P6.

³¹ CHAUDHURI (A) and HOLBROOK (M.B), *The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: the Role of Brand Loyalty. Journal of Marketing*, 2001, Pg.81-85.

³² KOTLER (P) and KELLER (K.L). *Marketing Management*, 14th edition PEARSON-PRENTICE HALL, New Jersey 2012, p125.

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and differentiating role for example the brand name, its logo, symbols, slogans, characters, and packaging.³³

Accordingly a strong brand must ensure stability of assured future market, quality and an effective usage of its assets in a way that not only effects consumer demand but also retailer demand which would want to stock to pull customers towards him, therefore the owner of the brand will be provided a bigger platform for the sale of more products.³⁴

According to Keller there has been so little attention given from an academic perspective regarding the design and implantation of the previously mentioned elements, but many research studies have emerged on the other hand to help with the brandbuilding process in the following order:

5.1.Brand Names:

“The brand name is a fundamentally important choice because it often captures the central theme or key associations of a product in a very compact and economical fashion. Brand names can be an extremely effective shorthand means of communication”³⁵ Keller

The brand name is related to its personality. It is also the main component of the brand, And the one in which the owner of the mark may fix the legal protection. Finally The appearance of the brand normally does not change. That's why the name is of a Vital importance for the brand.

The name must play several roles. First it serves to identify the product or service, allowing consumers easily to make a choice. Then the name transmits the messages to consumers in two ways, through the descriptive content of the name and through associations that the name has acquired over time. Finally the name plays an important role from a legal point of view.³⁶

³³ KELLER (K.L), *Branding and brand equity*, p.8.

³⁴ http://164.100.133.129:81/eCONTENT/Uploads/CONCEPTS_OF_BRAND_MANAGEMENT.pdf May, the 2nd at 8 pm

³⁵ KELLER, (K.L.), *Strategic Brand Management: building, measuring and managing brand equity*, Pearson Education Limited, Harlow, 2013, p.147.

³⁶ MURPHY (J. M.), *Brand Strategy*, DIRECTOR BOOKS, Cambridge,1990, p.71.

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Keller points out that brand names have sensory or phonetic aspects, different names could be perceived differently just by hearing its name, in research for example some were found to be remindful of breakfast cereals and other names were remindful of detergent.

Not only do brand names have a phonetic aspect but they also have cultural and linguistic aspects, researchers have examined that to find that some products were seen as more 'hedonic' and more liked when pronounced in French compared to being pronounced in English, but that depends on culture, English speakers respond to spoken recalls while Chinese respond better to visual qualities since they are coded primarily in visual manner.³⁷

The name is endowed with certain values of the brand that must be respected. The consumer will quickly realize that the brand name does not respect the legitimacy of the brand. One of the characteristics of strong brands names is that they can impose their own senses in relation to a word. A word can have a double meaning. If the brand name for a car was Spanish, but in the same time the brand is associated with German quality.³⁸

So a brand manager's role is to always check that the brand and the name are coherent one with the other.

5.2.Digital andURLs:

URLs (uniform resource locators) designate locations of pages on the Web and are additionally commonly referred to as domain denominations. Anyone wishing to own a concrete URL must register and pay for the denomination. Companies competed for space on the Web as the number of registered URLs incremented dramatically.

Every three-letter combination and all words in a typical English dictionary have been registered. The sheer volume of registered URLs often makes it indispensable for companies to utilize coined words for incipient brands if they aspire to have a Web site for the brand. Another issue facing companies with regard to URLs is bulwarking their brands from unauthorized use in other domain names. A company can sue the current owner of the URL for copyright infringement, buy the denomination from the current owner, or register all conceivable variations of its brand as domain names ahead of time.

³⁷ KELLER, (K.L.), *Strategic Brand Management: building, measuring and managing brand equity*, Pearson Education Limited, Harlow, 2013, p.538.

³⁸ KAPFERER (J.N.), *Les marques capital de l'entreprise les chemins de la reconquête*, Les Editions D'ORGANISATION, Paris, 1996, p.129.

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In 2010, cybersquatting cases reached unprecedented levels. Cybersquatting or domain squatting, as defined by regime law, is registering, trafficking in, or utilizing a domain name with deplorable-faith intent to profit from the goodwill of a trademark belonging to someone else. The cyber squatter then offers to sell the domain to the person or company who owns a trademark contained within the designation at an inflated price. Under such cases, trademark holders sue for infringement of their domain names through the WIPO (an agency of the UN).³⁹

5.3. Logos and symbols:

“Symbols with all that represent a brand, a tagline, a character, a visual metaphor, a logo, a colour, a gesture, a musical note, a package, or a program. The symbol is a part of brand equity and functions as a tool for maintenance”⁴⁰

Even though brand name is the most fundamental and central element of the brand, logos represent the visual presence in the consumers’ minds, logos have existed for ages, it has always been an indication of origin and quality of the product which means it has a critical in building brand awareness and ultimately brand equity.

A brand symbol allows it to transmit, like all brand symbols, its personality. In other words, the logo expresses everything the brand wants to be. Another property of a logo is that once it is associated with a brand and memorized by the consumer, it is enough to see it for a fraction of a second so that it is captured by the consumer. The visual elements of a logo allow the brand to create a certain familiarity with the consumer.

A logotype that is memorized means that the consumer associates all the colors, lines and shapes with the brand even without reading the content.⁴¹

A logo may vary from corporate names or trademarks that is only marks with text whitten in a unique form to entirely abstract designs that are unrelated to the corporate name itself or corporate.⁴²

³⁹ KAPFERER, (J.N) :*The New Strategic Brand Management Advanced insights and strategic thinking*, Les Editions D’ORGANIZATION, Great Britain, 2012, p.155.

⁴⁰ AAKER(D) and JOACHIMSTHALER (T), *Brand Leadership*. New York, THE FREE PRESS, 2009.p.260-273.

⁴¹ MURPHY(J.M) *Brand Strategy*, DIRECTOR BOOKS, Cambridge,1990, p.84.

5.4.Characters:

Characters are a special type of brand emblem, this emblem serves to symbolize brand Identity using a visual figure that takes on human or real life characters that are usually introduced through advertising, and these characters play the main role in ad campaigns.

Some of the characters are animated and others are live-action figures, this element has many functions:

- Help identifying and recognizing a brand
- To guarantee the brand
- Giving the brand durability because emblems are timeless and permanent this enables the company to capitalize on it.
- Help differentiating and personalizing the brand this enhances brand value and facilitates the identification process for the customers.

The characters are chosen as brand portraits to reflect its identity. And as Kapferer sees it “They do not make the brand, yet they define the way in which the brand brings to reality its traits and features.”⁴³

5.5.Slogans and jingles:

As defined by Keller “Slogans are short phrases that communicate descriptive or persuasive information about the brand.” Slogans can play so many roles in marketing programs they can appear on packaging for example. Slogans can be very powerful method in building brand awareness and therefore brand equity, they can function as useful hooks to facilitate the consumers’ comprehension of the meaning of a brand, and they summarize the main goal of the ad campaign in a short phrase.⁴⁴

Kapferer on the other hand points out that the search for a slogan reveals internal hesitation about brand identity which makes it a real challenge “Slogans are a commandment for both internal and external relations. Through a slogan, the brand defines its behavioural guidelines, and these guidelines give the customer the right to be dissatisfied if they are transgressed.”⁴⁵

⁴²KELLER (K.L), Op.cit, p.156.

⁴³ KAPFERER (J.N), *The New Strategic Brand Management Advanced insights and strategic thinking*, Les Editions D’ORGANIZATION, Great Britain, 2012, p.194-195.

⁴⁴KELLER (K.L), Op.cit, p158-161.

⁴⁵KAPFERER (J.N), Op.Cit, p104.

Jingles on the other hand are musical messages that can be seen as extended musical slogans, they are usually composed by professional songwriters who make the tune memorable enough to stick in the consumers' minds since they are most likely to rehearse and repeat the catchy parts, and jingles also communicate brand benefits and enhance brand awareness in an amusing manner.⁴⁶

5.6.Packaging:

Packaging is the design and production of cases and wrappers for a product, packaging has many roles, it helps identifying the brand, conveys important information about the product, protects and facilitates transportation and storage.

Packaging can be one of the strongest associations consumers can have with a particular brand, a consumer can forget the name of a product so the first thing he will describe then is the shape and colors of the packaging, choosing the right packaging design may influence the customer who is at the point of purchase, it has been often called the last salesman.

Some marketers even consider packaging to be important enough to be called the fifth P of the marketing mix.⁴⁷

All brand elements play vital roles in raising brand awareness and building brand equity, the total set of these elements constitute brand identity.

The relationship between the elements must be coherent in which each element support the other.

Figure II-2: Critic of Brand Element Options

⁴⁶KELLER(K.L), Op.cit,p.164.

⁴⁷Ibid.p.167.

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Criterion	Brand Element				
	Brand Names and URLs	Logos and Symbols	Characters	Slogans and Jingles	Packaging and Signage
Memorability	Can be chosen to enhance brand recall and recognition	Generally more useful for brand recognition	Generally more useful for brand recognition	Can be chosen to enhance brand recall and recognition	Generally more useful for brand recognition
Meaningfulness	Can reinforce almost any type of association, although sometimes only indirectly	Can reinforce almost any type of association, although sometimes only indirectly	Generally more useful for non-product-related imagery and brand personality	Can convey almost any type of association explicitly	Can convey almost any type of association explicitly
Likability	Can evoke much verbal imagery	Can provoke visual appeal	Can generate human qualities	Can evoke much verbal imagery	Can combine visual and verbal appeal
Transferability	Can be somewhat limited	Excellent	Can be somewhat limited	Can be somewhat limited	Good
Adaptability	Difficult	Can typically be redesigned	Can sometimes be redesigned	Can be modified	Can typically be redesigned
Protectability	Generally good, but with limits	Excellent	Excellent	Excellent	Can be closely copied

Source: Ibid.p.171.

Because different brand elements have different strengths and impotencies, marketers tend to “mix and match” to maximize their collective contribution to brand equity.

6. Criteria for choosing brand element:

A number of criteria are important when choosing and creating brand elements to build a strong brand that are segregated in two sets, one group plays an offensive role and the other plays the defensive role.

Key to brand equity is the balance between the different elements in their verbal and visual context to maximize their collective contribution

6.1.Offensive Role:

6.1.1. Memorability:

The main aim for building a brand equity is to maximize the brand reach and attaining a highLevel of brand awareness, each brand element must contribute to the

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goal that is to get attention and easy to recognize and to remember, and therefore facilitate the purchase process of the product.

6.1.2. Meaningfulness:

This criteria refers to the descriptive or persuasive content that one of the elements may possess, and it can be segregated into two dimensions: Determinant of brand awareness and salience, and determinant of brand image and positioning, first one answers the question if the consumer can identify the function of the product or the service just by hearing its name or seeing its logo, and the second answers if one of these elements suggest specific information about a particular attributes or benefits of the brand.

6.1.3. Likable:

Away from memorability and meaningfulness, likability is about the esthetical appeal of the brand elements, do customers find these elements to be likable? Do they find the visual and verbal aspects to be interesting and fun?

“Often, the less concrete the possible product benefits are, the more important is the creative potential of the brand name and other brand elements to capture intangible characteristics of a brand.”⁴⁸

6.2. Defensive Role

6.2.1. Transferable :

This criteria measures to which extend does the brand element offer flexibility to adding new products to the market, and there are few aspects to this, first, is to what degree is the brand element useful for a line or category extension? Second, to what extent does the element add to brand equity across market segments and geographical boundaries?

⁴⁸ KELLER (K.L), *Strategic Brand Management: building, measuring and managing brand equity*, PEARSON EDUCATION, 2013, p.143.

6.2.2. Adaptability and flexibility over time:

7. Since consumers' opinions and values change over time it is vitally important to choose an element that allows brand to remain relevant and flexible enough for easy updates.

7.1.1. Protectable:

The last criteria main purpose is the extent to which a brand element is protectable, a brand manager must chose an element that can be legally protected on an international level.

To comprehend of the interdependency between mentioned brand elements Arnold sorted them into three groups, as displayed in the following figure the center of the brand composition is the essence of it, which is the brand personality that differentiates it within the market. The second sphere represents the needs of the customer that the brand has to deliver and last but not least the outer sphere signifies the attributes of the product. Brand building must be done from in to out so that attributes lever the essence by offering benefits.⁴⁹

Figure II- 3: Criteria for Choosing Brand Elements

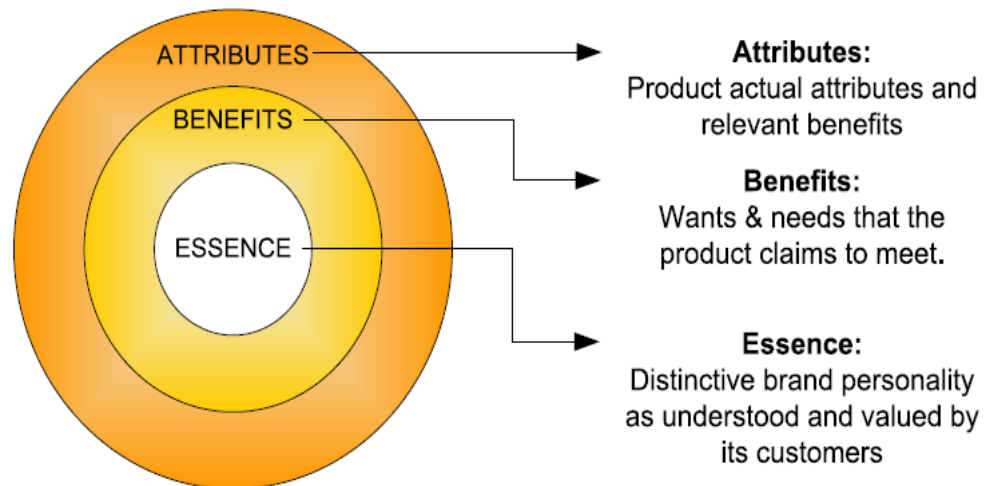
- 1. Memorable**
Easily recognized
Easily recalled
- 2. Meaningful**
Descriptive
Persuasive
- 3. Likable**
Fun and interesting
Rich visual and verbal imagery
Aesthetically pleasing
- 4. Transferable**
Within and across product categories
Across geographic boundaries and cultures
- 5. Adaptable**
Flexible
Updatable
- 6. Protectable**
Legally
Competitively

⁴⁹ Arnold, D. (1992) *The Handbook of Brand Management*, Century Business. London: The Economist Books.

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Source: KELLER, (K), *Strategic Brand Management: building, measuring and managing brand equity*, Pearson Education Limited, Harlow, 2013, p.142.

Figure I-4: the relationship between the elements of a brand



Source: ARNOLD (D), *the Economist Books: the Handbook of Brand Management*, CENTURY BUSINESS. London, 1992, p.17.

Section2: Brand building

1. Brand building steps:

The steps are the following:

- To ensure the recognition and identification of the brand by the customers and also an association in their minds with a specific product class, benefit or need.
- Tightly establish the totality of brand meaning in the minds of customers by linking tangible and intangible brand associations.
Obtain the proper customer responses to the brand.
- Convert these responses to build brand resonance and a strong, active loyalty linkage between customers and the brand.

These four points are as mentioned a sequence of fundamental questions that customers ask about the brand constantly, not always in an explicit manner. These four questions that correspond with the brand steps are as follows:

1. Who are you? (Brand Identity)

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2. What are you? (Brand Meaning)
3. What do I feel about you? (Brand responses)
4. What about you and me? Or what type of association and what degree of a connection I feel with you? (Brand relationships)

The order of these steps constitutes a ladder, in a manner that no step could be established without the previous level being satisfied, for example we cannot create meaning unless we have created identity, responses cannot occur unless we have developed the right meaning and also we cannot create a relationship unless we have obtained the proper response.

2. Brand building blocks:

According to Keller building a strong brand takes a sequence of four steps that are connected to each other in a way that each one is contingent on successfully attaining the previous:

2.1. Brand Identity:

Brand identity can consist of traits, benefits, values, differentiation, and personality; it can be seen as everything the brand owner wants the consumers' to associate with the brand⁵⁰.

As stated by KAPFERER it also emphasizes that brand identity is to be seen as the foundation for a brand and that it should reflect the brand's core values. Therefore, brand identity includes factors such as vision, aim, point of differentiation, values and sign of recognition.⁵¹

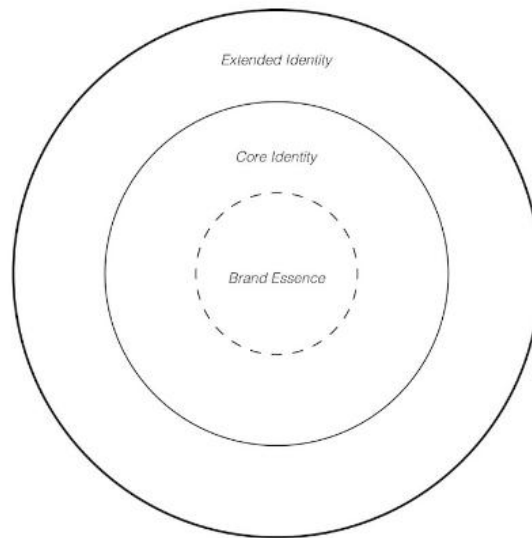
Brand identity is a unique sequence of brand associations implicatively insinuating a promise for customers and includes a core and elongated identity. Core identity is the central, timeless essence of the brand that remains constant as the brand moves forward to new markets and new products. Core identity broadly fixates on product attributes, accommodation, utilizer profile, store ambience and product performance. As seen in the following figure

Figure I-5: The Identity Structure

⁵⁰ROY (D), BANERJEE(S), CARE-ing strategy for integrating of brand equity with brand image.*International Journal of Commerce and Management*, 2007, pp140-148.

⁵¹KAPFERER (J), *The New Strategic Brand Management – Creating and sustaining brand equity long term 4th edition*. KOGAN CORNWALL, Great Britain, 2008,p.42.

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Source: AAKER (D), *Building strong brands*, THE FREE PRESS, New York, 1996, p96.

Elongated identity is woven around brand identity elements organized into cohesive and paramount groups that provide brand texture and completeness, and fixates on brand personality, relationship, and vigorous symbol sodality. To be efficacious, a brand identity needs to resonate with customers differentiate the brand from competitors, and represent what the organization can and will do over time.⁵²

To excel, a brand image must be well planned, nurtured, supported, and carefully guarded. One key to successful brand-building is to understand how to create and develop a brand identity – to know what the brand stands for and to effectively express that identity⁵³. A brand is a distinctive identity that differentiates a pertinent, enduring, and credible promise of value associated with a product, service, or organization and indicates the source of that promise⁵⁴. Companies that present a cohesive, distinctive, and relevant brand identity can create a preference in the marketplace, add value to their products and services, and may command a

⁵² AAKER (D) and JOACHIMST (H), *Brand Leadership*, THE FREE PRESS, New York, 2000, pp. 13- 48.

⁵³ AAKER (D), *Building Strong Brands*, THE FREE PRESS, New York, 1996, pp. 35-71.

⁵⁴ WARD(S), LARRY(L) and GOLDSTINE(J), *What high-tech managers need to know about brands*, *Harvard Business Review*, July-August, 1999, pp. 85-95.

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price premium.⁵⁵ When brand comes to face aggressive competition in marketplace, brand personality and reputation of the brand help it to separate and stand out compared to competing offerings. This can result in winning customer loyalty and achieve growth.

A strong brand identity that is well understood and experienced by the customers' avails in developing trust which, in turn, results in differentiating the brand from competition. A company needs to establish a clear and consistent brand identity by linking brand attributes with the way they are communicated which can be facilely understood by the customers.

2.2. Brand meaning:

Brand meaning is an emerging concept in brand management, literature hasn't clearly defined it yet, starting with Okenfull work where he tries to develop a measuring technique for brand meaning, he focused on this concept but didn't give a clear definition for brand meaning.⁵⁶

Based on Okenfull work Davis defines brand meaning as "the most definitive or core attributes of the brand the consumers perceive"⁵⁷, in the same manner Park et al studies the link between meaning and attributes and came to the conclusion that brand meaning actually comes from the product attributes that were created by the company in an effort to create meaning.⁵⁸

According to Henderson et al brand meaning is the synonym of brand association, in the study that he conducted to understand the variables that build a strong brand, he asked the participant to list the associations or in other words the meaning that come to mind when they see the brand's logo.⁵⁹

⁵⁵ SCHMITT (B) and SIMONSON (A), *Marketing Aesthetics: The Strategic Management of Brands, Identity, and Image*, THE FREE PRESS, New York, 1997, p. 56.

⁵⁶OAKENFULL (G), EDWARD (B), BETSY (G), and DACIN (P), *Measuring Brand Meaning*, *Journal of Advertising Research*, 2000, pp43-53.

⁵⁷ DAVIS (T), *Brand Meaning and Children: A Thematic Categorization Task*, *Journal of Brand Management*, 2007, pp255-266.

⁵⁸PARK(C), WHAN (S), and ROBERT (L), *Evaluation of Brand Extensions: The Role of Product Feature Similarity and Brand Concept Consistency*, *Journal of Consumer Research*, 1991, p85-185.

⁵⁹ HENDERSON(P), JOSEPH (A), Siew Meng Leong and BERAND (S), "Building Strong Brands in Asia: Selecting the Visual Components of Image to Maximize Brand Strength," *International Journal of Research in Marketing*, 2003, pp 297-313.

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Many marketers followed in his footsteps like Moore and Homer and also Feldwick who defined brand meaning as the collective associations that consumers have about the brand.⁶⁰

Escalas and Bettmann on the other hand suggest that meaning transfers from brand to consumers, that meaning is generated by the associations of the brand made by the consumers,⁶¹ in that same order Hollenbeck et al state that the relationship between a brand identity and a consumer's identity is an essential source of brand meaning and they also believe that brand meaning is to be broadened to strengthen brand identity.⁶²

Keller claims that giving brand meaning would call for explaining what the product is supposed to do for customers and why it is special and different from what's available in the market, which is the reason why he links brand meaning to brand benefits unlike the previous definitions.⁶³ While Veloutsou and Moutinho believe that customers use products for much more than their utility but for their symbolic meanings.⁶⁴

Brand meanings were found to have social and cultural contexts that animate them, so the brand means more than the fixed combination of attributes that the company has given them, Brown et al stress that brands aren't a fixed set of mental associations of meanings that brand management imply but more of a progressive and expanding social universe that consists of stories, They also propose a concept of brand meaning which contains:

1. Aura (Brand essence)
2. Allegory (Brand stories)
3. Arcadia (idealized community)

⁶⁰FELDWICK (P), *What is Brand Equity Anyway?*, OXFORDSHIRE World Advertising Research Center, UK, 2002.

⁶¹ESCALAS (J), EDSON (J) and BETTMAN (R), "Self-Construction, Reference Groups, and Brand Meaning," *Journal of Consumer Research*, 2005, pp387-388.

⁶² HOLLENBECK (C), CARA PETERS (R) and ZINKHAN (M), "Retail Spectacles and Brand Meaning: Insights from a Brand Museum Case Study," *Journal of Retailing*, 2008, pp334-353.

⁶³ KELLER (K.L) "Brand Synthesis: The Multidimensionality of Brand Knowledge," *Journal of Consumer Research*, 2003, p.595-600.

⁶⁴VELOUTSOU (C), MOUTINHO (L), "Brand Relationships through Brand Reputation and Brand Tribalism," *Journal of Business Research*, IN PRESS, 2008.p1.

4. Antinomy (contradiction)⁶⁵

Martin et al suggest that brand meaning is brand associations that belong to a web of associations including brand name, product attributes and utility occasions.

However Franzen and Bouman believe that there are mental links between brand names, images and knowledge in consumer's minds that cause the brand to gain meaning, they additionally differentiate between four layers of brand construal, depending on the caliber of socialisation at which the meaning gets engendered - starting from the private meaning to the gregarious one. These layers are: the direct sensory or iconic impression (the color, shape, sound of a brand, and so on, which do not fluctuate between consumers, the associations that happen due to personal experiences with a product that is unique to each consumer is called the idiosyncratic meaning, the sub-cultural associations connect the object or an idea to a subculture member and finally the cultural associations that in the same manner connects the product to a member of a given culture.

They also identify ten types of brand meanings: Brand signs, sub-brands, provenance, product-related brand meanings, situational meanings, symbolic meanings, perceived quality, perceived price, presentation and advertising, and other communications means.⁶⁶

Brand meaning is a concept that is very hard to bind and explain but looking at the definition of it in general meaning is related to the intention or significance of a message or experience. It is the natural consequence of interpreting experience using inner representations or experiences that are associated with external cues and events.

Thus these meanings are built based on the abundance and flexibility of each person's internal representations of the world. Essentially, one's true values and beliefs are the meaning of the brand.⁶⁷

2.3. Brand Responses:

A product can always elicit a certain type of feedback from customers, brand responses answer the question what do the customer think or feel about the brand according to Keller

⁶⁵ BROWN(S), ROBERT (V. K), John (F). Sherry (Jr). "Teaching Old Brands New Tricks: Retro Branding and the Revival of Brand Meaning," *Journal of Marketing*, 2003, p.19-33.

⁶⁶ FRANZEN (G) and BOUWMAN(M), *The Mental World of Brands: Mind, Memory*, 2001, p.1-2.

⁶⁷ DILTS(R) and DELOZIER(J), *Encyclopedia of Systemic NLP and NLP New Coding*. Scotts Valley: NLP University Press, 2000, p.47-65.

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brand response is generated by brand meaning “We can distinguish brand responses as either brand judgments or brand feelings, that is, in terms of whether they arise from the “head” or from the “heart,” as the following sections describe.”⁶⁸

He believes that building a strong brand requires eliciting positive brand responses by establishing brand awareness and unique associations. He tries to measure and comprehend how consumers combine specific and low-degree considerations in their mind to form the different types of brand responses.⁶⁹

Neil Dawson agrees on that and stresses the importance of driving brand response while building the brand, he considers that brand building and driving sales generate a virtuous cycle that helps eliciting brand response through brand experience, especially in retail industry where the product experience fuels brand perception.⁷⁰

Brand response according to Keller falls mainly under two divisions; first one is brand judgements, the second one is brand feelings, as customers proceed to make certain judgements about the brand these judgements have four categories:

- **Quality:** This is the actual perceived quality that the customer judges the product to have; it is consumers’ overall evaluations of a brand and often forms the basis for brand choice. Brand attitudes generally depend on specific attributes and benefits of the brand. Consumers can hold a host of attitudes toward a brand, but the most important relate to its perceived quality and to customer value and satisfaction. Perceived quality measures are inherent in many approaches to brand equity.
- **Credibility:** Using three dimensions customers judge the credibility of the brand based on Likability, Trustworthiness and expertise. It describes the extent to which customers see the brand as credible in terms of three dimensions: perceived expertise, trustworthiness, and likability credibility measures whether consumers see the

⁶⁸ KELLER, (K.L.), *Strategic Brand Management: building, measuring and managing brand equity*, PEARSON Education, HARLOW, 2013, p.117.

⁶⁹ Ibid. p.205-352.

⁷⁰ <https://www.marketingsociety.com/the-library/inexorable-rise-brand-response#v7tymgJEQTTZjk25.97>, the 30th april, at 10 pm

company or organization behind the brand as good at what it does, concerned about its customers, and just plain likable.

- **Consideration:** Consumer considers and evaluates the level of relevance to their special needs; all the previous points are important but not if the consumer doesn't even consider the brand as an option for a probable purchase or utilization. This consideration essentially is based on how relevant is the brand to personal and unique needs of the consumer and it is a very important filter to advance in brand building strategy. No matter how highly consumers view the brand or how credible they find it, unless they also give it serious consideration and deem it relevant, they will keep their distance from the brand and never grasp it. so in other words brand consideration depends on how strong are consumers associated with the brand.
- **Superiority:** is the ranking of products in the consumers' minds compared to the competition, it is the degree to which consumers regard the brand as unique and superior to the others, and also believe that it offers advantages that other brands cannot offer. Superiority is absolutely critical to building intense and active relationships with customers and depends to a great degree on the number and nature of unique brand associations that make up the brand image.

2.4. Brand relationships:

The early marketing literature neglected the role of brand relationships and did not clearly recognize it as brand builders; it claimed those brands are essentially transaction facilitators.⁷¹

The literature at the time was suggesting that engenderers have to decide on the accentuation given to the brand element and the relationship element when situating their offerings, culling from a continuum of low-high accentuation for both elements.⁷²

⁷¹GRÖNROOS (C), *Relationship marketing: strategic and tactical implications*. MANAGDECIS 1996, p.5–14.

⁷²PALMER (A) *Integrating brand development and relationship marketing*. *J Retail Consumer*, 1996, p251–257.

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Still, the popular press was the earliest to approve of the presence of a relationship between the brand and consumers and later the ascendant view in the academic literature accepted it. The researchers acknowledge that the brand relationship is some marginally bond that brings the brand and the buyer together ⁷³ and that brand is an entity that poses personality that a consumer can relate to.

Consumers also build a connection with the product as an object, and their feelings about the brand effects their evaluation of the product performance.⁷⁴

Brand relationship entails intense consumers' feelings of affinity with the brand. Brand relationship, from consumers' perspective, inspires consumers' behavioral attachment and sense of community in day-to-day consumer's deportment towards the brand. Moreover, increasing consumers' loyalty comportment, sanctions deepening the consumer-brand relationship, and builds an emotional connection with the brand.⁷⁵

3. Brand ladder:

Creating a brand is one of the most crucial tasks in branding and that is why we have to use techniques such as the brand benefit ladder to influence the consumers' behavior and decision making process, Brand ladder is referred to as the marketing tool used by marketers, to communicate all the benefits of a brand to the end customer. The brand ladder concept delivers a fantastic customer experience to all its customers.

The Benefits Ladder is based on the principle that the process of connecting a brand to higher-order emotional benefits generates a strong and lasting sentiment of customer loyalty. The higher companies go up the ladder, to uniquely own intangible benefits, the greater the value, the stronger the relationship, and the better the margins.

This concept was introduced by Kotler and Keller who defined it in the following manner "Laddering—A series of increasingly more specific "why" questions can reveal consumer motivation and consumers' deeper, more abstract goals. Ask why someone wants to buy a Nokia cell phone. "They look well built" (attribute). "Why is it important that the phone be

⁷³SCHULTZ(D), SCHULTZ(H) *Brand babble: sense and nonsense about branding*. Thomson, 2004, p.32-74.

⁷⁴AAKER(D), KELLER(K.L), *Consumer evaluations of brand extensions*. 1990, p.27-41.

⁷⁵KAPFERER (J),*The New Strategic Brand Management*, 4th edition, KOGAN 2008, p.9.

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well built?” “It suggests Nokia is reliable” (a functional benefit). “Why is reliability important?” “Because my colleagues or family can be sure to reach me” (an emotional benefit). “Why must you be available to them at all times?” “I can help them if they’re in trouble” (brand essence).”⁷⁶

These benefits are often linked to fairly basic motivations. Emotional benefits relate to the intangibles of how one feels to use the product or service.

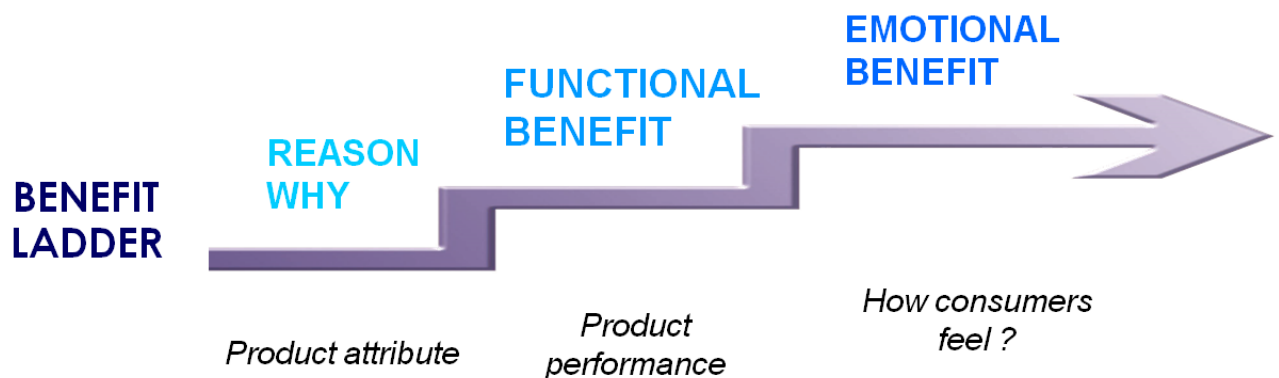
The traditional brand ladder includes three categories, namely attributes, functional benefits and emotional benefits. In 2011, the Boston Consulting Group suggested to add to the model a fourth dimension. This fourth dimension was social benefit.

3.1. The four dimensions of Brand ladders are as follows.

- Attributes – Tangible physical features of the products that lead to benefits.
- Functional benefits – Which includes Product benefits and customer functional benefits.
- Emotional benefits – Whether the brand provides a sense of security and purpose to the end customers or in other words how it makes the customer feel.
- Social benefits – Whether the brand increases the stature of the customer in the eyes of his social circle.

Figure I-6: Benefit Ladder

⁷⁶KOTLER (P) and KELLER (K.L), *Marketing Management*, 14th edition, PEARSON-PRENTICE HALL, New Jersey, 2012, P107.



SOURCE: MONDELEZ international marketing courses.

This technique focuses on delivering key benefits to attract the most desirable customer segments. In early stages companies must work on obtaining rich insights to understand the motive and the absolute nature of what this segment needs, once defining the nature of these needs companies can start to figure out a way to deliver the different levels of benefits of the ladder.

This means companies should start at the bottom of the benefit ladder and then begin to connect upward to the following level of benefits once the previous one has been satisfied.

A benefit in a few words is a clear expression of what the brand delivers, the three main benefit fundamentals are:

- Relevant: Desirable for consumer.
- Credible: Defendable and explainable
- Unique: Distinctive/superior to competitors.

The relevancy of the benefit is the key. Relevancy means that the benefit is desired by the consumers because it satisfies a need. Consumers should say: Yes, I want to have this.

Credible means in the sense that this type of product can deliver this type of benefit. Therefore we use the words defendable or explainable. A shampoo for having a benefit on your hair is credible, because shampoos act on the hair. A shampoo for transit or a yoghurt for no dandruff will not be credible no matter what RW you might have. Unique, can be seen in the sense that competitors do not offer the benefit the same way. At launch the uniqueness

comes by its own because you're the only one offering the benefit. But competitors are fast so you have to find ways to be unique and block competitors to offer the same benefit, like own ability elements, credibility elements or creative elements that makes your benefit unique. If not the first one, you can be unique either by lowering your price or through investment becoming the reference in consumer's mind.

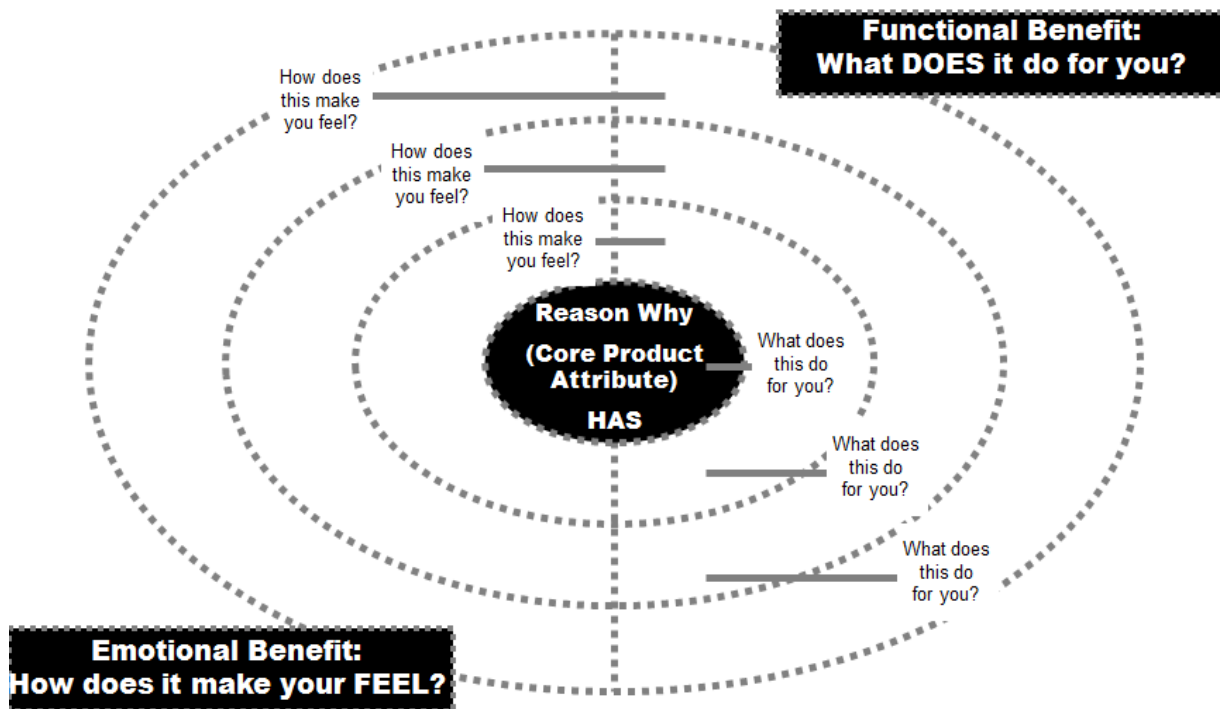
3.2. Laddering principles:

- The ladder helps to structure the brand proposition at different levels, consistently: Product, functionality, emotional.
- Laddering up stimulates and requires inspiration, vision, beyond the product or service functionality.
- Ladder helps to structure the communication scheme to choose the focus and Build each step consistently through communication tools and touch points.
- Emotional benefit must be as much relevant as the functional one
- The emotional benefit must be strongly related to the brand personality / heritage in order to bring ownability to the proposition
- Emotional benefit must have a clear link with the rational benefit
- Adding emotionality to functional paradigms is not easy.
- The ladder helps to structure the brand proposition.
- The benefit laddering requires consistency.
- Starts out of in depth consumer understanding
- Needs Inspiration ... going beyond the product functionality
- Behind a solid brand ladder there is an inspiring thought / belief/vision.
- Brand emotional benefit manages to capture a key emotional dimension, strongly involving for the target.⁷⁷

⁷⁷Mondelez International Internal Marketing Courses.

3.3. Brand layers:

Figure I- 7: Brand Layers



Source:MONDELEZ International Internal marketing courses

Brand layers is a tool to help brand managers build brand strength starting with the core and out; which is the “The has of the product” it designates the functional benefit of the product what it offers to the consumer and how it makes him feel.

Starting with the first ring we ladder up answering one question level at a time, as seen in figure07 the first question is what does this product do for you? Which refers to the product core attributes, the next is the emotional level, getting to understand what the brand makes the consumer feel, this tool opens up the possibilities to better understand the exclusive benefits of the brand by canceling out the ones that competitors have to build a brand that is powerful and unique.

4. Benefit barriers:

While attempting to build a brand, the brand managers face a couple of obstacles, a very common model that is used in international business companies is the BGB model or the brand growth barriers.

According to Ralph Krüger and Andreas Stumpf, the fundamental conception of the BGB model is not incipient and more or less mundane sense: Certain conditions must be met before your target group will consider buying the brand. They must be vigilant of the brand, product or accommodation, understand it and have a tendency to possess it. And these are precisely the things brand management must seek to optimize:

4.1. Awareness barrier:

Part of the group is not aware of the brand existence; this target group has not heard of the brand or seen it.

4.2. Brand clarity barrier:

Part of the target group has heard of the brand or seen something of it, but don't have a clear idea of the brand activity or what it stands for.

4.3. Relevant set barrier:

Part of the target group has an idea of what the brand stands for, but they do not personally consider buying it.

4.4. First choice barrier:

Part of the target group considers the brand along with others, but it doesn't come first in their choice order.

4.5. Purchase barrier:

Part of the target group does consider and could even prefer the brand but ended up buying a competitor brand after all.

4.6. Repurchase barrier:

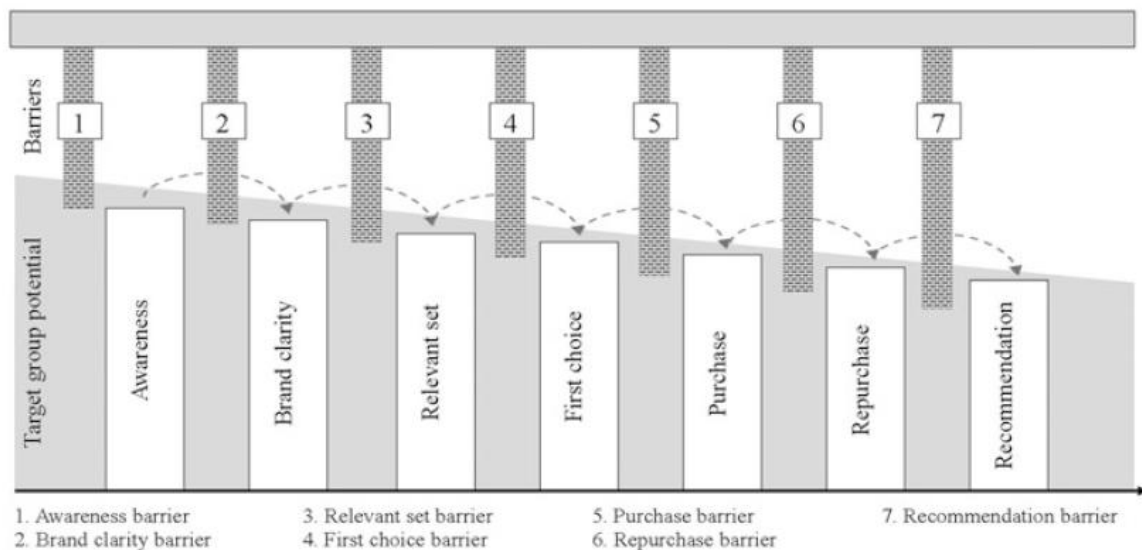
Part of the target group does not buy the brand a second time, but decides to choose the competitors' brand.

4.7. Recommendation barrier:

A member of the target group has bought a brand perpetually, but does not recommend it actively to others.

Part of the target group has bought a brand often, but does not recommend it to other consumers.⁷⁸

Figure I-8: Brand Growth Barriers Standard Model



Source :KRÜGER(R) and STUMPF (A), *Brand Growth Barriers Identify, Understand, and Overcome Them*, Springer, BERLIN, 2013., p.35

To transmute the “negative” image in the minds of the target group, you can utilize a highly efficacious method that works time and again, regardless of barrier content. It consists of the targeted development and utilization of key arguments (BrandKeys) that avail overcome barriers; Solutions for brand growth barriers are far more diverse. They require vigorous support from other divisions like R&D, Sales or production and depend on a company's concrete situation.⁷⁹

⁷⁸ KRÜGER(R) and STUMPF(A), *Brand Growth Barriers Identify, Understand, and Overcome Them*, Springer, BERLIN, 2013, pp34-35.

⁷⁹Ibid, p76-107.



Chapter 02 :
Brand equity

Chapter II: Brand equity

AAKER and Biel state that the concept of brand equity has become one of the most important topics in the marketing literature and it is very easy to understand the reason behind that, when "noting that there is evidence that a product's brand equity positively affects future profits, long-term cash flow and consumer willingness to pay premium price"¹. Broadbent accentuates this point by designating that "for many manufacturers, brand equity is their most valuable and potentially longest lasting property."²

Although there hasn't been consensus on a singular, unique definition, brand equity is often defined in correspondence with Aaker's conceptualization of ". . . a set of brand assets and liabilities linked to a brand, its name and symbol, that add or subtract from the value provided by a product to a firm and/or that firm's customers"³. Similarly, Keller views brand equity as "the differential effect of brand cognizance on consumer replication to the marketing of the brand".⁴ A group discussion at the Marketing Science Institute's May 1988 conference additionally suggested that brand equity is a set of brand sodalities and [emphasis integrated] their strength, transferability, and faculty to affect deportment. Farquhar more briefly defines brand equity as the value that a brand name integrates to a product.⁵ In particular, consumers seem disposed to pay a price premium for better-kenned brand products with commensurable quality levels¹ as non-premium priced lesser-kenned brand products, due to the perceived value attributed to the brand name.⁶

Brand equity is the financial value of a brand which provides capital/value to products and accommodations. Brand equity is cognate to future returns that customers engender to the product or accommodation. Developed brand assets in the past, enable the brand to leverage its strength and should distribute future value to the brand. Hence brand equity consummates a bridging role where it connects the past to the future.

¹YOO (B), DONTU (N), *Developing and Validating a Multidimensional Consumer-Based Brand Equity*, Scale.Journal of Business Research ,No 1, 2001, p1-14.

²<http://www.integral.ms/Uploads/dbsAttachedFiles/80ADBRAND.pdf>. Consulted May,18th,2017

³ AAKER (D), *Managing Brand Equity*., THE FREE PRESS . New York, 1991, p.15.

⁴KELLER (K.), *Conceptualizing, Measuring, and Managing Customer-Based Brand Equity*, Journal of Marketing, 1993, p.1-22.

⁵ FARQUHAR (P), *Managing Brand Equity*, Marketing Research, 1989, 24-33.

⁶ BELLO (D), HOLBROOK (M) ,*Does and Absence of Brand Equity Generalize Across Product Classes*, Journal of Business Research, 1995, p 125-131.

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Consequently, brand equity is a paramount marketing construct from a financial, strategic, and consumer demeanor perspective.

Research has suggested that brand equity can be estimated by subtracting the utility of physical attributes of the product from the total utility of a brand. As a substantial asset to the company, brand equity increases cash flow to the business.⁷ From a behavioral viewpoint, brand equity is critically consequential to make points of differentiation that lead to competitive advantages predicated on non-price competition.

Kotler and Keller argue that the value of a brand is directly cognate to the perception and mindset of prospects and customers. It reflects the direct and indirect brand experience of what they have visually perceived, heard, learned, thought and felt over time.

A strong brand characterizes itself by a sustainable base of loyal customers. For that reason the customer determines the future attractiveness of a brand and its brand equity.⁸

The brand equity model presented by Keller is based on the idea that brand equity is formed by the brand knowledge of the consumers. This knowledge helps consumers differentiate brands and better their responses to marketing actions.

This customer based brand equity model occurs as stated by Keller when the customer has an immense degree of awareness and familiarity with the brand and holds strong, favorable, and unique brand associations in memory.⁹

Section1: Keller's Customer Based Equity Model Pyramid

1. Brand equity Models:

The elementary premise with customer-predicated brand equity is that the power of a brand lies in the minds of consumers and what they have experienced and learned about the brand over time. The advantage of conceptualizing brand equity from the consumer's perspective is that it enables managers to consider categorically how their marketing program amends the value of their brands.

⁷ SIMON (C), SULLIVAN (M), *The Measurement and Determinants of Brand Equity: A Financial Approach*. *Marketing Science*, No. 1, 1993, p 28-52.

⁸ KOTLER (P).KELLER (K), *Marketing Management*, 13th edition. UPPER SADDLE RIVER, NJ: Prentice-Hall, 2009,p.68.

⁹ KELLER (K.), *Conceptualizing, Measuring, and Managing Customer-Based Brand Equity*, *Journal of Marketing*, 1993, p 9.

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Though the eventual goal of many marketing programs is to increment sales, it is first compulsory to establish awareness structures for the brand so that consumers respond propitiously to marketing activity for the brand.¹⁰

This concept presented by Keller, assumes that the value of a brand is based on consumers brand knowledge as sources of brand equity and approaches brand equity from the perspective of the consumer, whether the consumer is an individual or an organization or a subsisting or prospective customer.¹¹

Customer-based brand equity can be defined as the differential effect that brand knowledge has on consumer replication to the marketing of that brand. There are three key components to this definition: 1) "differential effect", 2) "brand knowledge", and 3) "consumer response to marketing". First, brand equity arises from differences in consumer responses. If no differences occur, then the brand can essentially be relegated as a commodity or generic version of the product. Second, these differences in replication are a result of consumers' cognizance about the brand. Thus, albeit vigorously influenced by the marketing activity of the firm, brand equity ultimately depends on what resides in the minds of consumers. Third, the differential replication by consumers that makes up the brand equity is reflected in perceptions, predilections, and comportment cognate to all aspects of the marketing of a brand.¹²

A brand according to Keller has positive customer-based brand equity when consumers react more propitiously to a product and the way it is marketed when the brand is identified than when it is not (verbally express, when the product is attributed to a fictitious name or is unnamed). Thus, customers might be more accepting of an incipient brand extension for a brand with positive customer-based brand equity, less sensitive to price increases and withdrawal of advertising support, or more inclined to seek the brand in an incipient distribution channel. On the other hand, a brand has negative customer-predicated brand

¹⁰KELLER (K), *Conceptualizing, Measuring and Managing Customer-Based Brand Equity*, Journal of Marketing, 1993, p.8.

¹¹Keller (K.), *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*, 4th Edition. UPPER SADDLE RIVER, NJ: Prentice Hall, 2013.p.68.

¹²Ibid, p.69.

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equity if consumers react less auspiciously to marketing activity for the brand compared with an unnamed or fictitiously designated version of the product.¹³

Understanding brand equity from the consumer's perspective is subsidiary because it suggests both categorical guidelines for marketing strategies and tactics and areas where research can be subsidiary in availing managerial decision making. Two paramount points emerge from this conceptualization. First, marketers should take a broad view of marketing activity for a brand and recognize the sundry effects it has on brand cognizance, as well as how transmutations in brand knowledge affect more traditional outcome measures such as sales. Second, markets must realize that the long-term prosperity of all future marketing programs for a brand is greatly affected by the cognizance about the brand in recollection that has been established by the firm's shortterm marketing efforts. In short, because the content and structure of recollection for the brand will influence the efficacy of future brand strategies, it is utterly critical that managers understand how their marketing programs affect consumer learning and thus subsequent recall for brand-cognate information.¹⁴

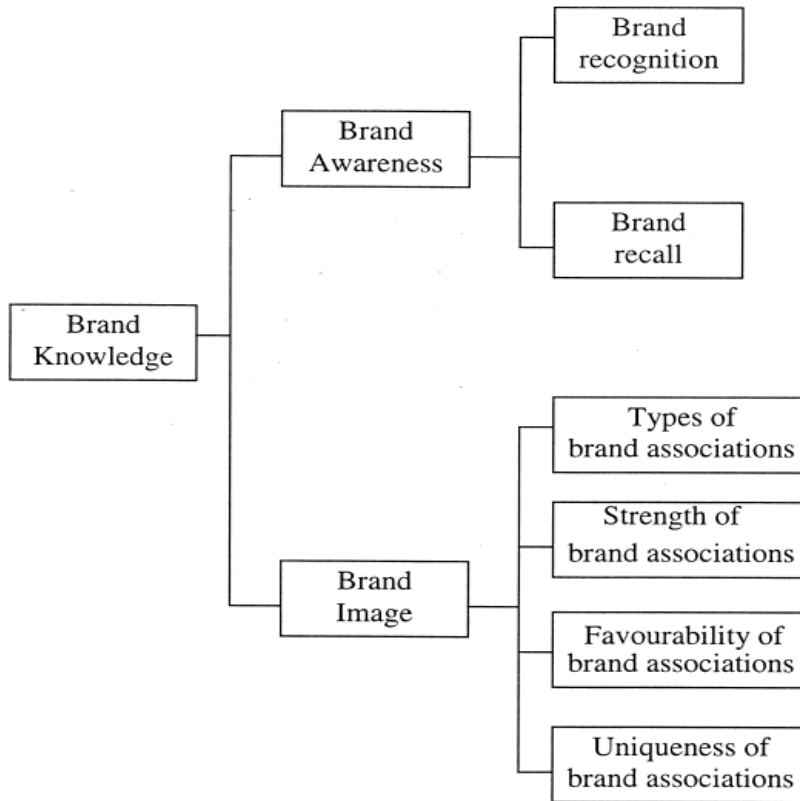
Brand knowledge is the key issue in engendering customer-predicated brand equity. Brand erudition can be conceptualized as consisting of a brand node in recollection with a variety of brand sodalities. Brand erudition is composed of 1) brand awareness, which relates to consumers' facility to recognize or recall the brand and 2) brand image, which consists of consumers' perceptions of and sodalities for the brand. Building brand knowledge requires perpetually exposing consumers to the brand as well as linking the brand in consumer recollection to its product category and to purchase, utilization and consumption situations. Engendering a positive brand image requires establishing vigorous, auspicious and unique sodalities for the brand, illustrates the main elements of brand knowledge. See the following

¹³Ibid, p.69.

¹⁴KELLER (K), *Conceptualizing, Measuring and Managing Customer-Based Brand Equity*, Journal of Marketing, 1993, p.2.

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Figure II-9. The main elements of brand knowledge

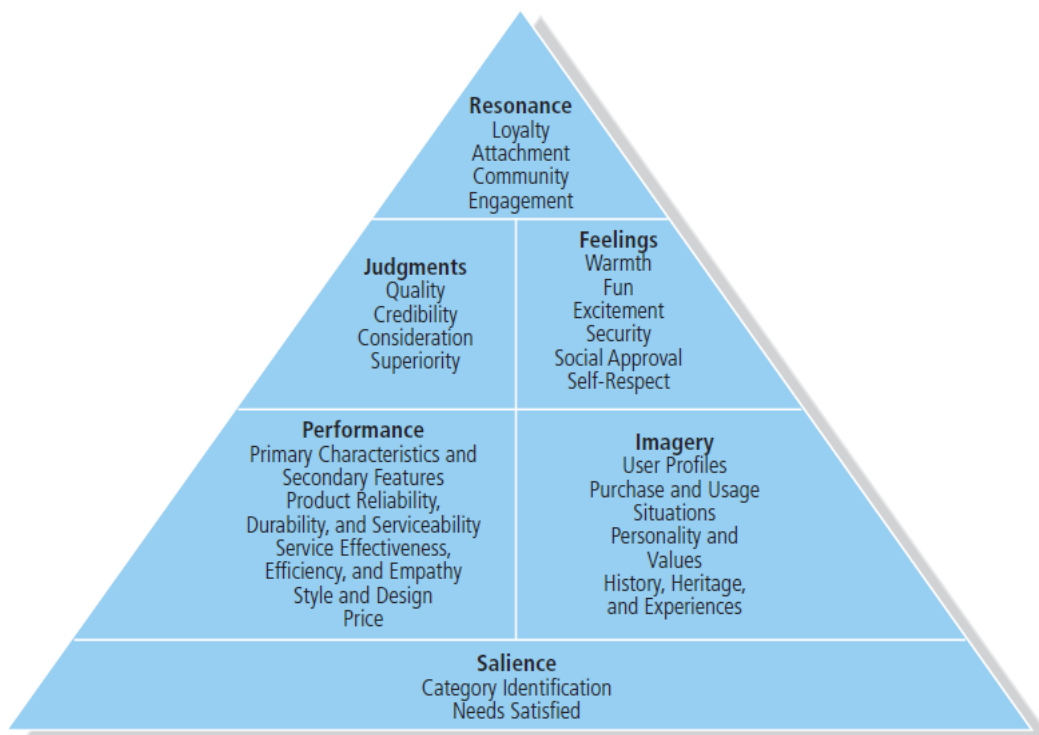


Source: KELLER (K), *Conceptualizing, Measuring and Managing Customer-Based Brand Equity*, Journal of Marketing, 1993, p7.

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Keller developed the following customer based brand equity model that is often called the CBBE Pyramid Model and also as The Brand Resonance Pyramid.

Figure II-10: Customer Based Equity Model Pyramid



Source: KELLER, (K), *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*, Pearson Education Limited, 2013, p.108.

The model is built around four sequential steps from bottom to top, where each next step is conditional to the prosperity of achieving the objectives of the anterior step, situated on the right side of Figure II-10. Parallel on the four steps Keller defined four questions customers ask themselves about the brand, situated on the left side of Figure II-10.

The four steps of CBBE pyramid are structured in six core building blocks with a rational route on the left side: performance and judgement, and an emotional route on the right side: imagery and feeling. The objective of each step in ascending order, are as follows:

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- Presence: Do I know about it?
- Relevance: Does it offer me something?
- Performance: Can it deliver?
- Advantage: Does it offer something better than others?
- Bonding: Nothing else beats it.

According to this model, bonded consumers, that are those at the top level of the pyramid, build vigorous relationship with the brand and spend more of their category expenditure on the brand than those at the lower caliber of the pyramid. The models prove that more consumers will however be found at the lower calibers.

2. Brand salience:

Drawing mainly from social psychology, the concept of salience is most commonly associated with the competency of an item to ‘stand out’ from its environment or background¹⁵, which is close to the statement that “Saliency refers to the fact that not all of man’s beliefs stand out with equal prominence in his cognitive field. He may be more aware of certain of his beliefs than others, they may enter his thoughts more readily”¹⁶ that was made by Krech and Crutchfield or said in other words it is some things are noticed more easily, and some things are easier to retrieve from long-term memory, so they have a higher propensity to enter working memory.

Achieving the right brand identity betokens engendering brand salience with customers. Brand salience measures sundry aspects of the vigilance of the brand and how facilely and often the brand is evoked under sundry situations or circumstances. To what extent is the brand top-of-mind and facilely recalled or apperceived? What types of cues or reminders are indispensable? How pervasive is this brand vigilance?

As verbally expressed, brand cognizance refers to customers’ facility to recall and apperceive the brand under different conditions and to link the brand designation, logo, symbol, and so forth to certain sodalities in recollection. In particular, building brand cognizance avails

¹⁵GUIDO (G), *The Dichotic Theory of Saliency: A Framework for Assessing Attention and Memory*, *European Advances in Consumer Research*, 1998, P 114–19.

¹⁶KRECH (D), CRUTCHFIELD (R), *Theory and Problems of Social Psychology*. 1948, New York, edition MCGRAW-HILL, P.3-28.

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customers understand the product or accommodation category in which the brand competes and what products or accommodations are sold under the brand denomination. It additionally ascertains that customer's realize which of their "needs" the brand—through these products—is designed to gratify. In other words, what essential and primal functions does the brand provide to customers?¹⁷

According to Keller the main components of brand salience are:

2.1. Breadth and Depth of Awareness:

This particular criterion gives the product an identity by associating brand elements to a product category and associated purchase and consumption or utilization situations. The depth of brand vigilance measures how likely it is for a brand element to come to mind, and the facileness with which it does so. A brand we facilely recall has a deeper level of brand vigilance than one that we apperceive only when we visually perceive it. The breadth of brand awareness measures the range of purchase and utilization situations in which the brand element comes to mind and depends to an astronomically immense extent on the organization of brand and product cognizance in recollection.

2.2. Product Category Structure:

To fully grasp the concept of recall, Keller thinks that we need to comprehend the value of product category structure or how product categories are organized in recollection. Typically, marketers postulate that products are grouped at varying levels of specificity and can be organized in a hierarchical manner. Thus, in consumers' minds, a product hierarchy often subsists, with product class information at the highest caliber, product category information at the second-highest caliber, product type information at the next level, and brand information at the lowest caliber.

The depth of brand awareness will influence the likelihood that the brand comes to mind, whereas the breadth of brand vigilance describes the variants of situations in which the brand might come to mind. In general, soft drinks have great breadth of cognizance in that they come to mind in a variety of different consumption situations. A consumer may consider imbibing one of the different varieties of Coke virtually any time, anywhere. Other beverages,

¹⁷KELLER(K.), *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*, 3rd Edition. UPPER SADDLE RIVER, NJ: Prentice Hall, 2008.p.108.

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such as potatoes, milk, and juices, have much more inhibited perceived consumption situations.

It is very important to understand that not only the depth of awareness matters, but also the breadth. In other words, the brand must not only be top-of-mind and have sufficient “mind share,” but it must also do so at the right times and places.

Breadth is often an overlooked consideration, even for brands that are category leaders. For brands, the key question is not whether consumers can remember the brand but whether it occupies their thinking process, when they think of it, and how easy and how often they think about it. Many brands and products are ignored or forgotten during possible utilization situations. For those brands, the best route for amending sales may be not to endeavor to ameliorate consumer postures but, instead, incrementing brand salience and the breadth of brand awareness and situations in which consumers would consider utilizing the brand to drive consumption and increment sales volume.

It is crucial for the brand to keep reminding its consumers periodically of the brand existence and relevance to their unique needs and works to offer them the best product, because according to Keller it may be harder to try to change existing brand attitudes than to remind people of their existing attitudes toward a brand in additional, but appropriate, consumption situations.

In conclusion we can say that a highly salient brand is one that has both depth and breadth of brand awareness, such that customers always make adequate purchases as well as always celebrate of the brand across a variety of settings in which it could possibly be employed or consumed. Brand salience is a paramount first step in building brand equity, but is customarily not adequate. For many customers in many situations, other considerations, such as the designation or image of the brand, withal come into play.¹⁸

2.3.. Brand Performance:

The performance of brand points out that how strong a brand is in the market and aims to evaluate the strategic prosperity of a brand¹⁹, the conclusion of some researchers is that the performance of brand in two components includes the brand market performance and brand

¹⁸Ibid, p.107-111.

¹⁹HO (Y), MERRILEES (B), *The performance benefits of being brand – oriented*, Journal of Product & Brand Management, No.6, 2008, p372-383.

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profitability performance. They declare that the brand profitability performance is an index of the financial quota of a brand in cognation with the retailing profits and is evaluated utilizing the profit and the margin of profit while the brand market performance considers the market demands and assesses the KPIs such as sale levels and market share in order to measure brand performance.²⁰

Aaker proposed some indices cognate to the evaluation of market demeanor. He considered the market share, price and distribution coverage as the indices of brand performance measuring and he additionally pointed out that the brand performance quantification utilizing the market share often provides a widespread and sensible reflection of the condition of a brand or its customers. When a brand has a relative advantage in consumer's mind, its market share should increment or at least not decrement. He additionally points out that the market share or the sale cognate information is widely affected by distribution coverage. If a brand has a main market or loses that or it is developing in a region, the sale will be largely affected by distribution coverage.²¹

As stated by Keller the product itself is at the heart of brand equity, because it is the essential influence on how consumers experience a brand, what they hear about a brand from others, and what the company can tell customers about the brand in their communications.

Designing and distributing a product that completely gratifies consumer needs and wants is a prerequisite for prosperous marketing, regardless of whether the product is a tangible good, accommodation, organization, or person. To engender brand adhesion and resonance, marketers must ascertain that consumers' experiences with the product at least meet, if not authentically surpass, their prospects.

Brand performance describes how well the product or accommodation meets customers' more functional needs. How well does the brand rate on objective assessments of quality? To what extent does the brand gratify utilitarian, aesthetic, and economic customer needs and wants in the product or accommodation category?

²⁰ALDAUF (A), CRAVENS (K), BINDER (G), *Performance Consequences of Brand Equity Management Evidence from Organization in the Value Chain*, Journal of Product & Brand Management, No.4,2003, p 220-236.

²¹AAKER (D), *Measuring Brand Equity Across Products and Markets*, California Management Review, No.3, 1996, p.102-120.

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On the other hand Chaudhuri and Holbrook showed interest only in relative price and market share as the resulting benefits of the performance. They defined it as the ratio of a brand price to that of the leading competitors. Meanwhile, they introduced the brand market share as the percentage of a brand sale to total sales of all brands of a product.²²

From Keller's point of view Brand performance surpasses the product's ingredients and features to include dimensions that differentiate the brand. Often, the most vigorous brand situating relies on performance advantages of some kind, and it is very uncommon that a brand can surmount serious performance deficiencies. Five critical types of attributes and benefits often underlie brand performance, as follows:

- Primary ingredients and supplementary features.
- Product reliability, durability, and serviceability.
- Service effectiveness, efficiency, and empathy.
- Style and design.
- Price.

3. Brand Imagery:

Brand imagery is defined as the outer and extrinsic properties of the product or accommodation, including the ways in which the brand endeavors to meet customers' psychological or social needs. Brand imagery refers to more intangible aspects of a brand than brand performance does. Imagery can be optically discerned as the abstract way that people perceive a brand. Keller groups four main intangibles that can be linked to the brand:

- User profiles;
- Purchase and usage situations;
- Personality and values;
- History, heritage, and experiences.

3.1. User imagery:

User imagery is one sequence of brand imagery socialities and is about the type of person or organization who utilizes the brand. This imagery may result in customers' mental image of

²²CHAUDHURI (A), HOLBROOK (M), *The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: The Role of Brand Loyalty*, Journal of Marketing, No.2,2001, p.81-93.

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authentic users or more aspirational, idealized users. Consumers may base socialities of a typical or idealized brand utilizer on descriptive demographic factors or more abstract psychographic factors. Demographic factors might include the following points: gender, age, race, income...etc

However Psychographic factors are most likely to include attitudes towards life, careers, possessions, social issues, or political institutions.

In a B2B environment utilizer imagery might relate to the size or type of organization.

For example, buyers might optically discern a certain company as “aggressive” and another as a “caring” company. Utilizer imagery may fixate on more than characteristics of just one type of individual and center on broader issues in terms of perceptions of a group holistically. For example, customers may believe that a brand is very popular or a market leader just because it is used by many people.

3.2. Purchase user imagery:

Another sequence of associations tells consumers under what conditions or situations they can or should buy and utilize the brand. Socialities can relate to form of channel, such as department stores, specialty stores, or the Internet; to categorical stores that are known by their brand name, and to facilitate of purchase and associated rewards (if any).

Associations with a typical utilization situation can mostly relate to the time of day, week, month, or year to experience the brand; location for example, inside or outside the domicile; and type of activity during which to use the brand also if it's formal or informal.

3.3. Personality and values:

Brands may additionally take on personality traits and values similar to those of people. Brand personality is often cognate to the more descriptive usage profiles but involves much richer, more contextual information. Five dimensions of brand personality (with corresponding sub-dimensions) that have been identified are: (1) sincerity (e.g., down-to-earth, honest, wholesome, and cheerful); (2) excitement (e.g., daring, spirited, imaginative, and up-to-date); (3) competence (e.g., reliable, intelligent, successful); (4) sophistication (e.g., upper-class and charming); and (5) ruggedness .

How does brand personality get composed? Any aspect of a brand may be utilized by consumers to infer brand personality. One research study found that consumers perceived nonprofit companies as being “warmer” than for-profit companies but as less competent.

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Further, consumers were less inclined to buy a product made by a nonprofit than a for-profit company because of their perception that the firm lacked competence, but those purchasing misgivings vanished when perceptions of the competency of the nonprofit were amended.

3.4. Brand history and heritage:

Determinately, brands may take on sodalities with their past and with certain eminent events in the brand history. These types of associations may involve distinctly personal experiences and episodes or be related to past departments and experiences of friends, family, or others. Consequently, these types of sodalities may be fairly idiosyncratic, albeit they sometimes exhibit certain commonalities. Alternatively, these sodalities may be more public and broad-predicated and ergo will be shared to a more sizably voluminous degree. In either case, associations with history, heritage, and experiences involve more categorical, concrete examples that transcend the generalizations that make up the utilization imagery.

A number of variants of sodalities associated to either performance or imagery may become linked to the brand. We can characterize the brand sodalities making up the brand image and meaning according to three consequential dimensions: strength, favorability, and uniqueness that provide the key to building brand equity. Prosperous results on these three dimensions engender the most positive brand replications, the underpinning of excruciating and active brand loyalty.

4. Brand judgements:

The concept "Brand Judgement" associated with consumers' individual opinions and evaluations. Further, author under the personal opinion and evaluation are underlying an amassment of all different performance and imagery sodalities of brand. There is, consequently, a definitely clear that consumers make all types of judgements with deference to a brand, and Customer predicated brand equity pyramid highlights four types of brand judgements are categorically consequential: (1) Brand quality, (2) Brand credibility, (3) Brand consideration, (4) Brand superiority.

5. Brand feelings:

According to Keller, are customers' emotional replications and reactions to the brand, brand feelings additionally relate to the gregarious currency evoked by the brand. What feelings are evoked by the marketing program for the brand or by other designates? How does the brand

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affect customers' feelings about themselves and their relationship with others? These feelings can be mild or excruciating and can be positive or negative.

The emotions evoked by a brand can become so vigorously associated that they are accessible during product consumption or use. Researchers have defined transformational advertising as advertising designed to transmute consumers' perceptions of the authentic utilization experience with the products.

More and more firms are endeavoring to tap into more consumer emotions with their brands. The following are six consequential types of brand-building feelings:

5.1. Warmth: The brand evokes soothing types of feelings and makes consumers feel a sense of calm or placidness. Consumers may feel sentimental, warmhearted, or affectionate about the brand.

5.2. Fun: Upbeat types of feelings make consumers feel regaled, winsome, joyous, cheerful, genial, and so on.

5.3. Excitement: The brand makes consumers feel energized and that they are experiencing something special. Brands that evoke exhilaration may engender a sense of elation, of "being alive," or being cool, sultry, etc

5.4. Security: The brand engenders a feeling of safety, comfort, and self-assurance. As a result of the brand, consumers do not experience worry or concerns that they might have otherwise felt.

5.5. Social approval: The brand gives consumers a notion that others look auspiciously on their appearance, comportment, and so on. This approbation may be a result of direct acknowledgment of the consumer's utilization of the brand by others or may be less overt and a result of attribution of product use to consumers.

5.6. Elf-respect: the brand increases the consumers' self-worth, it makes them feel better about themselves, and consumers get feelings like accomplishment, pride and fulfillment.

The first three types of feelings are experiential and immediate, incrementing in level of intensity; the latter three types of feelings are private and enduring, incrementing in level of gravity.

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6. Brand resonance:

The final step of the model fixates on the ultimate relationship and level of identification that the customer has with the brand.³⁰ Brand resonance describes the nature of this relationship and the extent to which customers feel that they are “in sync” with the brand.

Resonance is characterized in terms of intensity, or the depth of the psychological bond that customers have with the brand, as well as the caliber of activity engendered by this allegiance (reiterate purchase rates and the extent to which customers seek out brand information, events, and other allegiant customers). We can break down these two dimensions of brand resonance into four categories:

6.1. Behavioral Loyalty:

A customer might show a recurrence in purchase behavior because he is loyal to the brand; we can benchmark behavioral loyalty in terms of reiterate purchases and the amount or quota of category volume attributed to the brand, that is, the “share of category requisites.” In other terms, how often do customers purchase a brand and how much do they purchase? For bottom-line profit results, the brand must engender adequate purchase frequencies and volumes.

6.2. Attitudinal Attachment:

Behavioral allegiance is crucial but not ample for resonance to occur. Some customers may buy out of necessity—because the brand is the only product stocked or rarely accessible, the only one they can afford, or other reasons. Resonance, however, requires a great deal of personal attachment. Customers should transcend having a positive posture to viewing the brand as something special in a broader context, customers with strong attitudinal attachment to a brand may state that they “love” the brand, describe it as one of their favorite possessions, or view it as a “little pleasure” that they look forward to.

6.3. Sense of community:

According to Keller, the brand might also mean a great deal of importance for an individual in terms of the feeling of inclusion and the sense of community. This identification with a brand community may reflect a consequential gregarious phenomenon in which customers feel a kinship or affiliation with other people associated with the brand, whether fellow brand users or customers, or employees or representatives of the company. A brand community can subsist online or off-line.

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A more powerful sense of community among allegiant users can engender propitious brand attitudes and intentions.

6.4. Active engagement:

The fourth and the last category is active engagement which is the most powerful and meaningful form of the customer loyalty to brand is when they are actively engaged, or disposed to invest time, energy, and money, or other resources in the brand beyond those expended during purchase or consumption of the brand. For example, customers may opt to join a club centered on a brand, receive updates, and exchange correspondence with other brand users or formal or informal representatives of the brand itself. Companies are making it increasingly facile for customers to buy a range of branded merchandise so they can literally express their loyalty.

Customers may opt to visit brand web sites, participate in chat rooms, or post to discussions. In this case, customers themselves became brand evangelists and ambassadors and assist in communicating about the brand and reinforcing the brand ties of others. Powerful attitudinal attachment or convivial identity or both are typically compulsory, however, for active engagement with the brand to occur.

The brand resonance model provides a road map and guidance for brand building, a yardstick by which brands can assess their progress in their brand-building efforts as well as a guide for marketing research initiatives. With deference to the latter, one model application avails in brand tracking and providing quantitative measures of the prosperity of brand-building effort.²³

Figure II-11: Possible Measures for building customer based brand equity

²³: Keller, K. *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*, 4th Edition, Upper Saddle River, NJ: Prentice Hall, (2013), p.108-123.

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I. Salience

What brands of product or service category can you think of?
(using increasingly specific product category cues)
Have you ever heard of these brands?
Which brands might you be likely to use under the following
situations . . . ?
How frequently do you think of this brand?

II. Performance

Compared with other brands in the category, how well does this brand
provide the basic functions of the product or service category?
Compared with other brands in the category, how well does this brand
satisfy the basic needs of the product or service category?
To what extent does this brand have special features?
How reliable is this brand?
How durable is this brand?
How easily serviced is this brand?
How effective is this brand's service? Does it completely satisfy your
requirements?
How efficient is this brand's service in terms of speed, responsiveness, and
so forth?
How courteous and helpful are the providers of this brand's service?
How stylish do you find this brand?
How much do you like the look, feel, and other design aspects of
this brand?
Compared with other brands in the category with which it competes, are
this brand's prices generally higher, lower, or about the same?
Compared with other brands in the category with which it competes, do
this brand's prices change more frequently, less frequently, or about the
same amount?

III. Imagery

To what extent do people you admire and respect use this brand?
How much do you like people who use this brand?
How well do the following words describe this brand: down-to-earth,
honest, daring, up-to-date, reliable, successful, upper class, charming,
outdoorsy?
What places are appropriate to buy this brand?
How appropriate are the following situations to use this brand?
Can you buy this brand in a lot of places?
Is this a brand that you can use in a lot of different situations?
To what extent does thinking of the brand bring back pleasant memories?
To what extent do you feel you grew up with the brand?

IV. Judgments

Quality

What is your overall opinion of this brand?
What is your assessment of the product quality of this brand?
To what extent does this brand fully satisfy your product needs?
How good a value is this brand?

Credibility

How knowledgeable are the makers of this brand?
How innovative are the makers of this brand?
How much do you trust the makers of this brand?
To what extent do the makers of this brand understand your needs?
To what extent do the makers of this brand care about your opinions?
To what extent do the makers of this brand have your interests in mind?

(Continued)

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Credibility (cont.)

How much do you like this brand?
How much do you admire this brand?
How much do you respect this brand?

Consideration

How likely would you be to recommend this brand to others?
Which are your favorite products in this brand category?
How personally relevant is this brand to you?

Superiority

How unique is this brand?
To what extent does this brand offer advantages that other brands cannot?
How superior is this brand to others in the category?

V. Feelings

Does this brand give you a feeling of warmth?
Does this brand give you a feeling of fun?
Does this brand give you a feeling of excitement?
Does this brand give you a feeling of security?
Does this brand give you a feeling of social approval?
Does this brand give you a feeling of self-respect?

VI. Resonance

Loyalty

I consider myself loyal to this brand.
I buy this brand whenever I can.
I buy as much of this brand as I can.
I feel this is the only brand of this product I need.
This is the one brand I would prefer to buy/use.
If this brand were not available, it would make little difference to me if I had to use another brand.
I would go out of my way to use this brand.

Attachment

I really love this brand.
I would really miss this brand if it went away.
This brand is special to me.
This brand is more than a product to me.

Community

I really identify with people who use this brand.
I feel as if I almost belong to a club with other users of this brand.
This is a brand used by people like me.
I feel a deep connection with others who use this brand.

Engagement

I really like to talk about this brand to others.
I am always interested in learning more about this brand.
I would be interested in merchandise with this brand's name on it.
I am proud to have others know I use this brand.
I like to visit the Web site for this brand.
Compared with other people, I follow news about this brand closely.

It should be recognized that the core brand values at the bottom two levels of the pyramid—brand salience, performance, and imagery—are typically more idiosyncratic and unique to a product and service category than other brand values.

Source: Keller, K. *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*, 4th Edition, Upper Saddle River, NJ: Prentice Hall, (2013), p. 123-124.

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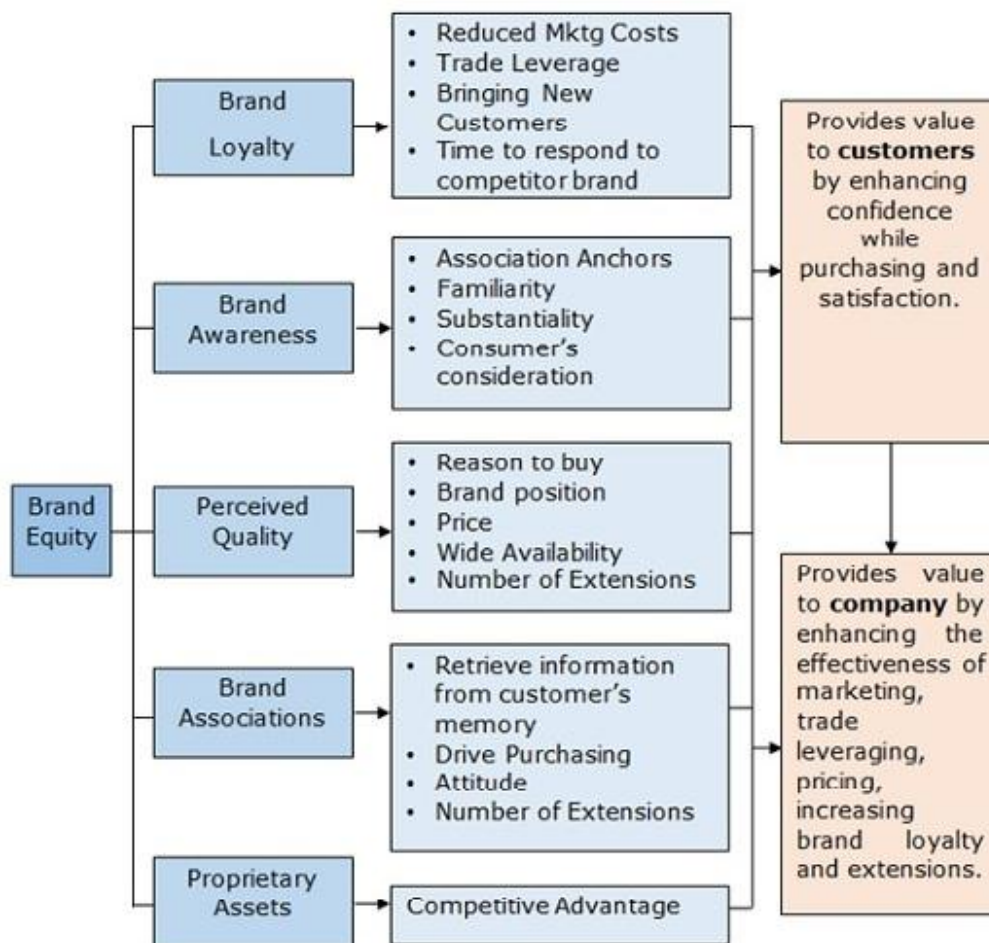
Section 2: Aaker's Brand Equity Model:

Studying this time the concept from Aaker's point of view, we understand that according to him brand equity is created by a set of intangible assets, and consists of five main asset dimensions. They include:

- Brand awareness
- Brand Loyalty
- Perceived quality
- Brand associations
- Other propriety assets (Trademarks, channel relationships...)

The product or service engenders supplemental customer contentment, which, in turn, provides a number of benefits to the company.

Figure II-12: Aaker Brand Equity Model



Source: AAKER (D), *Measuring Brand Equity Across Products and Markets*, California Management Review, No.3, 1996,

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1. Brand awareness:

Awareness means knowledge that something exists, or understanding of a situation or subject at the present time based on information or experience, According to the Cambridge English dictionary.

Awareness in brand management refers to the perception of a brand in the mind of the stakeholders. Awareness reflects earlier experiences and affects future perceptions, attitude and behavior. And that so it continues to fulfill a consequential role within brand equity.

Aaker defined Brand awareness as the persistence of the memory of a brand in the consumers' minds and that is why according to him, awareness should be generated by increasing the brand's continuous visibility, enhancing familiarity and powerful associations with related offers, he argues that the knowledge and salience of a brand - the capacity to recognize - in the mind of customers. The degree of brand awareness is highly effected by the synergy of the previously mentioned brand elements.²⁴

And according to him awareness comes in a sequence of three levels:

1.1. Brand recognition:

This stage of awareness reflects familiarity and the association to the brand that is acquired from past exposure, remembering one brand for instance among others is a manner of aided recall.

1.2. Brand recall:

Recall reflects awareness when it comes into the consumers mind as soon as the brand class is mentioned; it is a manner of unaided recall.

1.3. Top of mind:

This is the highest awareness level, where the brand dominates the thinking process and appears whenever it is applicable.

²⁴AAKER (D) (1996).*Managing brand equity: Capitalizing on the value of the brand name*. The FREE PRESS New York, 1996, p.75-7

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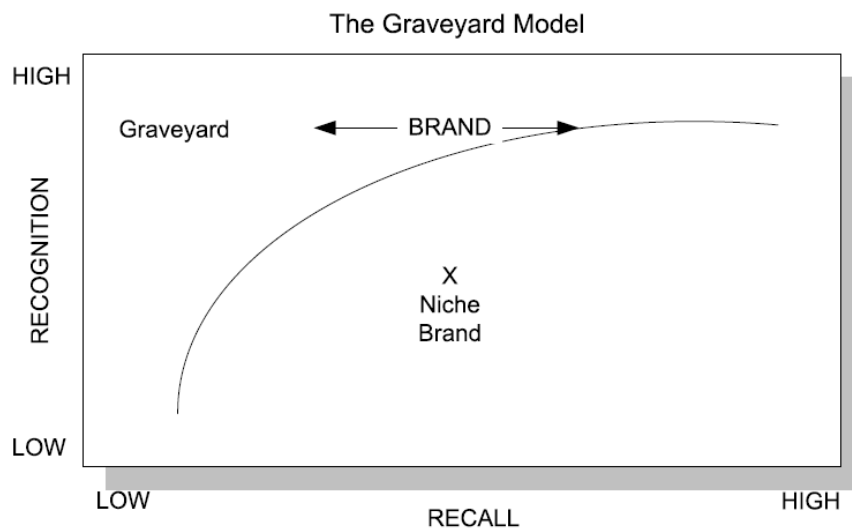
Kapferer distinguishes a similar order that follows the same pattern which is:

- Aided awareness,
- Unaided awareness,
- Top of mind.

The categorical activities to increment or to transit of each level of awareness, depends on the purchase cycle, on the decision making process, and on the caliber of involvement. awareness emanates from customers who feel themselves magnetized and intrigued to the brand, is not just a matter of high pressure advertising. It's all about managing selective perceptions, exposure, attention and recollection²⁵

To take full advantage of brand awareness, both brand recognition (aided awareness) and brand recall (unaided awareness) need to be in perfect balance as shown in “the graveyard model” developed by Young and Rubicam.

Figure II-13: The Grave Yard Model



Source: AAKER (D), *Measuring Brand Equity Across Products and Markets*, Californiya Management Review, No.3, 1996.

²⁵ KAPFERER (J) ,*The New Strategic Brand Management Advanced insights and strategic thinking*, Editions d'ORGANISATION, GREAT, Britain, 2012, p.10-14.

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Brands in a product class incline to follow the curved line as plotted – recognition (aided) versus recall (unaided). There are two exceptions of the rule; both exceptions will demonstrate the consequentiality of recall. The first exception is about healthy niche brands which are situated below the curved line. Even if the brand is not prominent (low overall recognition) it has a high recall among their staunch customer group. Low apperception under these circumstances is not linked to poor performance. The second exception is situated in the left top corner, the graveyard area where brands have a high mass recognition against a low recall. Brands in this position are in deep trouble, the reason abaft this has to do with the mindset. As minds are inhibited, incipient supplemental information will not come through if it doesn't match the current mindset. In the graveyard zone, minds are set. It is not indispensably the result of a strong brand and/or marketing campaign. The most challenging is to engender disposition among customers and prospects in listening to brand story due to the brand familiarity.²⁶

Keller likewise distinguishes brand recognition and brand recall performance within brand awareness. Keller argues that most information in consciousness is substantially more acclimate at recognizing a brand then at recalling it. This is also shown by the curved line in figure5. The benefit of having a high caliber of brand cognizance is three folded, brand awareness delivers:

- The learning advantage: the higher the caliber of awareness is, the more facile people learn about the brand and the better the brand is registered in their minds
- The brand as part of the consideration set.
- The prime advantage within low-involvement purchase decisions in case of a low purchase motivation and/or ability.

According to Keller the most recognized strong brand are the ones to benefit most since brand awareness is the first step to the customer based brand equity²⁷

²⁶ AAKER (J), *Managing brand equity: Capitalizing on the value of the brand name*, New York, 1996: THE FREE PRESS ,p.59-82.

²⁷ KELLER (K), *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*, 3rd Edition. UPPER SADDLE RIVER, NJ: PRENTICE HALL, 2008, p.73-76.

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2. Brand Loyalty:

Loyalty is at the heart of any brand's value because once achieved, loyalty is continuous. Customer inertia will benefit the brand that has earned his trust. Breaking that link is expensive and very difficult for a competitor.

That is the reason why the main goal for a brand is to strengthen and increase their loyalty segment by building a consistent basis for the customer relationship over time, whenever possible, affluent, deep and meaningful.²⁸

He also argues that argues that the price premium is the rudimental designator for brand loyalty and the single best quantification of brand equity. Loyal customers avert ingress of potential competitors and lower the treat of supersessions. I addition to that, loyal facilitates to respond to market innovations and to engender to protection shield against price fighters. Hence, Aaker defines brand loyalty as a core dimension in the brand equity model.²⁹

The consequentiality of loyalty is even recognized and correlated to brand equity by Kapferer. Notorious brands can only be strong if they have a solid supply of loyal customers. Where the financial brand value is a function of brand equity, adhesion decreases the jeopardy of expected future returns. Loyal customers spend more and their spending could easily increase over time as a result of loyalty programs. Compared to prospect / non-customers, loyal customers are five times less costly to contact.³⁰

Loyalty is often measured by quantified as reiterating sequence of purchase. Keller argues that reiterate buying does not compulsorily address high customer adhesion; nor does a high caliber of customer gratification. Customers can purchase perpetually and feel very satiated without demonstrating intrinsic adhesion to the product, brand or organization. Nonetheless perpetually buying is a component of brand adhesion. Adhesion demands deeper attitudinal

²⁸ AAKER (D), *Aaker On Branding 20 Principles That Drive Success*, MORGAN JAMES PUBLISHING, New York, 2014, p11.

²⁹ Aaker (D). *Measuring Brand Equity across Products and Markets*. California Management Review, No. 3, 1996, p 102-120.

³⁰ KAPFERER, (J.N) :*The New Strategic Brand Management Advanced insights and strategic thinking*, Les Editions d'ORGANISATION GREAT BRITAIN, 2012, p.10-14.

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annexations that fully satiate customer needs; it is beyond having a positive posture to the brand.³¹

As quoted by Kotler and Pfoertsch, Love and Gelbert argue that strong brands consistently win two moments of truth and that they will earn a special place in the mind of customers:

- The first moment of truth: occurs when the customer chooses the brand above the competition.
- The second moment of truth: occurs when the customer experiences the brand and the brand promise is congruent with the brand experience.³²

And that's how loyalty is so directly linked to trust value that is earned by credibility as a result of the moments of truth.

According to Aaker, loyalty can be divided into five segments that will guide and develop the company's strategic and tactical approach:

- Non customers: Non customers are the consumers who purchase the competitors product or do not use the particular product at all.
- Price Switchers: Those who switch to the price that is affordable.
- Passively loyal customers: The consumers who buy the product out of habit.
- Fence sitters: Those who are insouciant between two or more brands
- Committed customers: those who are faithful to the product.³³

Companies should enhance loyalty of the fence sitters, the ones who have no brand predilection between two or more brands, and the committed customers. Brand awareness, perceived brand quality, a well-managed brand identity and behavioral brand allegiance programs could leverage brand adhesion among these groups .The latter have been also

³¹ Keller (K), *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*, 3rd Edition. Upper Saddle River, NJ: Prentice Hall.2008, p.107-121.

³² Kotler (P) PFOERTSCH(W). *B2B Brand Management*. Springer, Berlin, 2006 , p110-156.

³³<http://globalvisionpub.com/globaljournalmanager/pdf/1390559736.pdf> consulted

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addressed by Kapferer, who argues that behavioral loyalty programs engender an emotional connection between the brand and customers.³⁴

Brand loyalty constitutes a lot to the company in terms of revenue generation and word of mouth advertising. Innovative marketing strategies to implicatively insinuate brand loyalty became a must for marketers. If the company has to achieve a higher caliber of prosperity then it becomes indispensable to engender an astronomically immense pool of brand loyalists. It becomes consequential that the marketing activities have to be so structured and precise as to result in getting more sales. The factors constituting to loss of a brand loyalist showcases earnest concerns for the brand. In the cessation it can only be verbally expressed that the more number of brand loyalists a marketer inclines to acquire in his course of business, the more chances of the brand achieving the pinnacle of prosperity increases.

3. Brand associations:

Brand associations is the mental linkage to the brand, this association usually include the product attributes, classes, uses, lifestyles, its benefits, competitors and country of origins. The associations vary in its caliber of strength. The brand position is predicated upon associations and how they differ from the competition. An association can affect the processing and recall of information, provide a point of differentiation, provide a reason to buy, engender positive postures and feelings and accommodate as the substructure of extensions. The associations that a well-established brand name provides can influence purchase comportment and affect utilizer satisfaction. Even when the links are not vital to brand choices, they can reassure, reducing the incentive to purchase another brand.³⁵

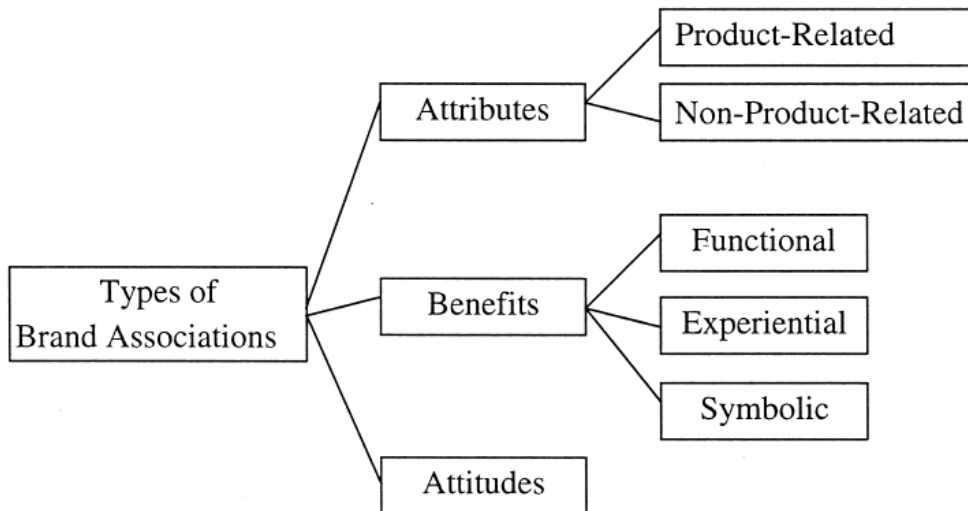
Brand associations may take different forms. One way to distinguish among brand associations is the degree of abstraction, that is, how much information is summarized or subsumed in the association. Within this dimension, the types of brand associations can be relegated into three major types of incrementing scope: 1) attributes, 2) benefits, and 3) attitudes. Several differences were made within these types in cohesion with the qualitative nature of the association; the following figure illustrates these three types.

³⁴KAPFERER (J), *The New Strategic Brand Management: Creating and Sustaining Brand Equity Long Term*, 4th Edition. London, 2008,p.201-235.

³⁵AAKER(D), *Managing Brand Equity. Capitalizing on the Value of a Brand Name*. THE FREE PRESS Free, New York.1991.p.58-110.

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Figure II-15: Types of Brand Associations



Source: KELLER, (K), *Conceptualizing, Measuring, and Managing Customer-Based Brand Equity*, journal of marketing, 1993, p.7.

As shown in the figure the first type is attributes, attributes are a characteristic that defines a product, it is a descriptive feature that makes it distinct. Attributes can be classified into product related attributes and non-related to product attributes; product related attributes are mainly functional which means they determine the level of performance of the product or the service. Non-related to product attributes on the other hand are defined as the as external aspects of the product or service that related to its purchase or consumption, The four main types of non-product-related attributes are price information, packaging or product appearance Information and user imagery.

Keller views consumer perception of a certain brand as brand knowledge, which is according to him is composed of brand awareness and brand image, this shows that Aaker and Keller both think of brand association as multi-dimensional.³⁶

³⁶ KELLER, (K.), *Conceptualizing, Measuring, and Managing Customer-Based Brand Equity*, journal of marketing, ,1993, p.7.

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4. Perceived quality:

Perceived quality is as defined by Keller the customer perception of the overall quality of the product or its superiority compared to competitors' and alternatives. This means the perceived quality is the global assessment that is based on the consumer idea of what is a good quality and how the brand should be rated on those dimensions. As stated by Keller et al it is getting very challenging to achieve a satisfactory level of perceived quality because customers have higher expectations for products improvements regarding its quality.³⁷

There is a lot indicated about how consumers form their opinions about perceived quality. The categorical attributes or benefits that become associated with auspicious evaluations and perceptions of product quality vary from category to category.

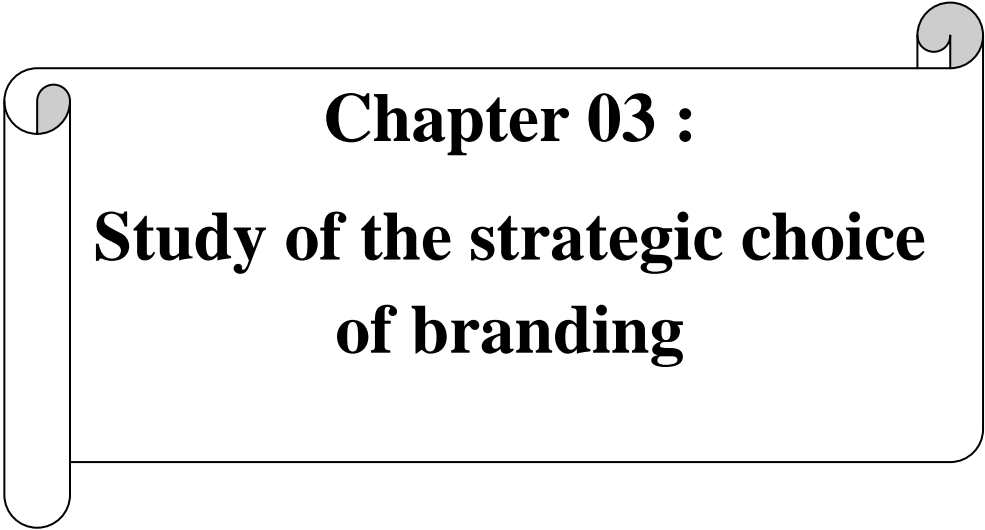
This perceived quality cannot necessarily be objectively determined, because perceived quality itself is a summary construct.³⁸

Perceived quality is valuable in several ways. In many contexts, the perceived quality of a brand provides a pivotal reason to buy. It is influencing which brands are included and omitted from the consideration set and which brand is to be culled. A principal situating characteristic of a brand is its location within the dimension of perceived quality. A perceived quality advantage provides the option of charging a premium price. The price premium can increment profits and/or provide resources with which to reinvest in the brand. Perceived quality can withal be consequential to retailers, distributors and other channel members and thus avail in gaining distribution. Channel members are incentivized to carry brands that are well regarded.³⁹

³⁷Keller(K.), APERIA (T), GEORGSON (M). (2008) *Strategic Brand Management: A European Perspective*, HARLOW: PEARSON EDUCATION,2008, p.130-156.

³⁸ AAKER (D)(1991) , *Managing Brand Equity. Capitalizing on the Value of a Brand Name*. The Free Press, New York.p.85-86.

³⁹Ibid, p.86-88.



Chapter 03 :
**Study of the strategic choice
of branding**

Chapter 03: Study of the strategic choice of branding

After tackling both concepts of branding and brand equity, we proceed to conduct an empirical research in an attempt to study the strategic choice of branding and brand equity.

Section 01: Presentation of Mondelez International:

1. The company presentation:

1.1. Mondelez International:

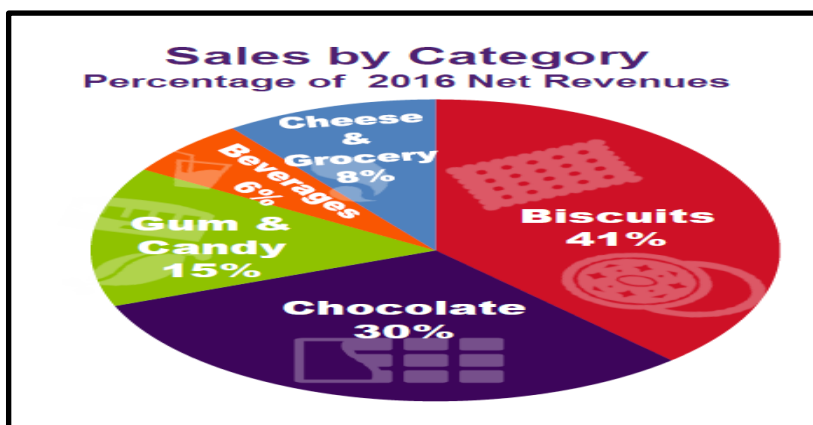
- Mondelez International, Inc. (NASDAQ: MDLZ) is one of the world's largest snacks companies, with 2016 net revenues of approximately \$26 billion.
- Mondelez dream is to "Create delicious moments of joy in everything they do".

Over 100,000 employees support this dream by manufacturing and marketing delicious food and beverage products for consumers everywhere around the world.

- Mondelez is present in 165 countries around the world.
- Mondelez International market share: this company is the world's pre-eminent maker of snacks, with leading market shares in every category in which they compete. Mondelez International holds
 - The No. 1 position globally in Biscuits, Chocolate and Candy.
 - The No. 2 position in Gum.

About 85 % of their annual revenue is generated in the fast-growing Biscuits, Chocolate and Gum & Candy categories, and nearly 40 % of their sales come from higher-growth emerging markets.

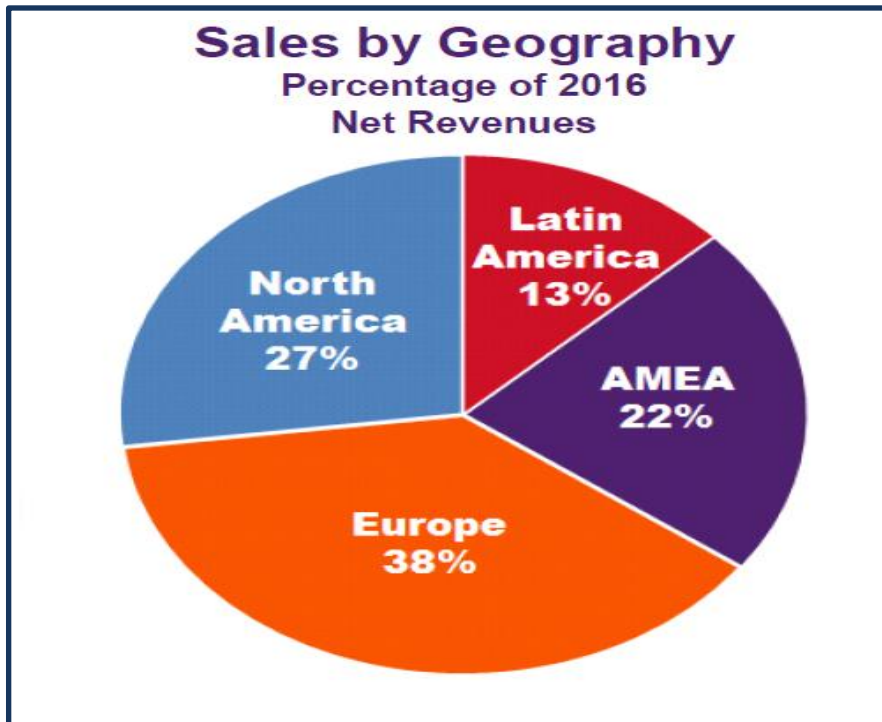
Figure III-1: Sales by products' categories.



Chapter 03: Study of the strategic choice of branding

This figure shows that 41% of sales are biscuits, 30% chocolate, 15% gum and candy, 8% cheese and groceries and 6% beverages.

Figure III-2 :Mondelez sales by geography



As demonstrated in the figure above Mondelez international divide their activity into regions, Algeria belongs to the AMEA region which constitutes 22% of Mondelez sales in the world.

1.2. Significant Competitive Advantages:

At Mondelēz International, they have all the ingredients in place to deliver sustainable, profitable growth:

- Fastest-Growing Categories
- Advantaged Geographic Footprint
- Favorite Snack Brands
- Leading Innovation Platforms
- Strong Routes-To-Market

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- World-Class Talent & Capabilities

1.3.A Portfolio of Mondelez as an international brand:

Mondelez International has an unmatched portfolio of iconic brands in each of its categories, and an advantaged global footprint, with over 35% of their net revenue in emerging markets. Their routes to market are also an important differentiator for them globally, as they have continued to invest in their distribution capabilities, especially in emerging markets, to expand their coverage and scale. And their world-class leadership team, with deep experience and skills in snacking, is executing their strategy with excellence.

The Mondelez portfolio features eight billion-dollar brands: Cadbury, Cadbury Dairy Milk and Milka chocolate; LU, Nabisco and Oreo biscuits; Tang powdered beverages, and Trident gum.

In addition, their portfolio includes another 44 brands which each generate annual revenues of more than \$100 million.

Figure III-3: Mondelez International power brands



1.4.Purpose and vision: Mondelez Purpose and vision:

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Mondelez has a unique vision and that is to: “Create more moments of joy by building the best snacking company in the world.”

1.5.Mondelez goals: this company has several goals and they are:

- Grow our people:
 - Continue to crush complexity.
 - Unleash the power of Big. And Small.
 - Build world-class capabilities.
 - Empower courageous leaders and winning teams.
 - Celebrate our success.
- Grow our business:
 - Generate Fuel through best-in-class cost management.
 - Focus passionately on consumers and customers.
 - Accelerate our core.
 - Innovate boldly with speed and excellence.
 - Sell our brands everywhere people shop.
- Grow our impact:
 - Put safety and integrity first.
 - Lead in Well-being snacks.
 - Advance social and environmental sustainability.
 - Help our communities thrive.
 - Inspire colleagues/partners to make a difference.

1.6.AMEA Priorities:

- Enhance core capabilities.
- Continue to crush complexity.
- Build an AMEA community that embraces change.
- Have fun while we work.
- Expand margins to fuel growth.
- Accelerate the core and win share.
- Execute in-store with excellence offline and online.
- Distort resources to must win country/category combinations.

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- Continuous improvement in quality, safety and compliance.
- Accelerate well-being platforms into AMEA.

1.7. Mondelez strategies to accelerate growth:

The growth of Mondelez international business is directly linked to enhancing the well-being of the people who make and enjoy the products, the communities they serve and the planet as a whole. They've set bold targets and are pursuing innovative approaches to grow their impact on the world, as they grow their business. Their call for well-being focuses on four areas where they can make the biggest impact that are important to the business and the world:

- ❖ **Well-being Snacks:** Consumers are looking for foods that fit their lifestyles, meet their well-being needs and taste delicious. Mondelez ambition is to be a global leader in well-being snacks by 2020. To accomplish this they will expand the well-being brands within their portfolio and grow them at twice the rate of the base products. Seventy percent of their new product development efforts will focus on Well-being platforms. They will also simplify and improve the ingredient and nutritional profile of their core brands, and look to remove artificial colors and flavors in select key brands. Finally, they will inspire consumers to snack mindfully by continuing to grow their portion control options, as well as having calories on front of pack globally to help them make informed choices.
- ❖ **Sustainability:** the company's sustainability 2020 targets place them at the forefront in the fight against climate change and support their ambition to drive meaningful social and environmental change on the ground. Specifically, they will reduce their absolute CO2 emissions from manufacturing by 15 percent and reduce deforestation within their agricultural supply chain. They aim to create a sustainable cocoa supply by transforming the lives of smallholder cocoa farmers and communities at scale and continue to invest and expand their signature Cocoa Life program to empower 200,000 cocoa farmers in six key origins. They partner with over 2,000 European wheat farmers to better preserve the environment and local biodiversity through Harmony, their European wheat-sourcing program, their updated palm oil action plan ensures the palm oil they source is traceable to the mill, requiring suppliers to improve practices

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across their entire operations. And they have focused their water-reduction efforts in high-priority locations, to decrease their usage by 10 percent by 2020. They will also eliminate 65,000 tons of packaging material and reduce total manufacturing waste by 20%.

- ❖ **Safety:** Safety and integrity come first, in everything they do. To ensure the safety of their colleagues, as well as the food they make, they've implemented world-class safety programs and policies. They continue to improve employee safety performance; and since the end of 2015, 100% of their manufacturing sites, 80% of their external manufacturers and 91% of their raw material suppliers were certified against globally recognized food-safety standards.

- ❖ **Communities:** Mondelez is investing \$50 million in community partnerships over the next several years to promote healthy lifestyle programs -- helping communities, where they work and live, thrive. their programs reach more than 1 million children and families across 13 countries, with a focus on nutrition education, active play and access to fresh foods; and align with the UN's Sustainable Development Goals of addressing malnutrition and promoting good health. To measure progress, they teamed up with the Yale School of Public Health to develop common KPIs for all programs.

2. LU Algeria company presentation:

2.1. Highlights of the company presence in Algeria:

- 2006: Creation of LU Algeria (launch Start / Croustille).
- Since 2007 LU Algeria and become a leader manufacturer of biscuit in Algeria, thanks to the successes of the Start and Croustille ranges.
- 2008: N ° 2 in Algeria with 28% market share.
- 2009: Local production of the Prince Sandwich (LU Brand): Biscuit manufacturer since (1848).
- 2010/2011: Restructuring and capital increase.
- 2012: Production of Major in Algeria.
- 2013: Partnership with SFD (Sustainability of the business, working procedure).

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- 2014: Diversification perfumes Wafer and Sandwiches and packaging renovation of Croustille.
- 2015: Consolidation and confirmation of the new commercial strategy: CASH-Freshness Products-Price stability.
- 2016: Business consolidation Mondelez (Milka / LU), Optimization of the RTM, A strong national partner.
- 2017: pocket segment.

2.2.Product Major:

Major is a biscuit brand manufactured under the name of the parent brand LU, Major is the ideal competitor to take the floor in communication :

- A brand which is part of the daily life of every Algerian ;
- Belonging to the Key Segment of the biscuit market : snacks, after school biscuits ;
- Simplicity and daily experience of the consumer.
- A brand which has a central role on the Marketplace (category and mix) ;nourishing, energetic, positioned as a snack.
- A brand which is Part of the Algerian patrimony, a food heritage :
- Popular, close and « well known ».
- Emotional benefit: « The biscuit I grew up with ».
- Perceived as being Algerian.
- With a new mix: New packaging, (fun) but the good « old » recipe remains.
- Major is close and reachable
- Made in Algeria, it is one of the favorite biscuit icon ;
- Price makes it reasonable and competitive.
- Major is a LU brand: Warranties an exceptional recipe in addition to absolute security.

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Section 02: The empirical research:

1. Research methodology:

In this study we will compare between Major brand equity and LU brand equity using the BGB model or the brand growth barriers that is used by international business companies.¹

This study has been conducted using a questionnaire based on both self-completion online questionnaire and face-to-face questionnaire data collection, in order to compare the two equities and provide the necessary insight for the company to make the right strategic choices regarding the brand Major under the equity of the parent brand LU.

1.1. A questionnaire structure:

The questionnaire is the most widely used tool for gathering quantitative information about a population, it incorporates not only the questions to be asked but also the ranges of answers, its writing is interested in the objectives sought.

1.1.1. Definition:

According to Ouacherine and Chaabani “The questionnaire is a direct technique of scientific investigation used with individuals that allows them to be interrogated in a directive way and to make a quantitative levy in order to find mathematical relations and to make quantified comparisons”².

1.1.2. Sample Population:

This research adopts a customer focused view; the sample is drawn from various customers groups of various ages. We have covered stores and markets during face-to-face questionnaires and network groups online questioning both old and new generations of consumers collecting data from a 130 people sample we used a sampling method .

1.1.3. The content of the questionnaire and the types of questions asked:

¹ Krüger (R) and Stumpf (S): *Brand growth barriers identify, understand, and overcome them*, SPRINGER, Berlin, 2013, p.34-35.

² CHABANI, (S) et OUACHRINE, (H), « guide de méthodologie de la recherche en sciences sociales », 1ere édition 2013, p.77.

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Our questionnaire is aimed at biscuits consumers, it contains 15 questions of different types (With the total of 15 questions, 4 of them are demographic in order to determine the respondent's status (age, gender, family status, study level) and 8 serve to measure the brand equity of both LU and Major.

Our questionnaire consists of 23 questions and four categories of questions:

1.1.3.1. Closed questions:

This type of questions imposes on the respondent a specific form of response (a limited number of response choices).

We used two types of closed question:

- Dichotomous questions: (in the form of YES or NO), these questions facilitate the work of the interviewer in the counting and also make it easier for the person concerned by the survey to answer, but this type of question does not allow information complete. Such as: question 8.

- Question 08: Are you familiar with the brand "Major"?

YES

NO

- Multiple-choice questions: (with only one answer allowed): these are questions where the number of possible answers is not limited, but a choice of possible answers is imposed on the respondent. Such as question 03.

- Question 03: What is your level of education?

- Primary
- Secondary
- High school level
- University level

1.1.3.2. Open-ended questions:

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These questions give freedom to respondents to answer with no limitations which engenders responses with more depth and meaning. Such as question 07:

- Question 07: Tell us the brands of biscuits you know?

1.1.3.3. The scale questions: We have also opted for closed questions using the Likert scale (where responses are to be chosen from a list), (Strongly agree, agree, neither agree nor disagree, disagree, strongly disagree).Such as question 09:

- Question 09: How do you find its quality?
 - Very good
 - good
 - Average
 - bad

2. The questionnaire results:

These results will be presented in tables and graphs assimilation for readers.

2.1. Specificities of the sample:

The following figures and tables show the specificities of the sample by Age, gender, family status and study level.

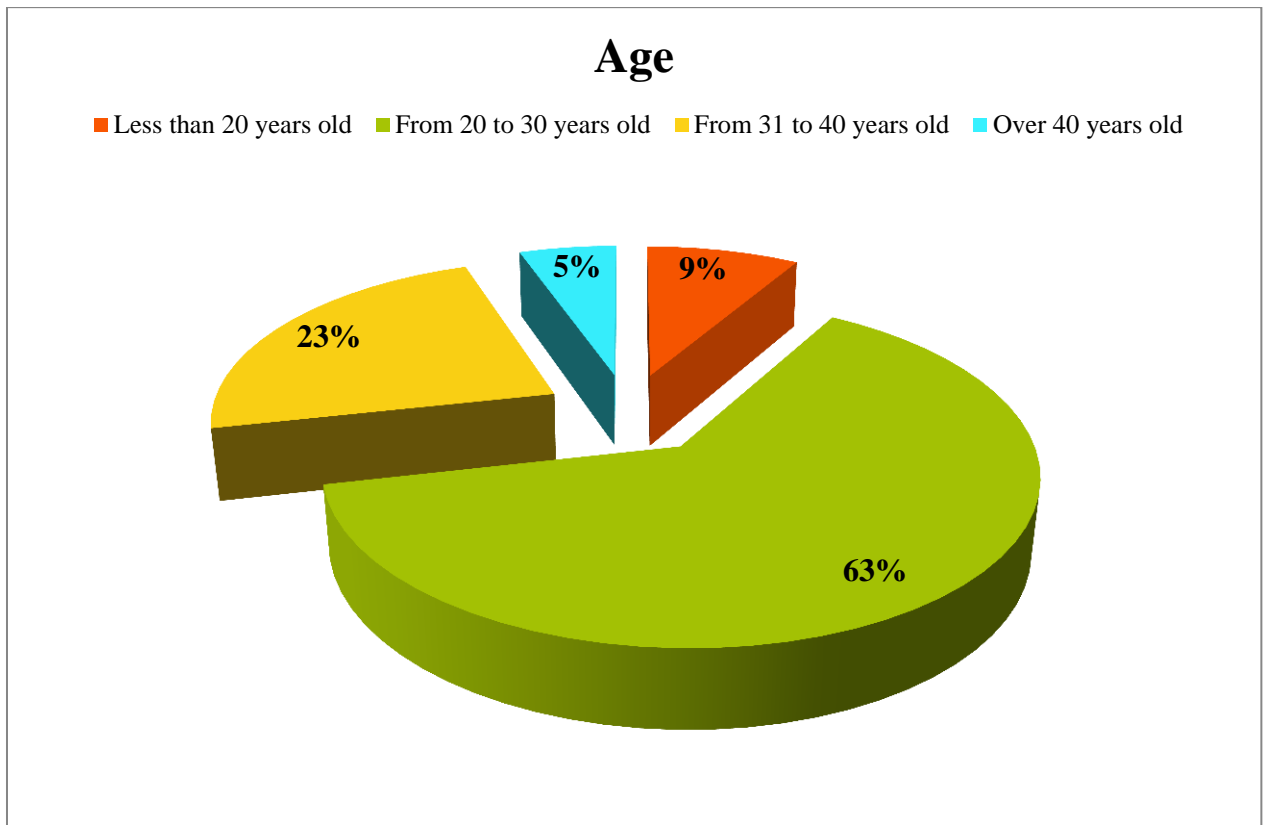
- Description of the respondents age:

Table III-1: Description of the respondents' age

Age bracket	Frequency	Percentage
Less than 20 years old	11	8,46%
From 20 to 30 years old	82	63,08%
From 31 to 40 years old	30	23,08%
Over 40 years old	7	5,38%
Total	130	100,00%

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Figure III-4: Description of the respondents age



As we can see in the figure our sample is made up mainly of people between the ages of 20 and 30 (63%), 23% between 31 and 40 years old, 9% less than 20 years old and only 5% of people over 40 years old.

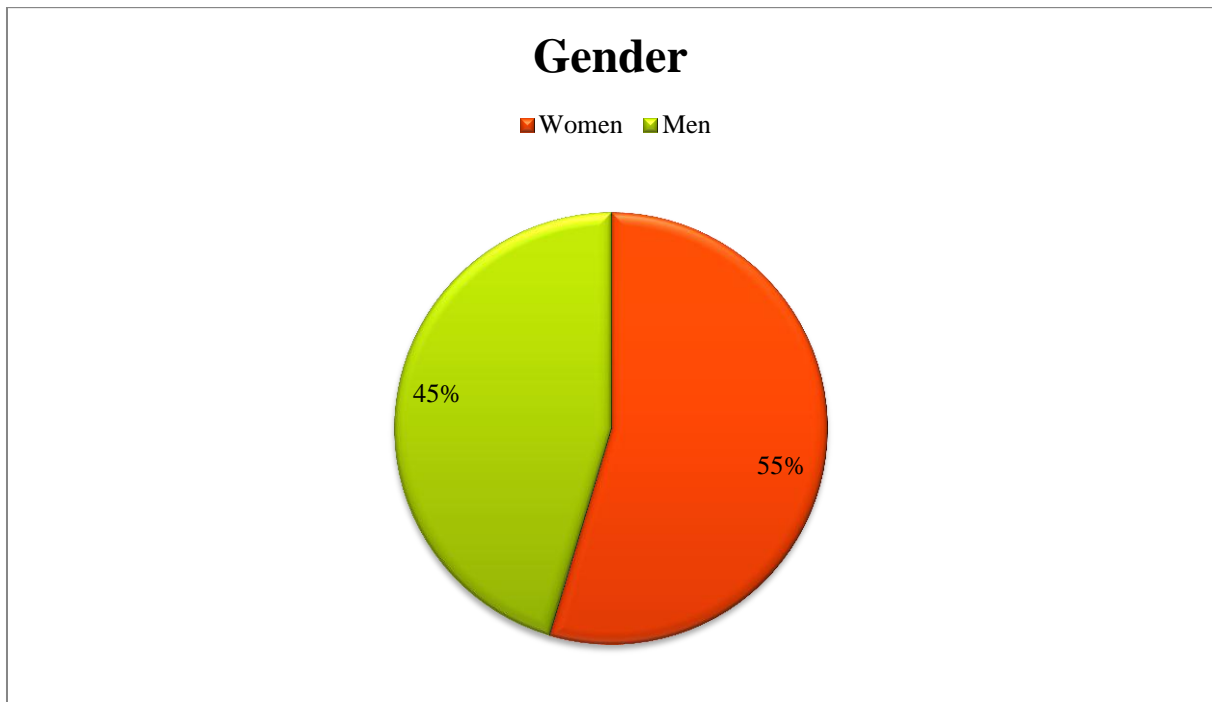
- Description of the respondents 'gender:

Table III-2: Description of the respondents 'gender

Gender	Frequency	Percentage
Women	71	54,62%
Men	59	45,38%
Total	130	100,00%

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Figure III-5: Description of the respondents 'gender



As illustrated in table and figure above, our sample is 45% men and 55% Women which constitutes a relatively homogenous sample in terms of gender.

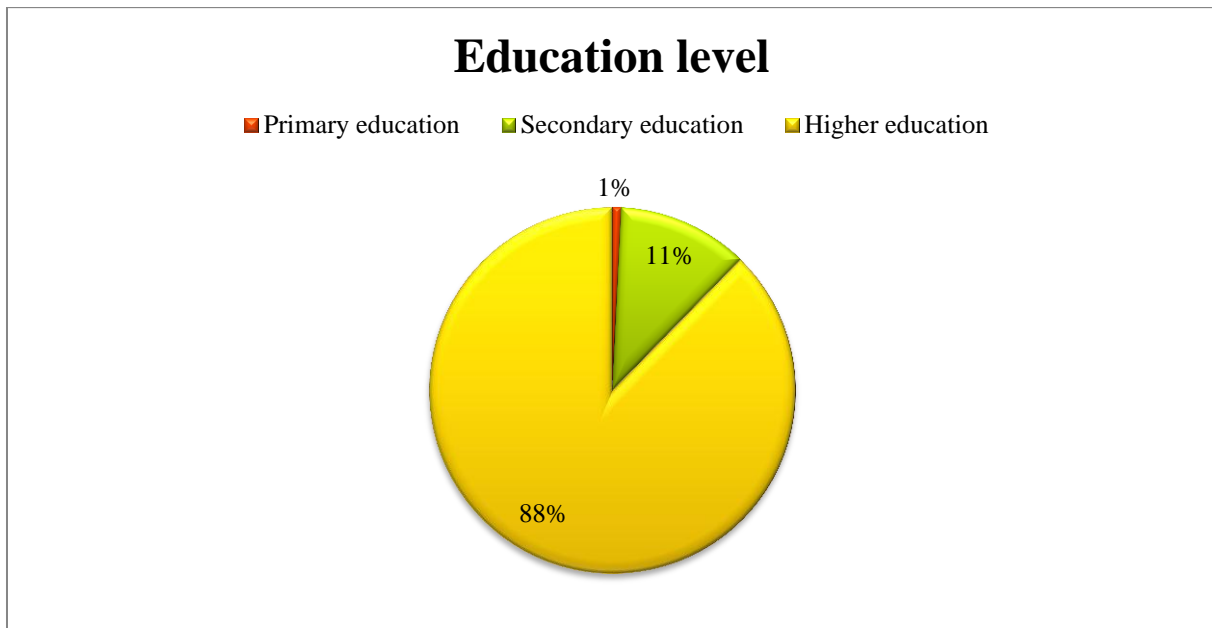
- The respondents level of education:

Table III-3: The education level

Education Level	Frequency	Percentage
Primary education	1	0,77%
Secondary education	15	11,54%
Higher education	114	87,69%
Total	130	100,00%

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Figure III-6: Education level



The previous figure explains the different percentages of education level of the sample, which is 88% of people with higher education, 11% secondary education and 1% higher primary education (middle school).

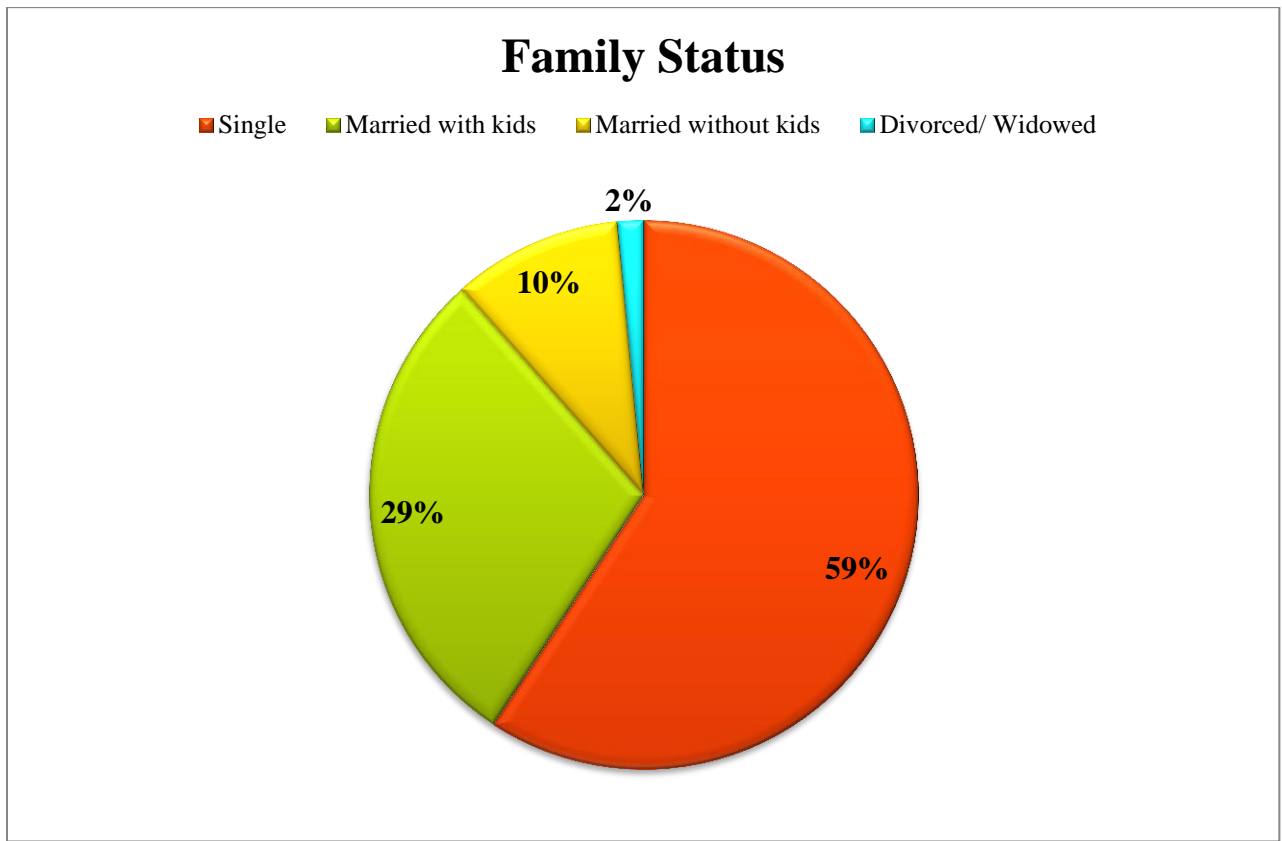
- The respondents' family status:

Table III-4: The respondents' family status

Family status	Frequency	Percentage
Single	77	59,23%
Married with kids	37	29,23%
Married without kids	13	10,00%
Divorced/ widowed	2	1,54%
Total	130	100,00%

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Figure III-7: The respondents' family status



The majority of our sample is single with the percentage of 59%, 29% are married with kids, 10% married without kids, and 2% divorced and widowed.

2.2. Brand equity question:

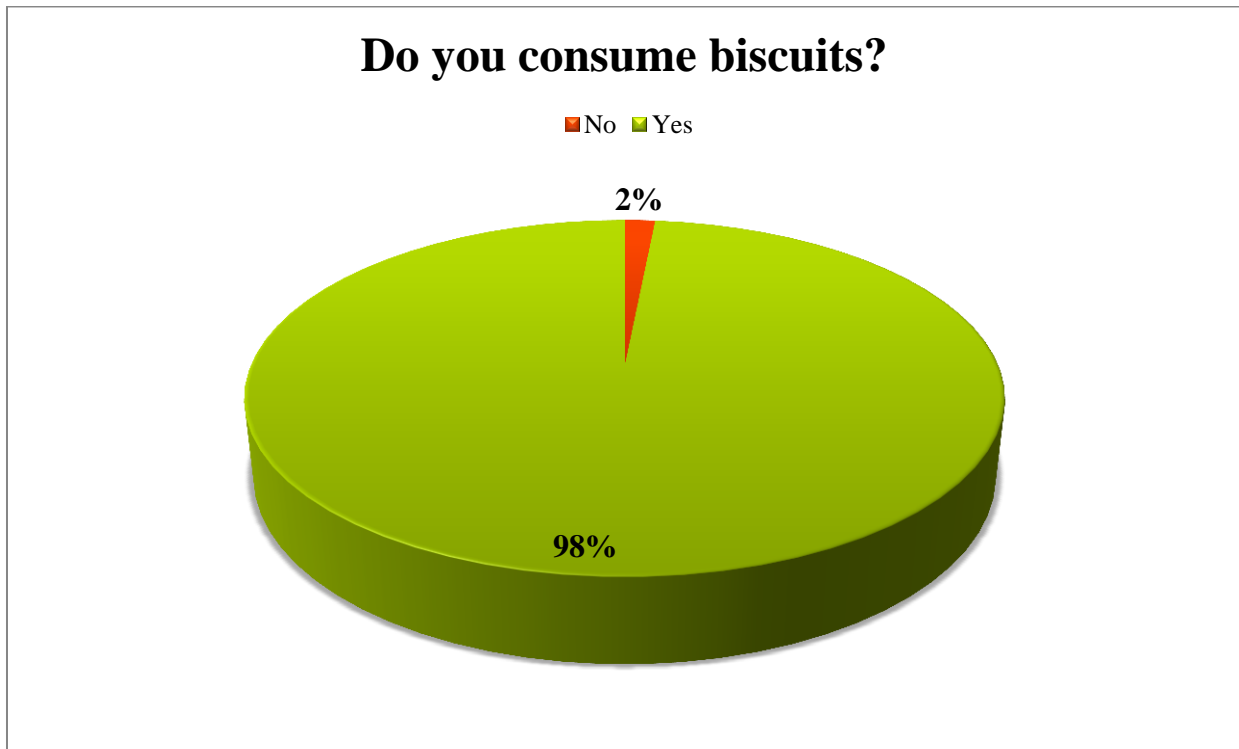
- The biscuits consumption:

Table III-5: The biscuit consumption.

Do you consume biscuits?	Frequency	Percentage
Yes	128	98,46%
No	2	1,54%
Total	130	100,00%

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Figure III-8: The biscuit consumption.



The previous question determines the degree of representation of the sample of biscuits consumers, which is “Do you consume biscuits?” 98% out of 130 answered yes and only 2% answered no.

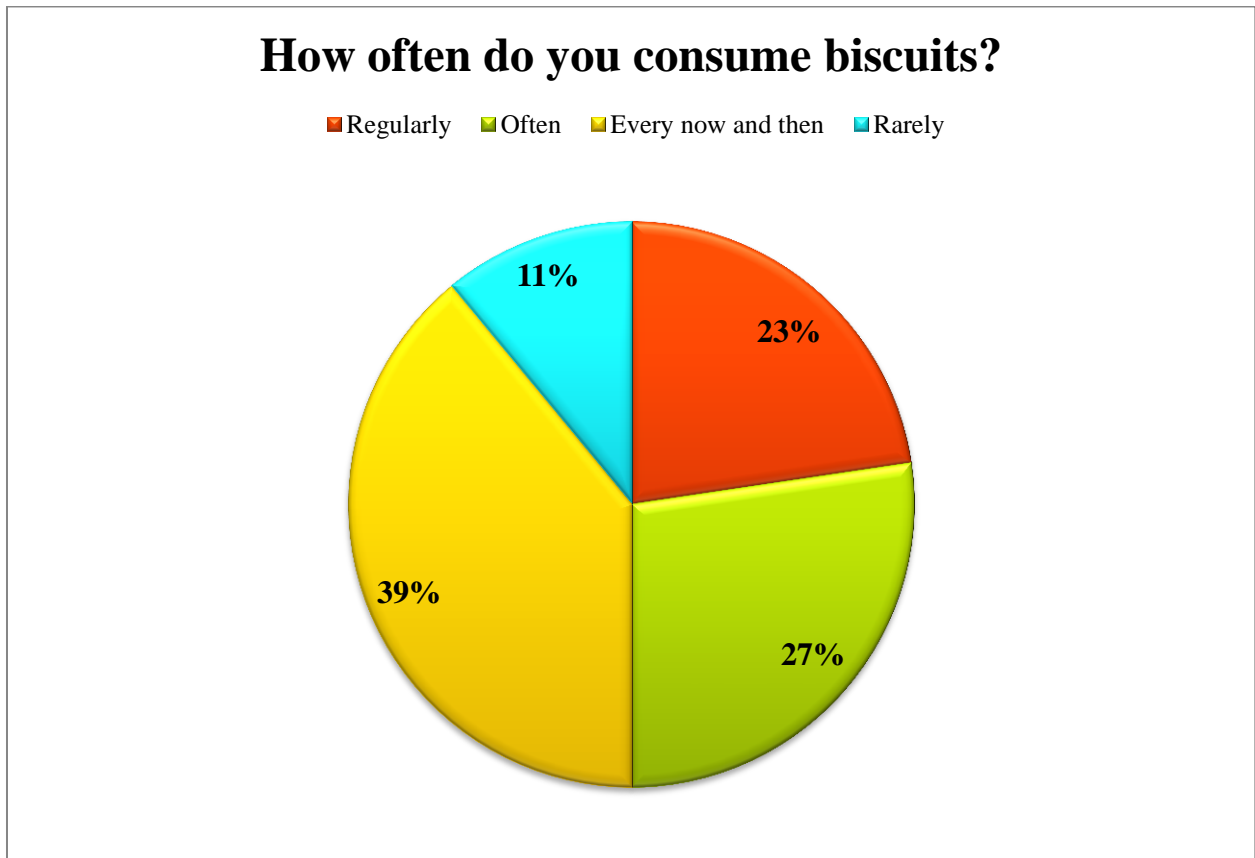
This indicates that our sample allow us to study brand equity from the perspective of biscuits consumers.

- Biscuits consumption frequency:

Table III-6: Biscuits consumption frequency

How often do you consume biscuits?	Frequency	Percentage
Regularly	29	22,66%
Often	35	27,34%
Every now and then	50	39,06%
Rarely	14	10,94%
Total	130	100,00%

Figure III-9: Biscuits consumption frequency



Considering the fact that we conducted a purposive sampling we needed to also study the frequency of biscuits consumption, the question “How often do you consume biscuits?” To get an idea about how representative the sample is when it comes to biscuit brands equities.

As explained in the next table and figure, 22,66% of our sample consume biscuits on a regular basis while 27,34% consume them often, 39,06% eat biscuits every now and then while only 10,94% said they rarely do that.

- Top of mind brand list:

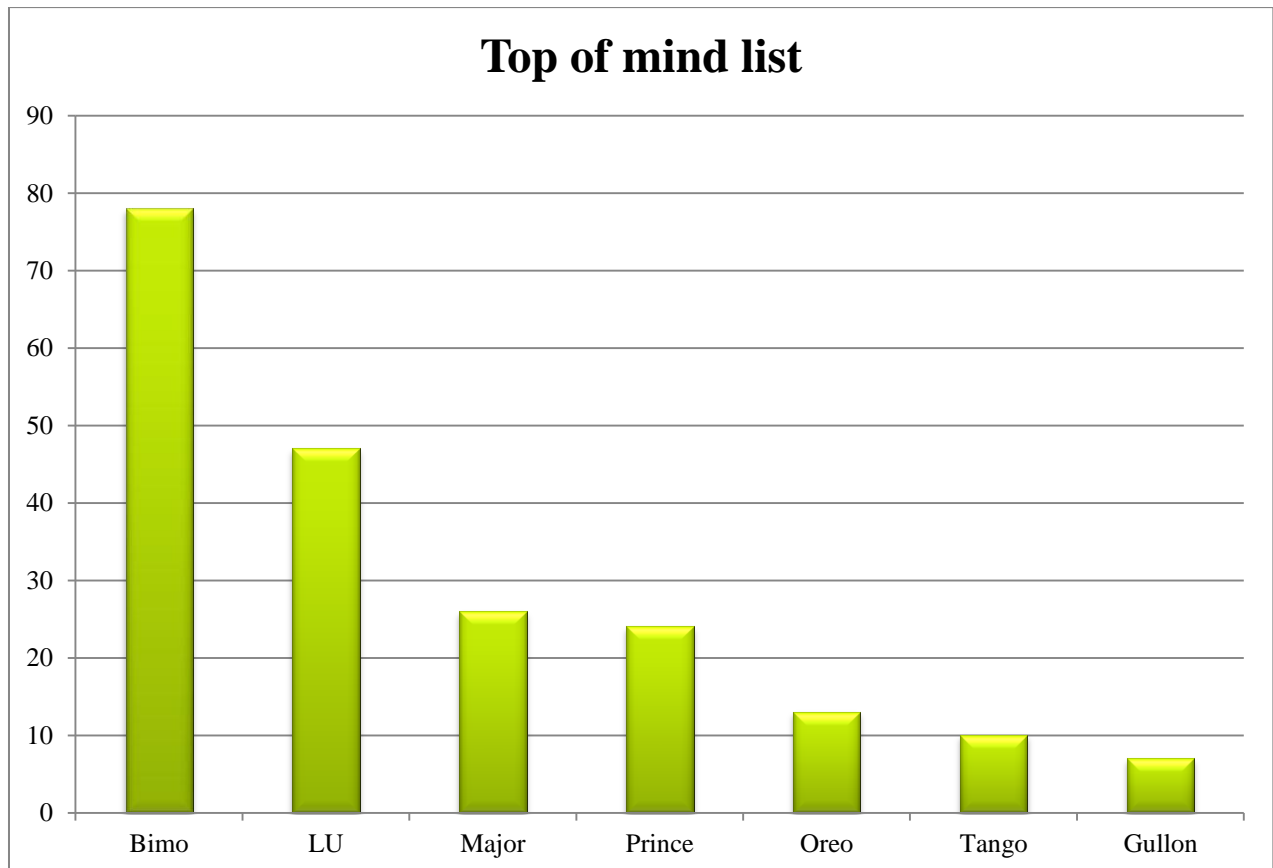
Table III-7: Top of mind brand list

Brand	Number of mentions	Percentage

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Bimo	78	38,05%
LU	47	22,93%
Major	26	12,68%
Prince	24	11,71%
Oreo	13	6,34%
Tango	10	4,88%
Gullon	7	3,41%
Total	205	100,00%

Figure III-10: Top of mind brand list



In this question “list the biscuits brands that you know”, our objective is to assess the list of top of mind of our sample, observing the next table and figure, we notice that Bimo comes first in this list with a percentage of 38,05%, LU comes after with a percentage of

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22,93%, Major comes third with 12,68%, then follow Prince, Oreo, Tango, Gullon with the percentages 11,71%, 6,34%, 4,88%, 3,41% in order.

❖ *Major:*

In this segment of the questionnaire, we are trying to measure brand equity of major, using the BGB model each question is about a specific element of brand equity.

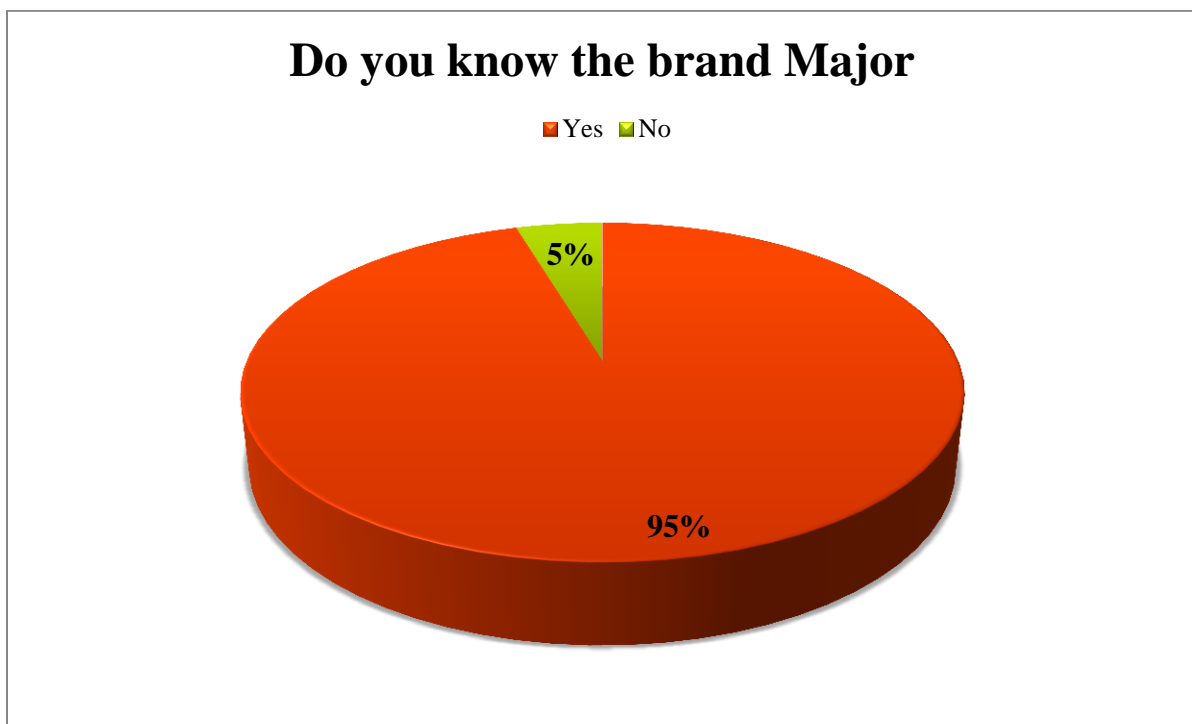
The first question aims to identify the percentage of the sample that is aware of the brand existence and recognize it by the simple mention of its name.

- Major brand recognition:

Table III-8: Major Brand Recognition

Do you know the brand Major?	Frequency	Percentage
Yes	124	95,38%
No	6	4,62%
Total	130	100,00%

Figure III-11: Major Brand Recognition



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As shown in the table and figure below, 95,38% percent of the sample know the brand Major, which means the brand is relatively known, only 6 people out of 130 said that they don't know this brand.

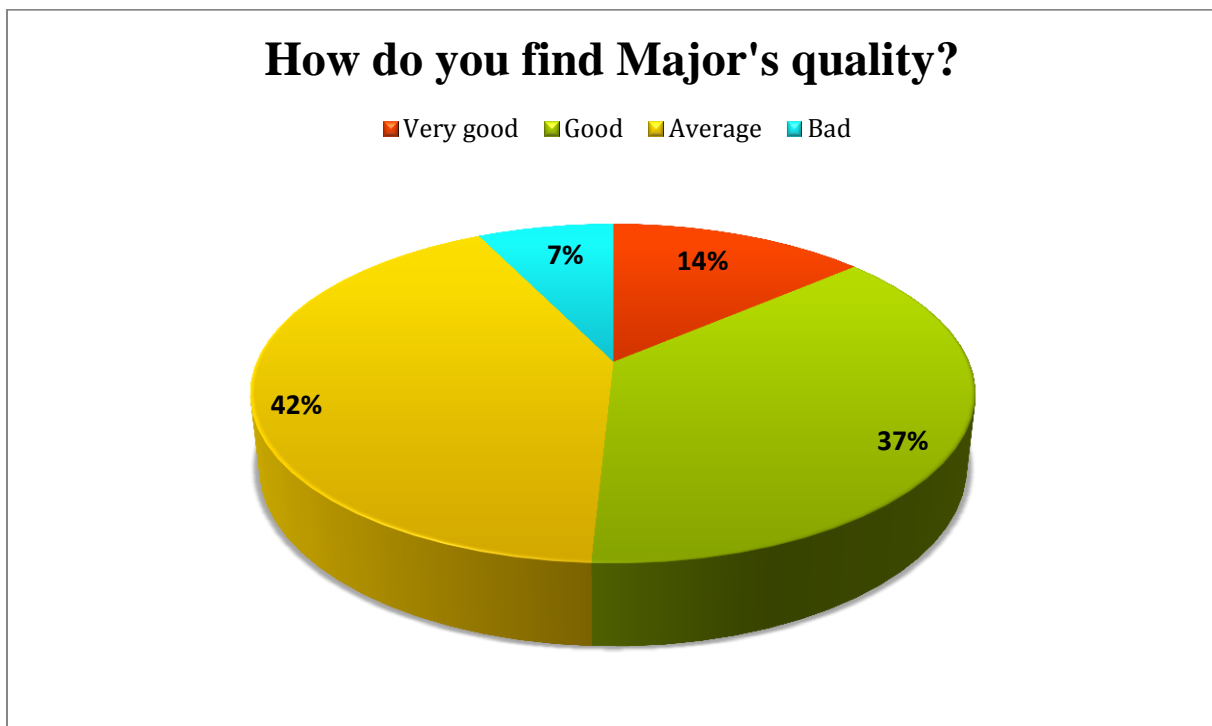
- Perceived quality:

The next question purpose is to determine how the sample perceives the quality of the previously mentioned brand; the scale used is (very good, good, average, bad).

Table III-9: Major's Perceived Quality

How do you find Major biscuits quality?	Frequency	Percentage
Very good	17	13,71%
Good	46	37,10%
Average	52	42,94%
Bad	9	7,26%
Total	124	100,00%

Figure III-12: Major's Perceived Quality



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The majority of the sample perceives the quality of Major biscuits to be average with the percentage of 42, 94% , the second highest percentage which is 37,10% considerate to be good quality while 13,71% believe it to be of very good quality and 7,26% of the sample find it bad.

- Brand equity:

In the next sequence of five questions we use the Likert scale to measure Major's brand equity based on its capacity to overcome brand growth barriers which are brand awareness, brand clarity, brand relevance, first choice barrier, purchase barrier and repurchase barrier.

Counting both "strongly agree" and "Agree" as a positive judgement, and "neither agree nor disagree", "disagree" and "strongly disagree" as negative judgement, we will be comparing the two divisions to determine which barriers the brand succeeded to surmount and which ones it failed at overcoming.

The first question we used to cover brand awareness and clarity is "I have already tasted Major biscuits", not only is the consumer aware of the brand of the product but he also tried the product and fully knows its qualities.

The second question is "when I consider buying biscuits, I think of Major first" this statement indicates that the costumer feels that the brand is relevant to his unique and personal needs in addition to its being superior to other brands and comes as a first choice compared to competitors, this question exhibits two brand growth barriers, which are Relevant set barrier and First choice barrier.

The next question "I think Major is the best on the market" is also to demonstrate the first choice barrier, since even though the costumer considers buying a certain brand first the reason is not always brand quality, in some cases it is the first choice because of its low price, so we ask this question to sense the perception of consumers in terms of brand superiority.

Fourth question is "I will definitely buy Major biscuits", it illustrates the fifth growth barrier that is the purchase barrier.

The fifth question is about the repurchase barrier, it confirms the intention of consumers to buy the product more than once, which presents a certain loyalty to the brand.

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The question results are demonstrated in the previous two tables , where we can note that despite Major having strong brand awareness and brand clarity (101 out of 124 people the equivalent of 81,45% of the sample confirmed that they have tasted Major biscuits), it seems to be having difficulties overcoming the rest of brand growth barriers, If we consider the answers strongly agree and agree as a positive judgment and the rest propositions as negative judgment of the brand, when comparing the two divisions (see Table 10), we can easily discern that Major failed to surmount the following barriers:

Firstly, relevant set barrier and First choice barrier, that are measured with the questions: “When I consider buying biscuits”, “I think of Major first and I think Major is the best on the market” where negative judgment percentages are 66,94% and 80,65%.

Secondly we consider the purchase barrier measured with the statement “I will definitely buy Major biscuits, which scored 62,10% of negative feedback.

Last but not least the repurchase barrier that corresponds to the question I will buy Major biscuits more than once, our sample’s feedback was negative with a percentage of 51,61%.

Table III- 1: Major’s brand growth barriers and equity

The statement	Strongly agree		Agree		Neither agree, nor disagree		Disagree		Strongly disagree	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
I have already tasted major's biscuits	80	64,52%	21	16,94%	12	9,68%	9	7,26%	2	1,61%
When I consider buying biscuits, I think of Major first	16	12,90%	25	20,16%	26	20,97%	26	20,97%	31	25%
I think Major is the best on the market	10	8,06%	14	11,29%	27	21,77%	28	22,58%	45	36,29%
I will definitely buy Major biscuits	21	16,94%	26	20,97%	31	25%	30	24,19%	16	12,90%
I will buy Major biscuits more than once	32	25,81%	28	22,58%	27	21,77%	15	12,10%	22	17,74%

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In this table we divided answers into positive equity and negative equity to make the comparison easier, it appears that positive equity has an average of 44,03% and 55,97% negative equity, therefore we conclude that Major has weak brand equity.

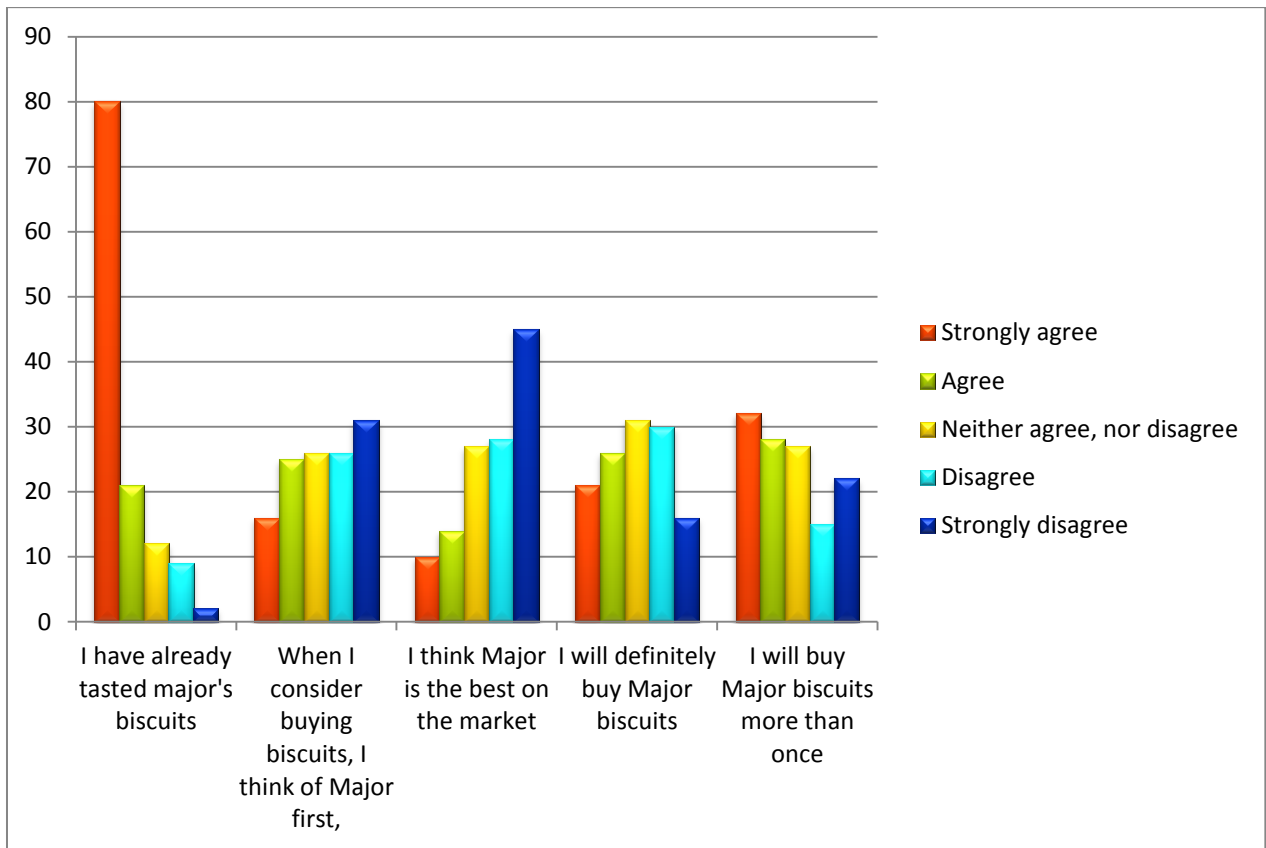
Table III- 2: Positive and negative judgment comparison.

The statement	Strongly agree Agree		Neither agree, nor disagree Disagree Strongly disagree	
	Positive equity		Negative equity	
I have already tasted major's biscuits	101	81,45%	23	18,55%
When I consider buying biscuits, I think of Major first,	41	33,06%	83	66,94%
I think Major is the best on the market	24	19,35%	100	80,65%
I will definitely buy Major biscuits	47	37,90%	77	62,10%
I will buy Major biscuits more than once	60	48,39%	64	51,61%
Average	54,6	44,03%	69,4	55,97%

After observing both tables in addition to (figure 9), we conclude that brand Major has weak brand equity despite the fact that it has strong brand awareness and brand clarity.

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Figure III-13: Major's brand growth barriers and equity

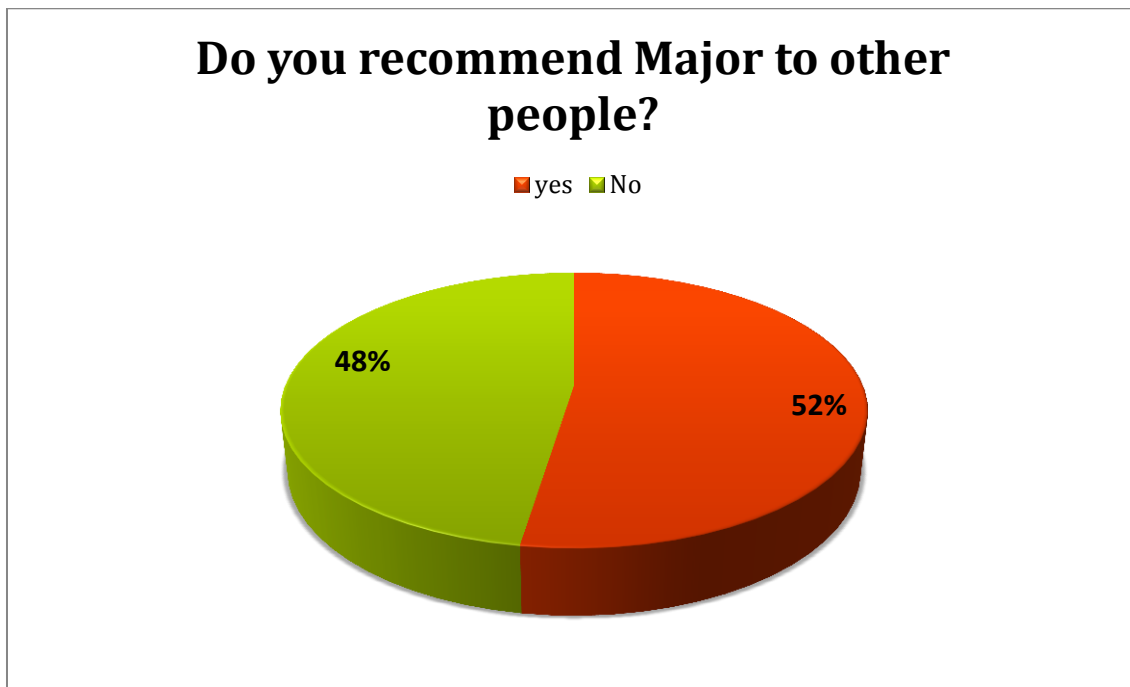


- Brand Recommendation:

Table III-3: Major brand recommendation

Answer	Number	Do you recommend Major to other people?
Yes	64	52,46%
No	58	47,54%
Total	122	100,00%

Figure III-14: Major brand recommendation



In this question “Do you recommend Major to other people?” our objective is to figure out the percentage of the sample that is willing to actively recommend the brand to other people, according to the statistics, 52,46% of the sample stated that they would recommend the brand to other people, while 47,54% said that they wouldn’t.

❖ **LU:**

In this segment we will carry on with the same question order we followed with the brand Major.

- Brand recognition:

Table III-13: LU brand recognition

Answer	Number	Do you know the brand LU?
Yes	109	83,85%
No	21	16,15%
Total	130	100,00%

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Figure III-15: LU brand recognition



As illustrated in the previous table and figure, 83, 85% of the sample, seem to recognize the brand LU, which is slightly less than that of the brand Major (95%), we link this difference to the company's marketing campaigns that focused only on the brand name Major without associating it to the Brand name LU

- Perceived quality:

In the next question, we focus on how our sample perceives the quality of the brand LU

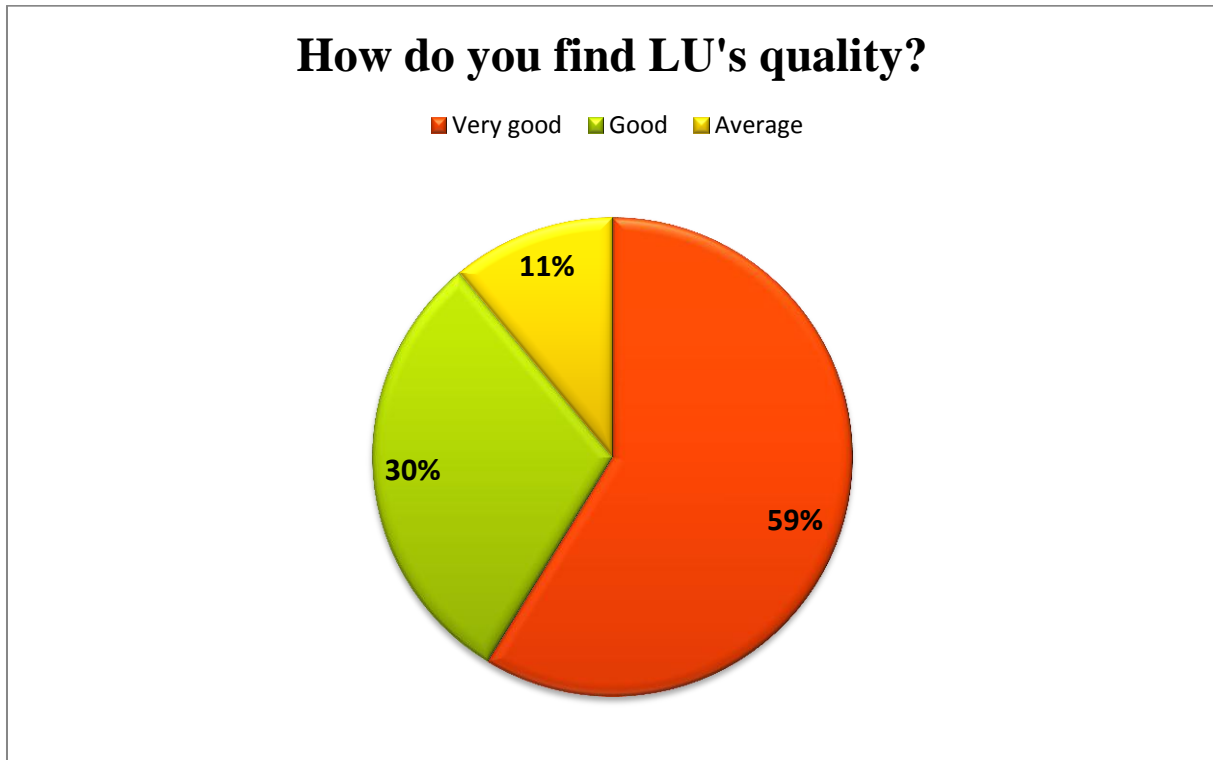
Table III- 4: LU's perceived quality

How do you find its quality?	Frequency	Percentage
Very good	64	58,72%
Good	33	30,28%
Average	12	11,01%

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Bad	0	0%
Total	109	100,00%

Figure III-16: LU's perceived quality



Our first observation was not one person of the sample perceived LU to have bad quality, on the contrary, 58,72% find it to be of a very good quality. 30,28% think its quality is good and the rest 11,01% judge it as average.

- Brand equity:

Following the same logic for assessing Major's brand equity, we are measuring brand equity based on how successful it is to surmount the brand barriers; each statement is matched up with one or two brand growth barriers.

We are measuring the strength of the brand equity by how positive is the sample judgment of each statement compared to the negative judgment.

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Table III-15: LU's brand growth barriers and equity

The statement	Strongly agree		Agree		Neither agree, nor disagree		Disagree		Strongly disagree	
I have already tasted LU's biscuits	78	71,56%	16	16,68%	7	6,42%	3	2,75%	5	4,59%
When I consider buying biscuits, I think of LU first	46	42,20%	27	24,77%	26	23,85%	5	4,59%	5	4,59%
I think LU is the best on the market	44	40,37%	20	18,35%	19	17,43%	18	16,51%	8	7,33%
I will definitely buy LU biscuits	51	46,79%	31	28,44%	13	11,93%	9	8,26%	5	4,59%
I will buy LU biscuits more than once	49	44,95%	26	23,85%	20	18,35%	8	7,33%	6	5,50%

Table III-16: Positive and negative judgment comparison

The statement	Strongly agree Agree		Neither agree, nor disagree Disagree Strongly disagree	
	Positive equity		Negative equity	
I have already tasted LU's biscuits	94	86,24%	15	16,76%
When I consider buying biscuits, I think of LU first	73	66,97%	36	33,03%
I think LU is the best on the market	64	58,72%	45	41,28%

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I will definitely buy LU biscuits	82	75,23%	27	24,77%
I will buy LU biscuits more than once	75	68,81%	34	31,19%
Average	77.6	71,19%	31,4	29.41%

The first statement “I have already tasted LU's biscuits” that corresponds to awareness barrier and brand clarity barrier scored 86,24% positive judgment compared to only 16,76% negative judgment, this means the brand succeeded in overcoming the previously mentioned barriers.

The second statement “When I consider buying biscuits, I think of LU first” paired to relevant set barrier and first choice barrier, gained 66,97% positive judgment in contrast of 33,03% negative judgment.

The third statement “I think LU is the best on the market” that also demonstrates first choice barrier, counted 58,72% positive judgment.

The fourth declaration, “I will definitely buy LU biscuits” stands for purchase barrier which the sample gave a percentage of 75,23% of positive judgment compared to 24,77% negative.

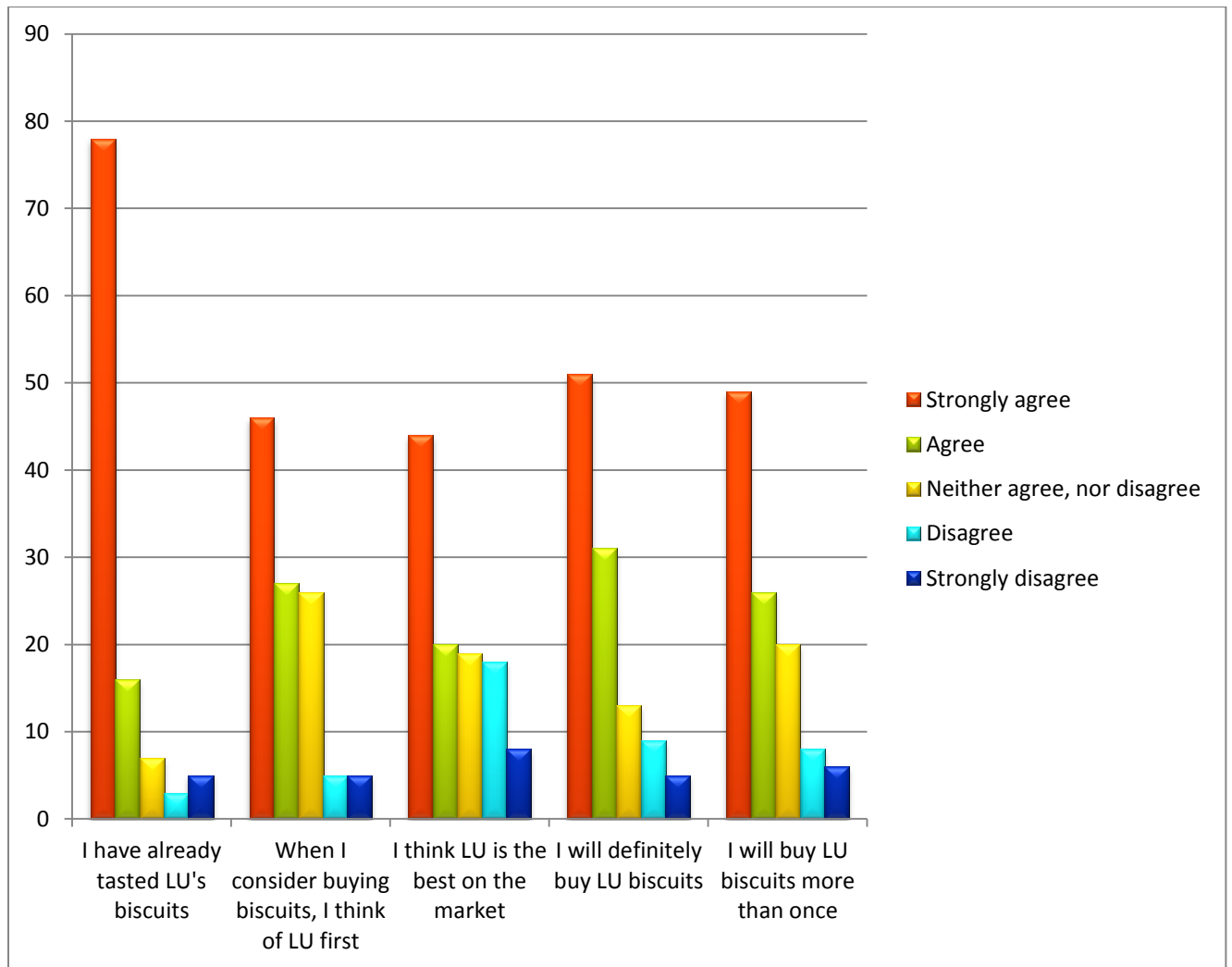
The fifth statement “I will buy LU biscuits more than once” corresponds to the repurchase barrier, scored a percentage of 68, 81% of positive judgment in comparison to 31,19% negative judgment.

The average of positive brand equity judgment is 71,19% in contrast of only 29,41% negative judgment, therefore we realize that LU has strong brand equity.

Putting the two brand equities Major and LU we can easily see that Brand equity of LU is stronger since it succeeded to surmount all the brand growth barriers.

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Figure III-17: LU's brand growth barriers and brand equity



In the previous figure, it is very clear that to each statement the answers “Strongly agree” and “Agree” that we consider as positive judgment to exceed the rest of answers that we consider negative, based on this we conclude that the brand LU has strong brand equity.

- Brand recommendation:

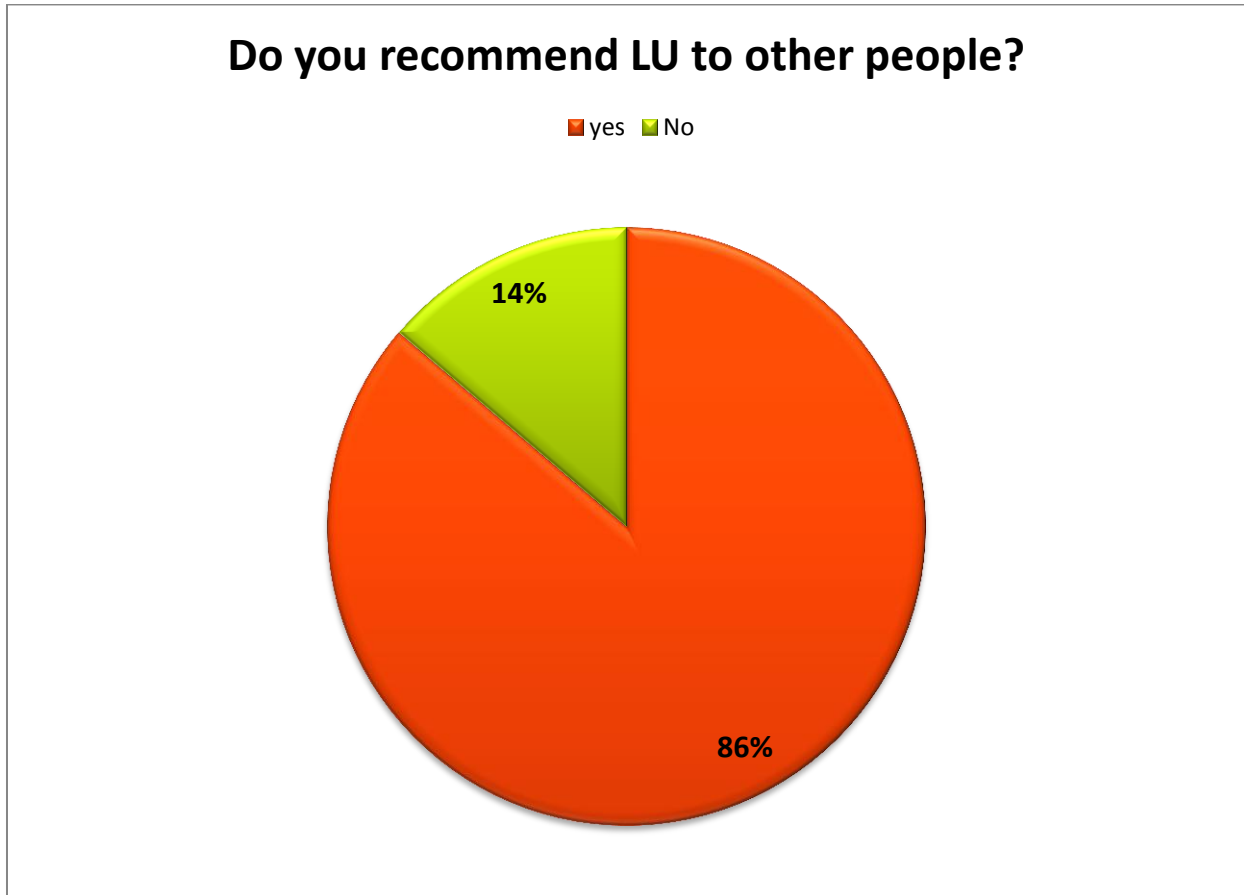
Table III-17: LU brand recommendation

Answer	Number	Do you recommend LU to other people
Yes	84	86,24%
No	15	13,76%

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Total	109	100,00%
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Figure III-18: LU brand recommendation



As demonstrated in the previous Table and figure we our objective is to find out the percentage of the sample that is willing to actively recommend the brand LU to other people, according to the results, 86,24% answered positively to the question do you recommend LU to other people, only 13,76% answered no.

We notice also that this percentage is superior to that of Major.

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3. Analysis and recommendations:

3.1. Analysis:

In this study we are aiming to measure two brand equities, based on how successful one brand is to surmount brand growth barriers, this method used in most multinational companies help brand managers to make strategic decisions in term of choosing the right brand equity to adopt in the branding process.

Our purpose in this research is to find out which brand equity should Mondelez International adopt in marketing campaigns of Major biscuits, since LU is the parent brand of Major, the company faces a strategic decision and has to choose between LU's brand equity and Major brand equity, in this research we conducted a questionnaire to help the company make the right decision.

The results of this questionnaire are as follows:

- 63,1% of our sample are aged between 20 and 30 years old.
- Almost half of the sample is male and the other half is female which make our sample representative.
- 98% of our sample consume biscuits this means our study represents a biscuits' consumers focused view.
- We tried to study the frequency of consumption of biscuits in our sample, the two highest percentages are 27,3% consume biscuits often and 22,7% consume them regularly.
- According to our results, Bimo came first in number of top of mind list mentions, with 78 mentions, LU follows with 47 then Major with only 26.
- 95% of our sample knows the brand Major and 42% of them find its quality to be average.
- In our attempt to study Major brand growth barriers, the brand only succeeded in surmounting two, which are brand awareness and brand clarity.
- Major brand scored only 44,03% positive brand equity average in contrast with 55,97% negative equity. Therefore conclude that Major has weak brand equity.
- Only 52% of our sample is willing to recommend Major to other people.

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- While studying LU's brand recognition, we found out that 84% of our sample knows the brand LU, which is slightly a lower percentage than that of Major.
- We noticed that none of our sample perceive the brand LU to have bad quality while 58,72% find it to be of a very good quality.
- 58,72% think that LU is the best on the market.
- The brand LU successfully over came all brand growth barriers with an average of 71,19% positive equity.
- The previous results lead us to the realization that LU has stronger brand equity than Major.
- 86% of the sample is willing to actively recommend LU to other people.

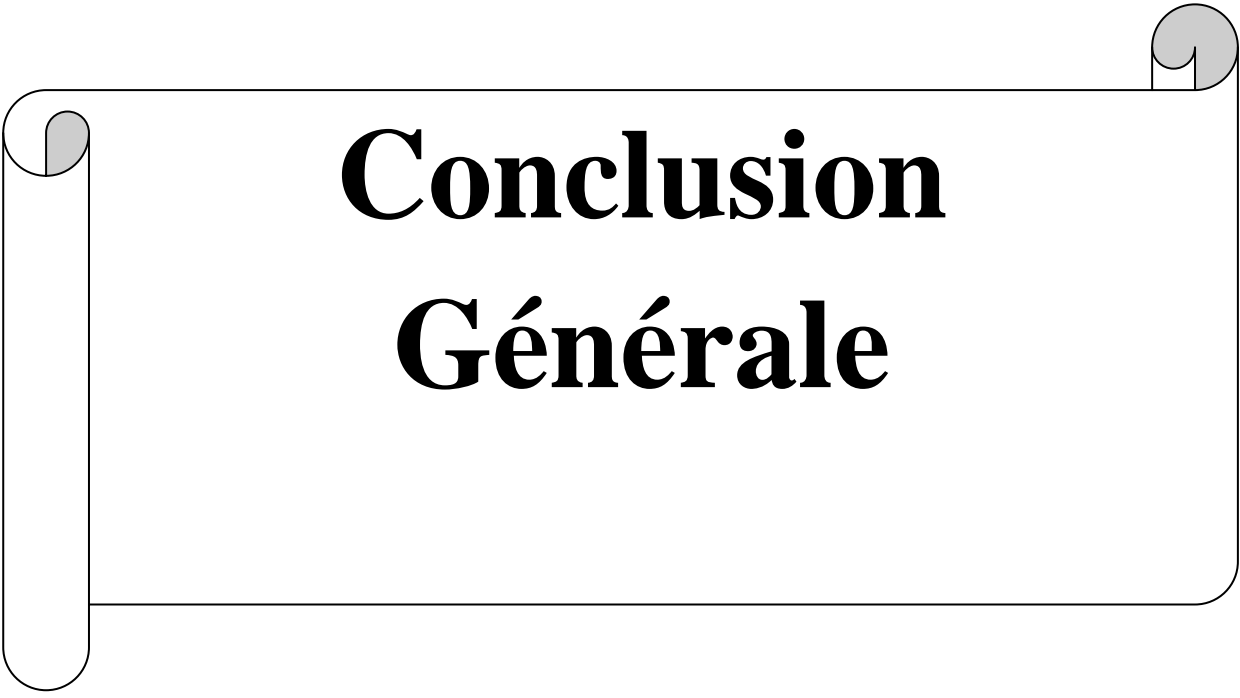
3.2. Recommendations:

After analysing the results of the study, we managed to prepare a few recommendations addressed to the company to improve its marketing campaigns, build a stronger equity and a loved brand:

- Invest in digital advertising since it has a lower cost, increases the campaigns' reach and engages consumers in a direct relationship with the brand.
- To match all its products packaging so they have more visual attractiveness being sorted together in market shelves.
- Promote all products under LU brand name, which would include more visibility of the logo on packaging, billboards, point of sale displays and televisual advertising.
- Improve the quality of the products to match the strong brand equity of LU.
- Invest more in marketing campaigns of products with the highest perceived quality.
- Using consumer tests to have a better understanding of consumers' insight and what is relevant to their needs.
- Build a personal relationship with the consumers through emotional branding.

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The previous results show the importance of branding in building strong brand equity that consumers judge as relevant, to have good quality and are willing to actively recommend it to other people because they developed an emotional attachment to it.



Conclusion Générale

General conclusion

Branding has become a top priority in modern days marketing; branding not only aims to differentiate one product from the rest, its main purpose is to create an emotional attachment, by offering consumers a sentiment of involvement and an enjoyable experience with the brand.

Branding seeks to evoke sentiments of trust in the higher quality of the product only by using the power of a brand, having strong brand equity generates massive commercial value, and that is the reason why companies invest in building and sustaining a strong equity. In the process of building strong brand equity companies face strategic decisions of selecting the right brand equity to implement while promoting its products.

In this study our objective is to measure and compare between two brand equities, in order to realize which brand equity is stronger and would provide more added value in marketing campaigns.

This thesis has led us according to the conducted questionnaire to the following results:

- While analyzing the results, we found out that LU figures more frequently in consumers top of mind list compared to major, paired with the fact that LU has scored a higher positive brand equity compared to Major, we conclude that, the stronger the brand equity, the more frequently its name appears in consumers top of mind lists. This confirms H1.
- Major brand scored only 44,03% positive brand equity average in contrast with 55,97% negative equity, on the other hand the brand LU successfully over came all brand growth barriers with an average of 71,19% positive equity. This running parallel with the results showing that the majority perceive LU to have good quality and Major to have average quality, thus proving the existence of a positive relation between perceived quality and brand equity and confirming H2.
- Our research led us to discovering that the majority of our sample are more willing to recommend LU to other people then they are to recommend them the brand Major, putting in consideration the fact that LU displays a stronger brand equity, we come to the conclusion that, The stronger brand equity is, the more the brand is actively recommended by consumers. Thus confirming H3.

Following the methodical plan our research allowed us to test our hypothesis and come to a solution to our main question that is which brand equity should Mondelez international emphasize in its Major marketing campaigns.

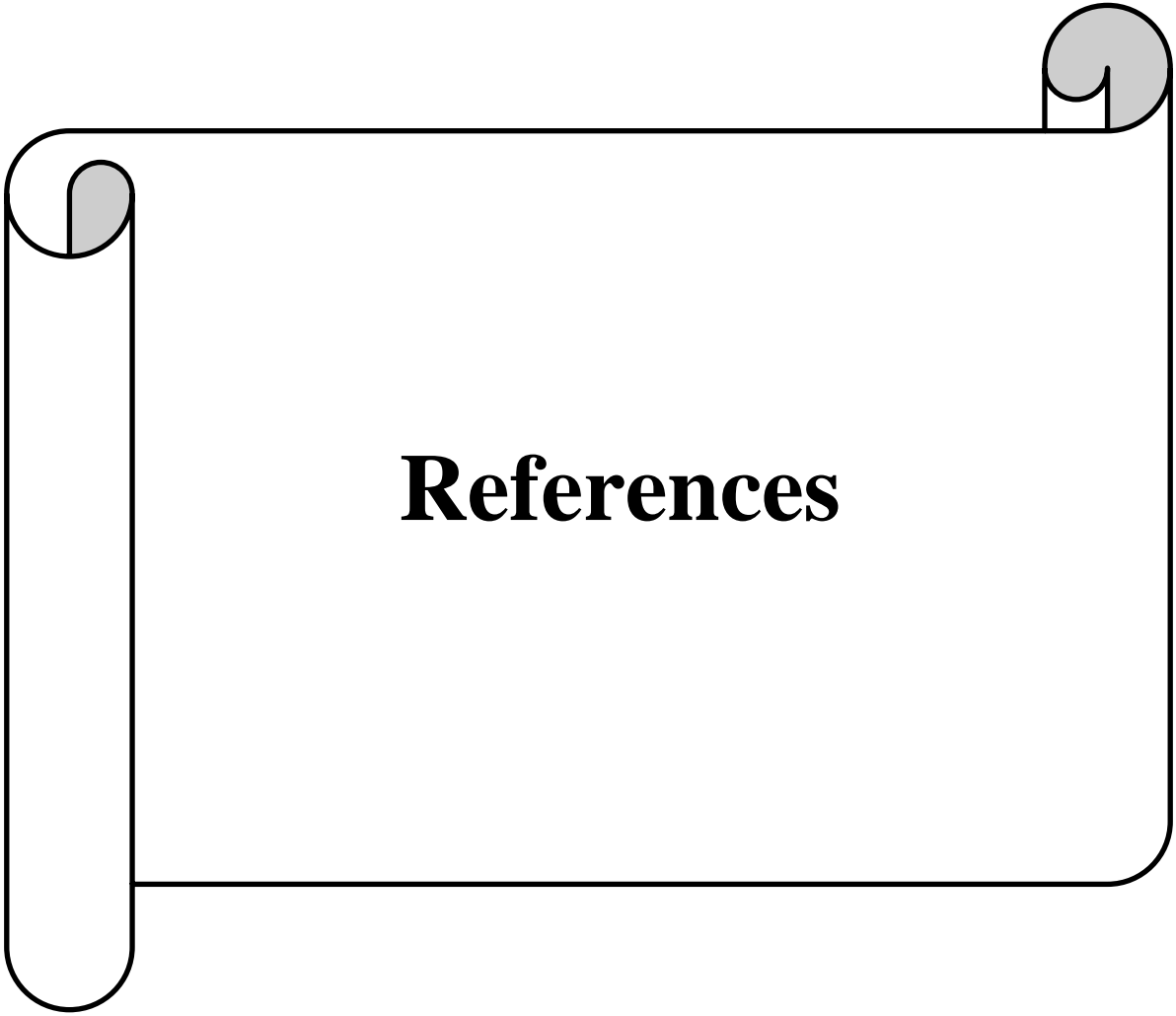
General conclusion

During our study we have encountered numerous difficulties, the main difficulty was balancing internship work and thesis work, since there was a lot to learn as a category manager assistant, time was very strict and the topic was very challenging.

The second difficulty was choosing the right method to treat a critical brand management issue, not many studies were conducted in this field so we had to read a lot of books about brand equity and branding to find the right element that are helpful in measuring brand equity, but thanks to Mondelez category manager we were introduced to the brand growth barriers model that was very helpful in conducting the study.

Third difficulty was not getting fully answered questionnaires; we had to eliminate more than 35 questionnaire copies that were only partially answered.

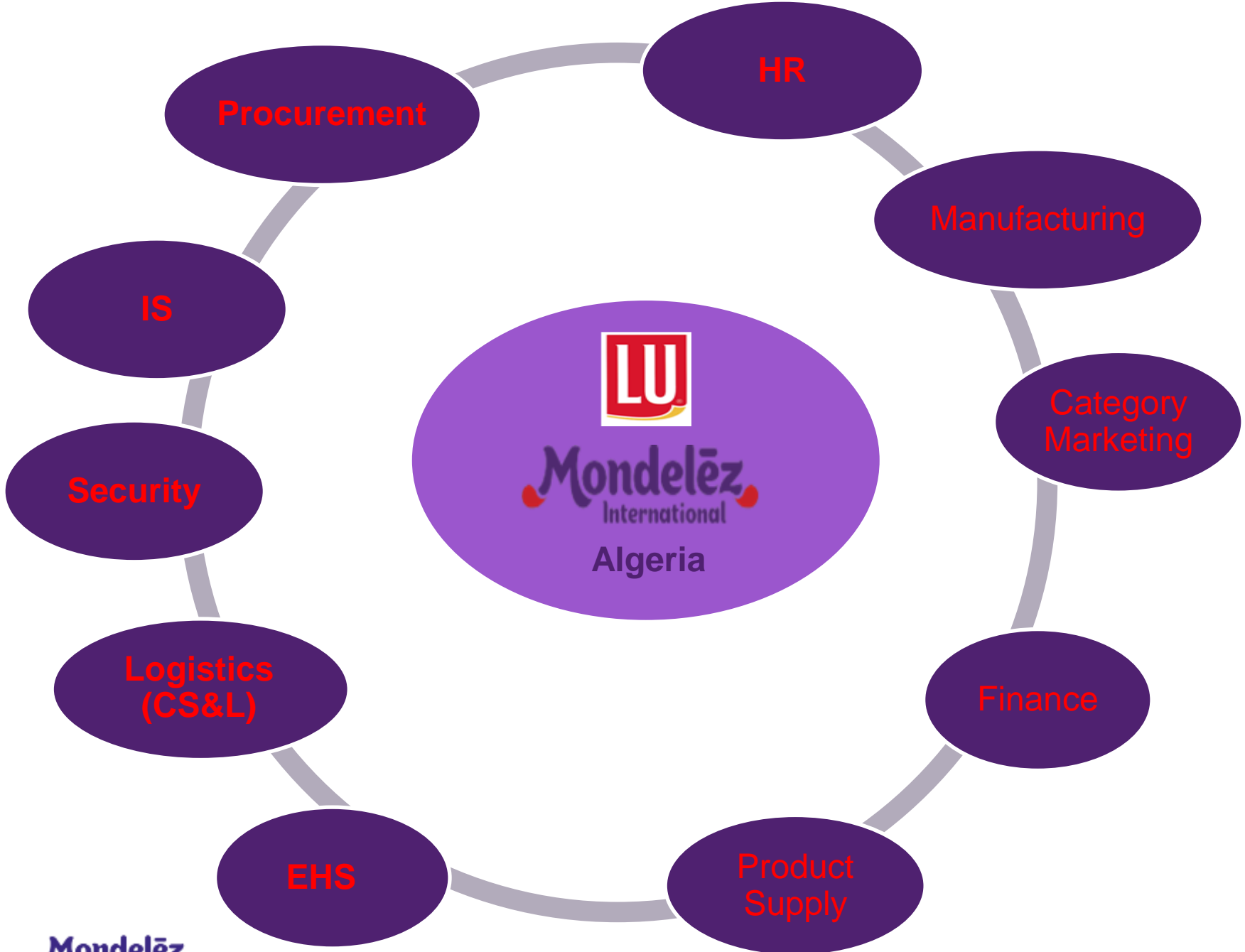
Since our research is providing helpful and interesting results, we would like to see more brand equity studies being conducted using different approaches to measure brand equity.



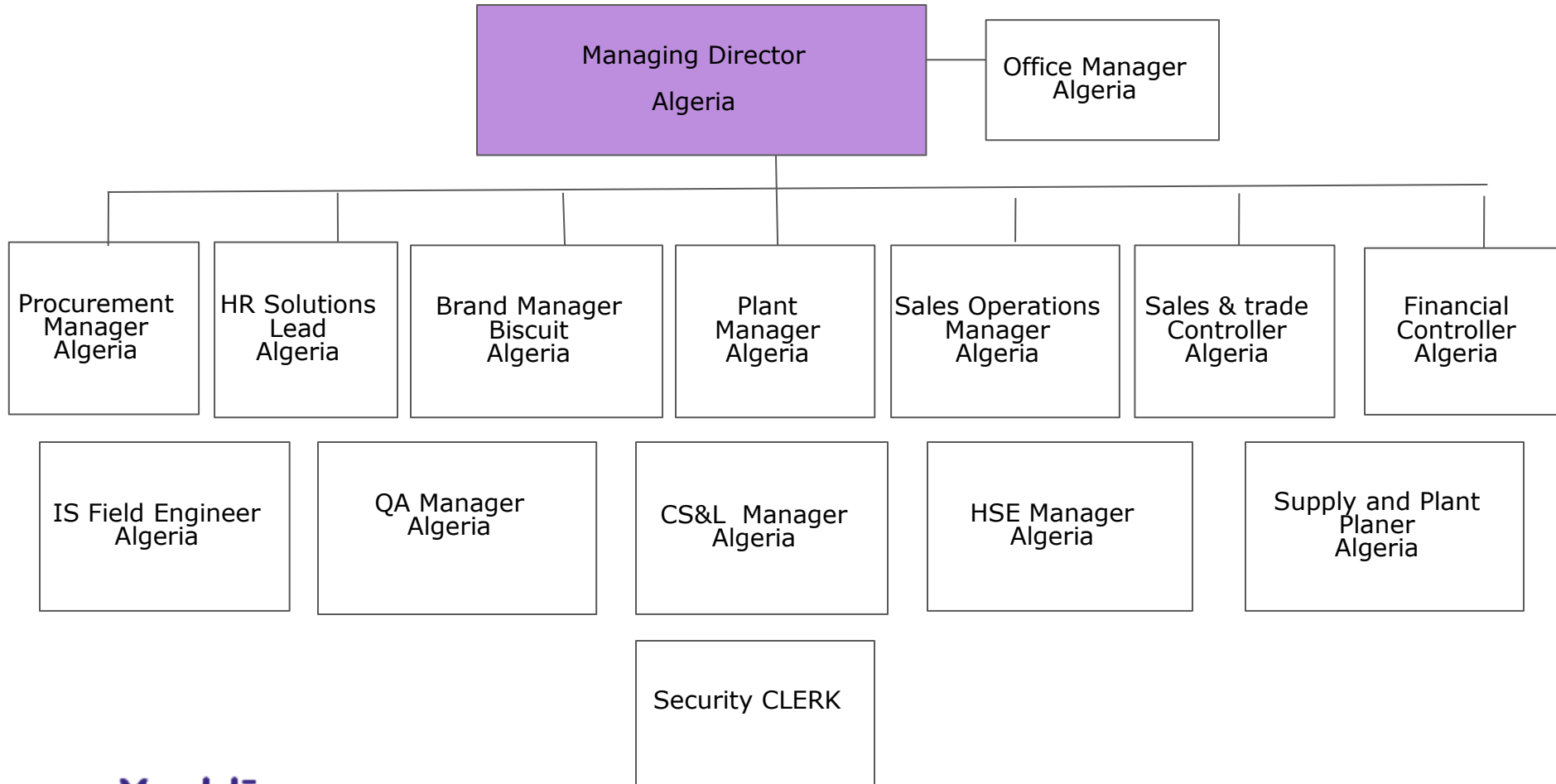
References



Appendices



LU ALGERIA



Le choix stratégique de rebranding.

Dans le cadre de la préparation d'un mémoire de fin d'étude, option Management à l'Ecole des Hautes Etudes Commerciales, nous sollicitons votre collaboration en répondant à ce questionnaire sur " le choix stratégique de rebranding". cela ne prendra que quelques minutes de votre temps et nous vous serons reconnaissants pour l'aide que vous nous apporterez.

NB : Nous vous garantissons la confidentialité des informations données .

*Obligatoire

1. Age? *

Une seule réponse possible.

- Moins de 20 ans
- Entre 20 ans et 30 ans
- Entre 31 ans et 40 ans
- Plus que 40 ans

2. Sexe *

Une seule réponse possible.

- Femme
- Homme

3. Niveau d'études *

Une seule réponse possible.

- Moyen
- Secondaire
- Universitaire

4. Situation familiale *

Une seule réponse possible.

- Célibataire
- Marié(e) sans enfants
- Marié(e) avec enfants
- Veuf(ve)/Divorcé(e)

5. Consommez-vous des biscuits? *

Une seule réponse possible.

- Oui
- Non

6. Si Oui à quelle fréquence?*Une seule réponse possible.*

- Très régulièrement
- Souvent
- De temps en temps
- Rarement

7. Citez-nous les marques de biscuits que vous connaissez *

8. Connaissez-vous la marque Major? **Une seule réponse possible.*

- Oui
- Non

9. Si oui, Comment trouvez-vous sa qualité ?*Une seule réponse possible.*

- Très bonne
- Bonne
- Moyenne
- Mauvaise

10. Voici une liste d'affirmation. Pour chacune d'elles, veuillez indiquer votre degré d'accord et de désaccord par rapport à l'idée que vous avez de la marque Major.*Une seule réponse possible par ligne.*

	Pas du tout d'accord	Plutôt pas d'accord	Ni d'accord, ni pas d'accord	Plutôt d'accord	Tout à fait d'accord
J'ai déjà goûté au biscuit Major	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quand je veux acheter des biscuits, je pense à Major	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Je pense que c'est le meilleur dans le marché	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Je l'achèterai certainement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Je l'achèterai plus qu'une fois	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11. Recommandez-vous cette marque à d'autres personnes?*Une seule réponse possible.*

- Oui
- Non

12. Connaissez-vous la marque LU? **Une seule réponse possible.*

- Oui
- Non
- Autre : _____

13. Si oui, Comment trouvez-vous sa qualité?*Une seule réponse possible.*

- Très bonne
- Bonne
- Moyenne
- Mauvaise

14. Voici une liste d'affirmation. Pour chacune d'elles, veuillez indiquer votre degré d'accord et de désaccord par rapport à l'idée que vous avez de la marque LU.*Une seule réponse possible par ligne.*

	Pas du tout d'accord	Plutôt pas d'accord	Ni d'accord, ni pas d'accord	Plutôt d'accord	Tout à fait d'accord
J'ai déjà goûté au biscuit LU	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quand je veux acheter des biscuits, je pense à LU	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Je pense que c'est le meilleur dans le marché	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Je l'achèterai certainement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Je l'achèterai plus qu'une fois	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

15. Recommandez-vous cette marque à d'autres personnes?*Une seule réponse possible.*

- Oui
- Non

Fourni par

