

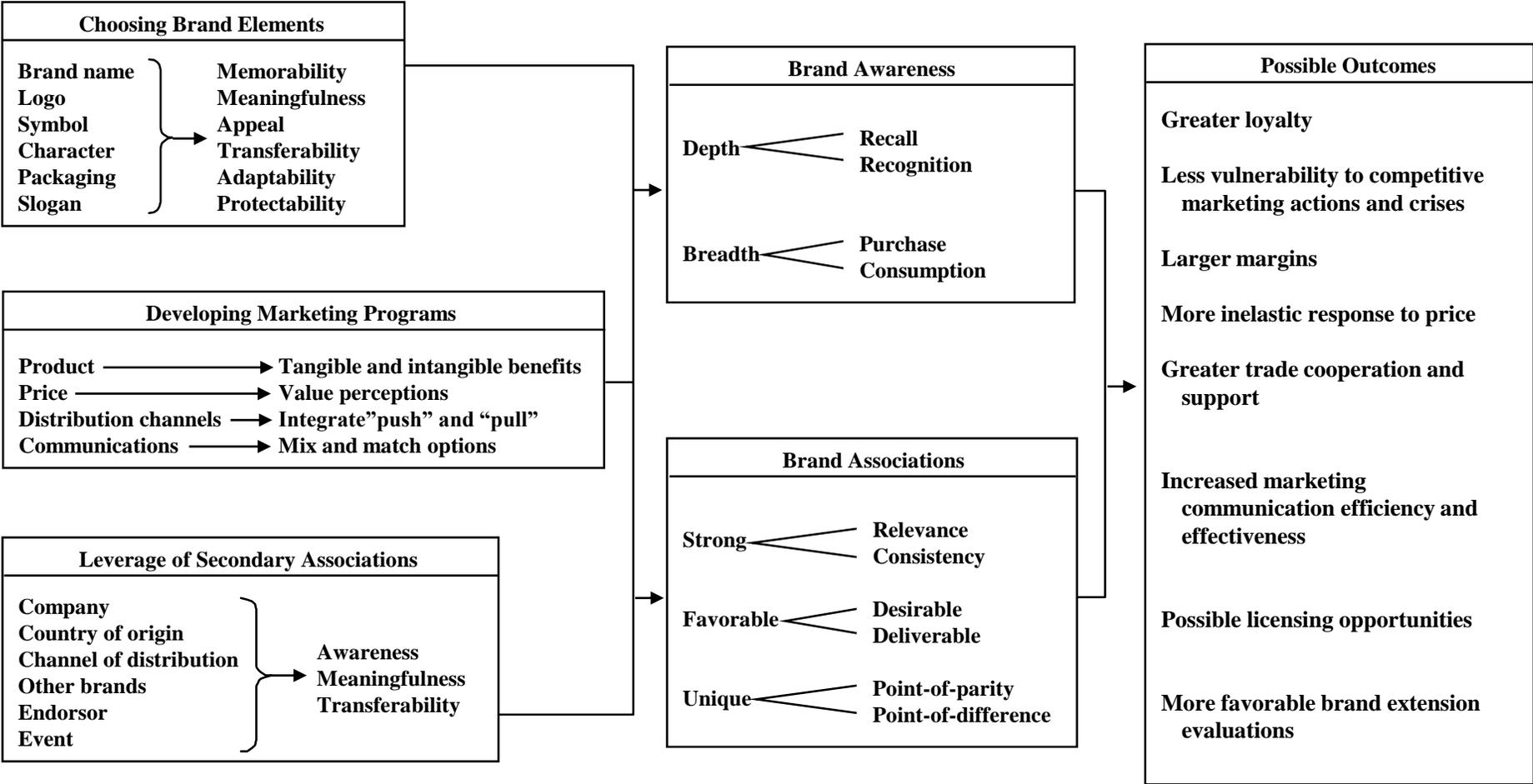
**LEVERAGING SECONDARY  
BRAND ASSOCIATIONS TO BUILD  
EQUITY**

# Building Customer-Based Brand Equity

**BRAND BUILDING TOOLS  
BENEFITS**

**CONSUMER KNOWLEDGE EFFECTS**

**BRANDING**

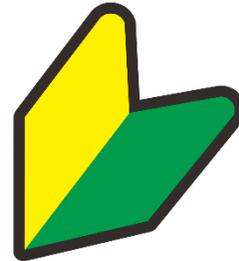


# Creating secondary brand association for a company like Solomon

- Sub-branding
- Country of origin
- Sell in upscale shops
- Co-branding
- Use magazines to secure favorite ratings

# Creating secondary brand association for a company like Solomon

- Creation of new brand association
- Effects on existing brand knowledge
  - What is true for the entity must be true for brands
    - Awareness and knowledge of the entity
    - Meaningfulness of the knowledge of the entity: Evokes positive associations
    - Transferability of the knowledge of the entity

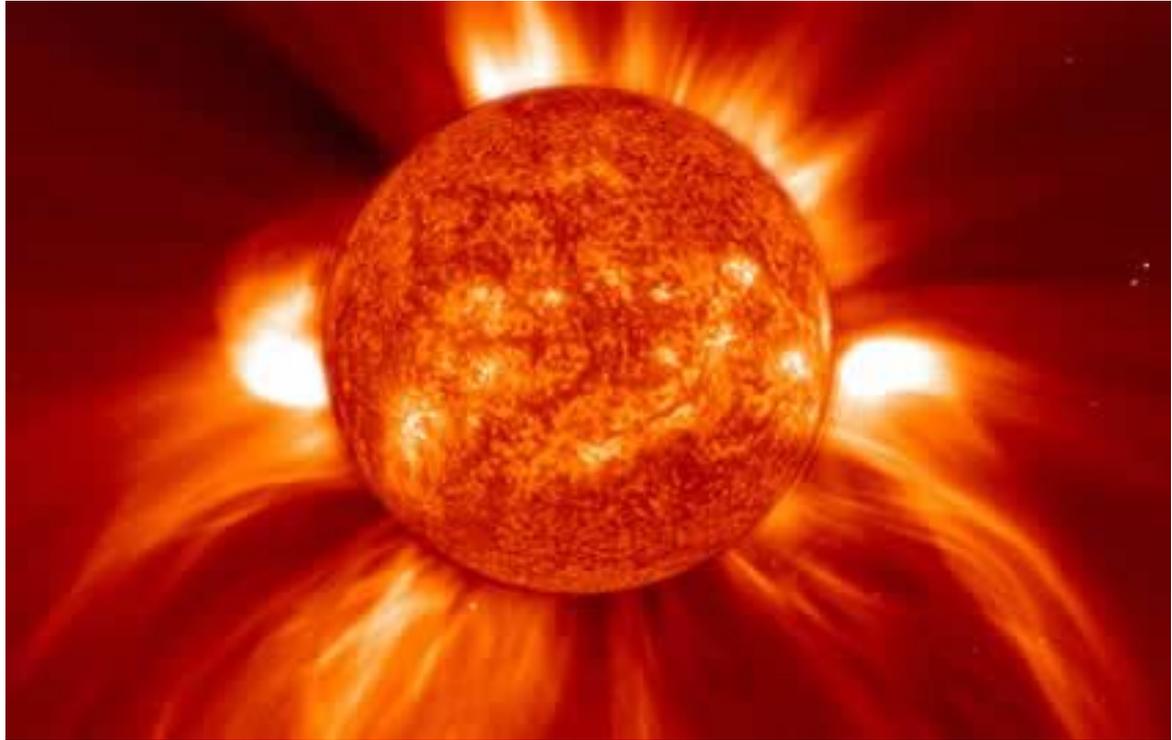
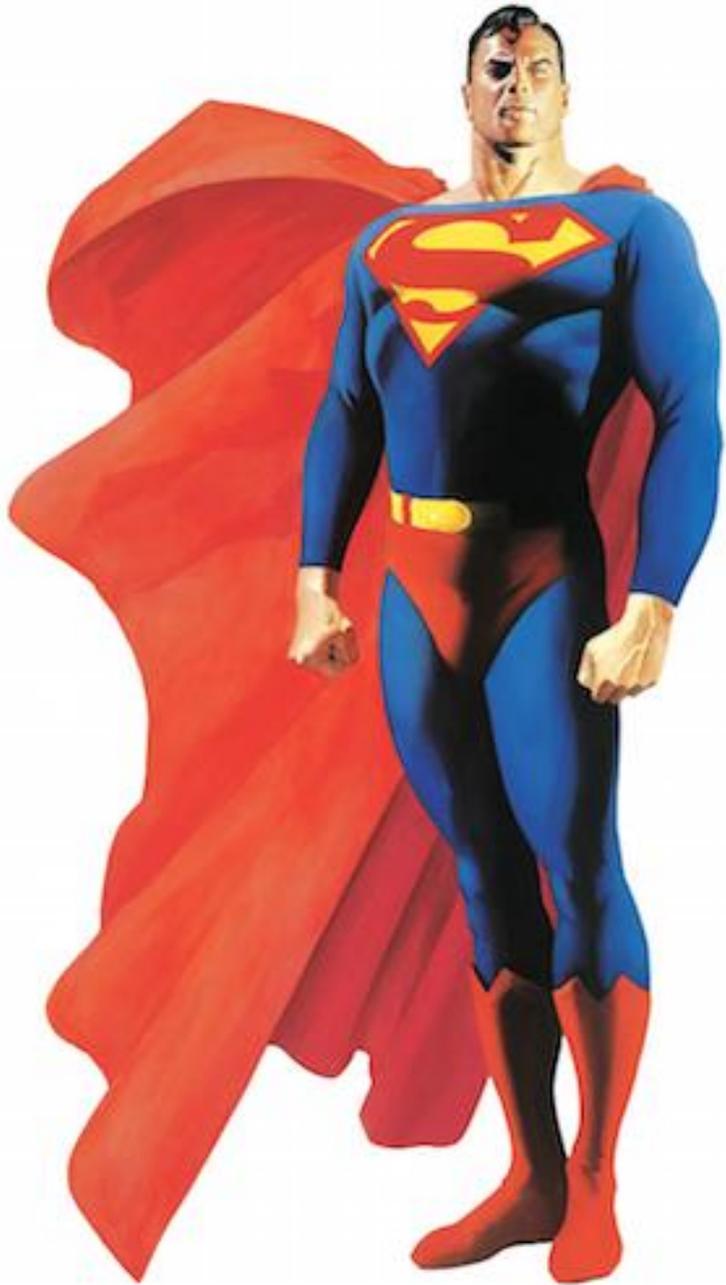


# Guideline for leveraging secondary brands

- Create/Reinforce POD and POP
- Commonality leverage
  - New Zealand wool; associating wool with New Zealand



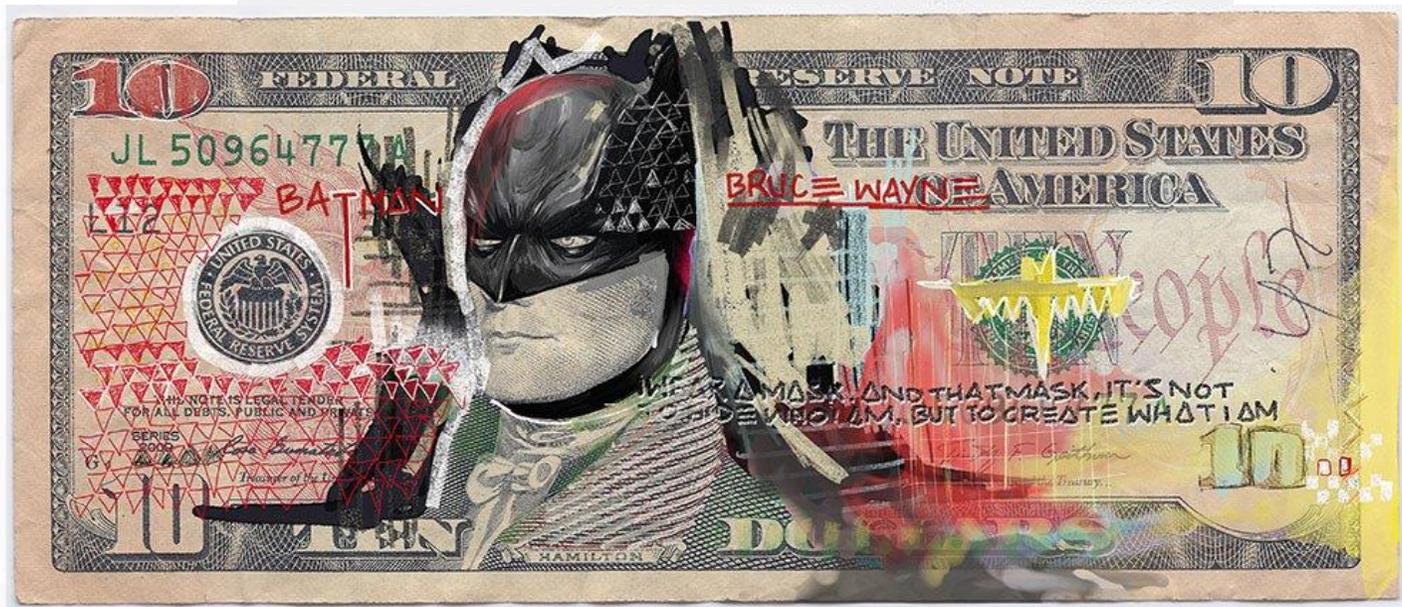
- a.k.a Complementarity branding
- Congruence of knowledge





I'M NOT SAYING I'M BATMAN.

I'M JUST SAYING NO ONE HAS EVER SEEN  
BATMAN AND ME IN THE SAME ROOM TOGETHER.



# Leveraging Secondary Brand Associations

**Brand associations may themselves be linked to other entities, creating secondary associations:**

- Company (through branding strategies)
- Country of origin (through identification of product origin)
- Channels of distribution (through channels strategy)
- Other brands (through co-branding)
- Special case of co-branding is ingredient branding
- Characters (through licensing)
- Celebrity spokesperson (through endorsement advertising)
- Events (through sponsorship)
- Other third-party sources (through awards and reviews)

# Brand Associations through: **COMPANY**



# Brand Associations through: COUNTRY OF ORIGIN



# Brand Associations through: COUNTRY OF ORIGIN



# Brand Associations through: CHANNELS OF DISTRIBUTION

Associations with:

- Product
- Price
- Credit Policy
- Quality of Service
- Results in associations of brands by retailers



# Brand Associations through: CO-BRANDING

Occurs when two or more existing brands are combined into a joint product or are marketed together in some fashion

## **Guidelines to Co-branding:**

- Both brand should have equal awareness
- Sufficiently strong
- Favorable
- Unique associations
- Positive consumer judgments and feelings





# Brand Associations through: CO-BRANDING

## **Advantages of Co-Branding**

- Borrow needed expertise
- Leverage equity you don't have
- Reduce cost of product introduction
- Expand brand meaning into related categories
  - Broaden meaning
  - Increase access points
- Source of additional revenue

# Brand Associations through: CO-BRANDING

## **Disadvantages of Co-Branding**

- Loss of control
- Risk of brand equity dilution
- Negative feedback effects
- Lack of brand focus and clarity
- Organizational distractions

# Brand Associations through: CO-BRANDING (INGREDIENT BRANDING)

A special case of co-branding that involves creating brand equity for materials, components, or parts that are necessarily contained within other branded products



# Brand Associations through: LICENSING

Involves contractual arrangements whereby firms can use the names, logos, characters, and so forth of other brands for some fixed fee

## **Guidelines for Licensing**

- Don't get caught up, one minute they are in next minute they are gone
- Multiple license agreements results in over exposure and wearing out quickly
- If your brand gets over exposed, either you will close or you will sell



# Brand Associations through: CELEBRITY ENDORSEMENT

- Draws attention to the brand
- Shapes the perceptions of the brand
- Celebrity should have a high level of visibility and a rich set of useful associations, judgments, and feelings
- Q-Ratings to evaluate celebrities (a scale measuring the popularity of a person or thing typically based on dividing an assessment of familiarity by an assessment of favorable opinion)



# Brand Associations through: **CELEBRITY ENDORSEMENT**

## **Potential Problems**

- Celebrity endorsers can be overused by endorsing many products that are too varied.
- There must be a reasonable match between the celebrity and the product.
- Celebrity endorsers can get in trouble or lose popularity.
- Many consumers feel that celebrities are doing the endorsement for money and do not necessarily believe in the endorsed brand.
- Celebrities may distract attention from the brand.





See the December 26, 2011  
**US WEEKLY**

**ONLY IN US**

# YES, HE CHEATED

Hotel hookups, dirty texts — Tiger's mistress of 3 years tells all.  
**PLUS** His panic after Elin found out

**Heidi's Baby Girl!**  
Lou Solola Samoil

**Lindsay's New Low**  
Caught kissing Alba's husband

**JAKE & REESE**  
**Is There Trouble?**

"He said, 'We will always be together'"

The magazine cover features a large photograph of Tiger Woods and Lindsay Lohan. Tiger is on the right, smiling, wearing a blue checkered shirt and a dark jacket. Lindsay is on the left, also smiling, with blonde hair. The text is overlaid on the image. On the right side, there are three smaller images with headlines: Heidi Klum holding a baby, Lindsay Lohan and another woman, and Jake Gyllenhaal and Reese Witherspoon.

# Brand Associations through: SPORTING, CULTURAL, OR OTHER EVENTS

## GUIDELINES

- Use popular events with a loyal following to create links and associations.
- The equity of the event will be rubbed off on the brand that is sponsoring it.
- Just sponsoring will not mean a lot to the participants/customers, instead the brand needs to create an opportunity for the brand to interact with the participants and also create a brand experience.
- When budgeting for an event sponsorship allocate a separate budget to promote the event via ATL & BTL media and also for activations and give away's.

# Brand Associations through: THIRD-PARTY SOURCES

- Marketers can create secondary associations in a number of different ways by linking the brand to various third-party sources.
- Third-party sources can be especially credible sources.
- Marketers often feature them in advertising campaigns and selling efforts .
  - Example: J.D. Power and Associates' well-publicized Customer Satisfaction Index

