



WORKSHOP

THE ROLE OF BRANDS AND MARKET COMMUNICATION

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"People make things happen by doing what we know best!

For everything else, we use magic."

TRUE POWER OF A BRAND



We recognise brands in our everyday lives in the shape of their symbols, signs, colours and position slogans. Market brands in fashion are the synonym for brands, because they managed to use all the power of a brand to express prestige and to benchmark high prices.

WHAT IS ACTUALLY A BRAND?

A brand is not an invention of capitalism or consumerism. It has been present as a phenomenon, a unique entity forever. Its elements are recognised in the form of famous army leaders, emperors, countries, cities, artistic and technological achievements and even religions.

A brand is a multitude of perceptions people have about something. It also contains material evidence, but even those are interpreted by people through the prism of our experience, patterns, moods, situations ... The multitude of perceptions can refer to companies, products, persons, ideas, projects - everything which can be exchanged between people.



The multitude of perceptions can be wilfully **transformed** in the direction of a **desired perception**. The fact that we can influence the perceptions of other people is the **foundation of brand management**.

DIFFICULT TIMES FOR A BRAND

The current social situations pose different challenges for a brand:

- **Freedom (of thinking)**

Freedom of thinking brings many truths and untruths.

- **Technological development, digitalisation**

All information is - especially with the help of digital media and devices - immediately available.

- **Mobility of people and goods**

Competition has never been so harsh before.

THE CONSEQUENCES ARE OBVIOUS

- **Major quantities of information**

How to achieve and maintain a noticeable brand in such conditions?

- **Values at a test**

People have access to enough information to constantly compare, thus we face diminishing loyalty to brands.

- **Consumer society crisis**

We witness a change in awareness (becoming aware of the eco crisis, losing privacy, overload, unhealthy relationships, refugee crisis ...), but there is currently no solution.

EXAMPLE: Slavoj Žižek's statement about the coming apocalypses - ecological, digital and social organisations.

HUMANITY remains the only unquestionable value.

It seems that in crisis, we become more aware about the humanity that defines us.

WHY ARE WE STILL INTERESTED IN A BRAND?

Market brand is an **excellent and very usable tool**, which, in the **exchange process**, enables the achievement of goals and good business results. We currently have no better tool to achieve these goals.



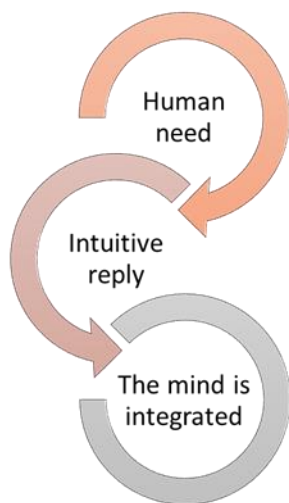
MARKETING, a science dealing with relations between providers and consumers in business economy, constantly evolves around the market brand phenomenon. Marketing observes, researches and measures a brand, creates management models and follows efficiency - everything with rational tools and in a rational and methodological way.

Ideas with amazing results are created simultaneously, outside the endeavours made in marketing.

PRACTICAL EXAMPLE:

- **Steve Jobs** and his inventions (I-pod, smartphone, touch display) as the result of a desire to make digital technology available to the individual and to enable greater freedom.
- **Airbnb** (accommodation in private homes) and **Uber** (private transfers) which have evolved on the basis of the concept of sharing and co-sharing material things - quite contrary to the culture of possessing and individualism.

We have been taught to **ascribe great achievements to the mind**. But the truth is slightly different:



When people feel a **need**, the solution for it is soon offered as an **intuitive idea**.

The problem is that when the mind is activated after an idea, it frequently diminishes that idea.

Great ideas come to life only when an individual or group of people persist and "outsmart" the mind.

A successful brand always has at least one **dimension**, which is not the result of **reason**.

This dimension or brand element is already by nature **the differentiating advantage**, and frequently the **main reason for brand's uniqueness**. Therefore, we should always listen to intuition and give more opportunities to intuitive ideas.



WHERE IS THE TRUE POWER OF A BRAND?

1 A BRAND IS DEFINED BY ITS UNIQUENESS



Even when it's not completely obvious, each brand has a feature, physical or psychological, which makes it special. When all products are very similar by their physical features, we have to be careful about the uniqueness of the brand.

Brand managers are obliged to constantly care for the uniqueness of the brand.

2 A BRAND CAN CONVEY THE DESIRED MESSAGE



We can leave the brand as it is and wait for the multitude of perceptions about the brand.

Managers who do not want to take risks and want to realise business goals of a brand, actually **manage the brand**, especially its message content.

PRACTICAL EXAMPLE: P&G - Thank you, mom <https://www.youtube.com/watch?v=BnBvlz8EaZ0>

FOUR PILLARS OF THE MARKET-ORIENTED BUSINESS CONCEPT

WE MANAGE A BRAND

To manage a brand means to **consciously make decisions** about all its parameters.

Making decisions starts with the decision that we do care for a brand and that we will deal with it to the best of our abilities. When monitoring a brand, the dynamics of its key makers are the necessity for successful brand management.

A brand is a multitude of perceptions of users and other people. These perceptions **cannot be**



directly changed, but we can **manage the levers** that help change perceptions and the multitude of perceptions about the brand, which is also called brand image.

WHAT IS A BRAND COMPOSED OF?



- **BRAND PERCEPTION**



What do we perceive?

- Brand features
- Brand values
- Brand personality

We should not overlook the fact that we perceive a brand **from the standpoint of our own experience**, thinking patterns, emotional state, cultural context etc.

Thus, we have to pay attention to the typical difference between the **internal brand perception** (how a brand is perceived by the employees involved in the process of brand generation) and **external brand perception** (how the brand is perceived by its users, potential users and non-users). When there are discrepancies between internal and external perception, we have to act appropriately.

The **BRAND CORE** can be recognised where perceptions are most densely accumulated.

This is its **essence**, its **DNA**, ascribed to the brand by its users.

IMPORTANT for managers:

The brand core is **not defined** by managers. We only have the option to direct the core development if we **manage** the brand.

PRACTICAL EXAMPLE: Volkswagen, Fructal and Šent New Year cards



- **COMPETITIVE POSITION**



BRAND'S LIVING SPACE is defined by its users and competitors.

If we create a new living space with a unique brand by ourselves, this does not mean that this environment is less demanding, because we have to respond to all doubts and demands of the users.

When we choose the competitive position of a brand, we are mostly interested in the **diversity of cores** of different brands. Where do they mostly differ? What is our **current position** and what is our **target position**?

IMPORTANT for managers:

Management is the effort for diversity, for typical differentiation and unconditional reliability

- **BRAND USERS**



THE MEANING OF A BRAND is in satisfying the needs of users who think alike and who have similar lifestyles.

The needs of users are constantly changing and the method of their generation is also changing. The method is most strongly impacted by the values of individuals and lifestyles.

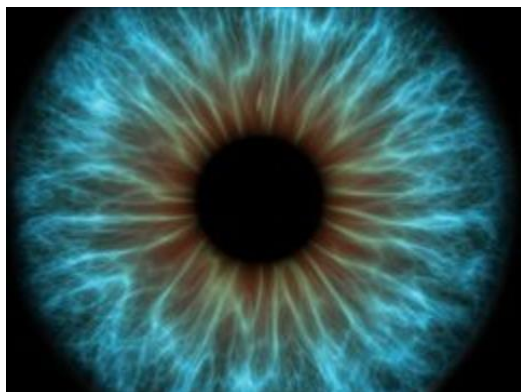
Who are our **target users**?

We do not need time consuming and expensive researches to find out about the characteristics of users. We can recognise their expectations and their prevailing lifestyles with desktop researches, online information observation and by talking to the typical representatives of the target group.

IMPORTANT for managers:

Management is the endeavour for characteristics that **apply to the lifestyle** of a selected target group of users.

- **FUTURE OF A BRAND**



TRENDS ARE AN OPPORTUNITY to recognise the directions of **development**, which will shape the living space of our brand **tomorrow**.

We can on a timely basis offer users a new functionality or psychological value of a brand, thus strengthening our competitive advantage.

Which trends will affect the perception of **characteristics, values and personalities of a brand?**

With regard to the future of our brand, we have to show interest for technological development and improvements, and we also have to be interested in social changes which will as a framework influence the future perception of a brand.

IMPORTANT for managers:

Changed dynamics force us to adapt and care for brand core.

WHAT IS HIDDEN IN THE BRAND CORE?

Social companies, small and micro companies, meet large market systems in the market, which put a lot of energy and financial resources in communication and brand management.

The insight in the brand structure, its foundations and carrying structure provides us with the understanding that significantly simplifies brand management also in conditions set by small sized dimensions and economic marginality.



1 FEATURES

Physical features, external image, effects, applicability ...

Tangible features of a brand are the **least solid part of the brand core**.

There are two groups of reasons for this. The first group comprises changes caused by technological development and improvements, introduced by competitors. The second



group comprises changes of expectations of users, which can be the result of changes from the first group, or can originate from changed standpoints and values.

Can we search for our **diversity** in this area? Can we, for instance, emphasise the "imperfection" of our products in order to make it an advantage?

② VALUES

Goals of the brand, the feelings behind it, the features that differentiate it from others ...

Values are far **more important** than the functionality of a brand; they are **the permanent part** of its core and the foundation of the relationship between the user and the brand.

Not only because so many similar products are in the market, the psychological value of a brand and its value system have an increasing impact on purchase decisions for many other reasons. People search for meaning, affiliation, confirmation and other forms of satisfying needs in life, which exceed the importance of functionality.

Which values have typically contribute to the **diversity of our brand**?

③ PERSONALITY

The combination of human characteristics that people ascribe to a brand ...

We use analogies to perceive a brand, which can describe a personality, their moods and other psychological states.

The key factor is the **harmony** between the brand personality and the brand users' personality.

PRACTICAL EXAMPLE: Fructal corporate ad <https://www.youtube.com/watch?v=idTOanEmW0c>

WE CHOOSE BRAND PROMISE



USER PERCEPTIONS

We perceive a brand via its many features and images, and also under the influence of habits, emotional connections, psychological conditions etc.

The brand core is often concealed

Our task is to **recognise** the unchangeable core and **CHOOSE ONE, UNIQUE PROMISE** which is **true** in all aspects and sufficiently **distinguishing**.



PRACTICAL EXAMPLES: communication of Slovenian retailer TUŠ
Milk <https://www.youtube.com/watch?v=O6Xj208YHNM> in a new image
https://www.youtube.com/watch?v=_XsYQG7JO7M

POINTS OF CONTACT WITH USERS IN THE SELECTED TARGET GROUP

BRAND PROMISE

When selecting and conveying the brand promise, we find ourselves in the most sensitive part of our relationship with the consumer. As giving our word, making a pact ...

BRAND STORY

We transfer the most important features of our values and the personality of our brand to a story.

PRACTICAL EXAMPLES: communication of Donat Mg brand
Green diamond <https://www.youtube.com/watch?v=49UrRWqLC7U> Donat Trump
<https://www.youtube.com/watch?v=JM0U3z-y6aA> Markovec
<https://www.youtube.com/watch?v=OQb9xZkfoBI>

BRAND IDEA

A sustainable brand builds/preserves value with improvements, updates, new functionalities ... and surprises with unexpected solutions.

MOMENT OR PURCHASE

We provide for a purchase experience which is completely **harmonised** with the brand **promise**.

SATISFACTION

Monitoring satisfaction is an excellent way to recognise the brand core and to collect information for new brand ideas.

IDENTIFY WHAT DIFFERENTIATES OUR BRAND FROM OTHERS

Where in social, small and micro sized companies can we identify the **things that make our brand different** and enable us to make a unique promise?

When searching or planning such things that help us achieve differentiation and make use convincing in the market, we can use the **carrying elements of the brand core**.

1 FUNCTIONALITY

Functionality is the precondition for exchange; if we find ourselves in a situation when an existing functionality loses meaning in the eyes of consumers, we have to find a new functionality.

2 PERSONALITY

Personality is in the case of social and small sized companies visibly different and this can diminish harmony; do not count on society's empathy and rather exploit the actual advantages.



3 VALUES

Values are the biggest potential; social and small sized companies function in close connection and with a different value system; such values are more appreciated and get more supporters.

OUR VALUES CO-CREATE THE CORE OF OUR BRAND



WHEN DID YOU LAST SPEAK ABOUT VALUES?

Which values do you identify in an organisation?

For which values could you claim are shared by all in the company?

Which are the most important values of employees and protégés in your company?

TELL A STORY ABOUT YOURSELF

The story will be effective if we put real feelings in it.

Explore feelings:

- What excites us, what brings us pride?
- What brings major value to us?
- Which of these feelings are beneficial for the entire society?

The story should sum up our **values** and convey our **personality**. Such a story is **unique and only ours**.

PRACTICAL EXAMPLE: Natureta
<https://www.youtube.com/watch?v=7p9q7bS6hS4>

EVERYTHING STARTS AT HOME

There's a rule: our promise should initially convince **employees** in the company.

Only when we completely convince them, can we convey the **promise to others**, to users of our brand.

FOUR PILLARS OF THE MARKET-ORIENTED BUSINESS CONCEPT

- Dedicate attention to the brand
- Manage the brand
- Keep promises



- Nurture relationships

LET'S BE GOOD PARENTS TO OUR BRANDS!

ABOUT THE LECTURER

Lučka Peljhan is the founder and creative director of **I&S Aladin Advertising Agency**.

In her soon to be forty-year-career in market communications, she has managed brands, planned their communication strategies, made creative concepts, brand names and their messages. She specialises in strategic planning of brand communication. She often lectures about brand management, tourist offer development and creativity.