Marketing Principles in Establishing a Brand

[Principiile Marketingului in Stabilirea unui Brand]

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Abstract: Branding is a challenge for marketing people and not only. In branding the only limitations are set by imagination. Branding is in fact about creating or disseminating ideas, messages and experiences. Branding takes time, resources and continuous preoccupation. Investment in the brand may multiply significantly the earnings generated by the products associated to that brand. The greatest profits will go to companies that will know how to manage their brands in the mind of the consumers

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Introduction

Out of the multitude and variety of economic phenomena which many research focused on, we chose a theme which apparently seems very simple. It is about the preparation of a design based on *which a company name is established*. The need of dealing with such theme emerged on account of the fact that in the stage our country economy undergoes, the assigning of names to establishing trade companies is made on an empirical basis.

The names of companies, existent in the country cities strongly evidence the aforesaid statement (taking a walk on each street of Iasi provides suffice examples).

The surveys conducted by us revealed that over 97% of the interviewed persons do not establish the connection between the company names and the content of the activities of the respective companies. 24 economic agents were interviewed of which 14 economic agents having established new companies, 5 economic agents having maintained the old companies and 5 companies having changed two or three company names following activities reorganizations. The situation created and it is created by the entrepreneurs' processing of certain words or foreign names, by randomly using the name's initials or first names or by using the name of a dear partner (Suzana SRL, Casandra SRL, Knok SRL, Jungla SRL, Crislidor SRL, Alex and Lory SRL etc).

Our research highlighted that the entrepreneurs do not consider the role the company name has in the sales promotion policies. The company has *economic, psychological and social* implications as they influence the behavior of the potential buyers:

- a) *the company name is information bearer* as it transmits a message related to the content of the organized activity (the provided products or services - their characteristics);
 - b) the company name generates emotions motivating purchase
 - c) the company name is an esthetics element which draws attention, determines a desire and finally a purchase decision.
- (Prutianu, 2008: 493)

All these aspects (we only enumerated some) have as core objective the promotion policies of the company products.

Operating in an environment continuously changing the company faces new behavior requirements and increasing competence directly aiming at its customers which they try to attract by their own products. Facing such market pressures, the company must take action and besides prices and offer

adjustment efforts, it needs to permanently resort to promotion strategies and tools. The promotional activities aim at rendering the awareness of the target customer regarding the company offer and image. An important element is the curiosity rising (the people are generally curious, prone to novelty, to the sensational). It is a feature, frequently considered, by the promotion-oriented specialists.

Without the creation of a *psychological climate*, the buyer's encountering the economic good which will activate the purchase decision is not possible. The company is the one coming to greet the buyer by a continuous communication with the outside environment by means of a promotional campaign.

Thereby the main purpose of this paper results, namely, making the entrepreneurs believe that establishing the company name is a research activity.

And here is some evidence:

- the company name can be established correctly after having defined the company object of activity and accomplishing means. For instance, CONEX, IASSY TEX, VEL PITAR, TEROM, MITAL STEEL, ORANGE, COCA COLA, LACTIS, TRANS POLOSAM, VAL CRIS, KOSAROM, EUROPEAN DRINKS, AUTO'TRANSPORT etc.

- the effects obtained by using different names are unknown as changing the name of a company is not easy.

As a result of our research we could conclude that the assignment activity of a company name can be carried out by the entrepreneur, according to a design undergoing more stages and namely:

The first stage consists of the analysis of *the existent situation*. The following can occur.

- the name assigned to a company aims at reminding of a former name. Such a situation can be encountered when the former activities are resumed or old well patronized locations are used again, such as: "Bolta Rece", "Trei Sarmale" etc;

- an existent name extending to new activities is preserved;
 - a new name is chosen;

Our research dealt with the situation when a new name is pursued. In this case, the message following to circulate by the company name is defined. The message must suggest the company activity features, namely its contribution to the achievement of the different and continuously changing demands of the potential and effective buyers (save time, money, quality products etc). We should mention that one single name is not able to evoke

more characteristics, for this reason the *core characteristic* is considered. Further, in the connection to the chosen names, the restraints imposed by the graphic, semantic and legal conditions are analyzed. Special attention is paid to avoiding confusions, equivocal interpretations and infringements of legal provisions.

The second stage consists of the activities organized for *establishing the names* for the newly set up company. Obtaining of an increasing number of names is pursued. The techniques to be used are:

- reference to existent information sources, dictionaries, literature in various fields;
- the creation group consisting of 3-5 members, who, by words associations, combinations create new names corresponding to the company activity. Known methods stimulating the imaginative and creative potential can be used. By creativity we understand the manager's thinking ability to find new solutions, to give birth to new ideas or things, not previously known. In management, the creativity appears as a unitary whole of subjective and objective factors which lead to the managers' or managerial teams' achieving original and valuable processes and phenomena.

In management we can encounter more types of creativity:

- innovating, mainly oriented towards managerial change;
- imaginative, characterized by the tendency to combine and draw up managerial reality scenarios;
- investigators, generators of ideas, new relationships and ways of action in the managerial practice.
- the process of managerial creation consists of all the moments, mechanisms and scientific dynamics, from the problem generation or hypothesis up to the realization of the creative process.

The managerial creativity requires an inter and multidiscipline approach and so much the more the problems of the managerial creativity exceed the limits of the epistemological and psychological significance and require a global approach in agreement with the problematics specific to the transition stage to the market economy.

In this context, a general characteristic of the manager's activity stands out and namely, its *perfectible and creative character*. For the approach to the specific forms of managerial creativity it is necessary to know the general characteristics and laws of creativity and enterprise management. In the enterprise managerial reality there are specific forms of creativity. The essential question related to this theme is if the manager thinking is subject to its will and in case of an affirmative answer, we understand how it is

done. In principle, any manager knows what he/she has to think of and his/her aware effort towards such objective.

■ the computer, by combinations, transformations and anagrammation, generates new words.

The third stage consists in the selection of the words by eliminating those that come in contradiction with the rules set beforehand. One eliminates the names that suggest negative images, trivial words, or words that are difficult to pronounce.

The remaining words are arranged according to their capacity to suggest the desired characteristic (comfort, money saving, time saving etc.). One may grade or give points to each characteristic, so as to establish a *hierarchy* of the names to be chosen.

First and foremost, one needs to choose a name, that will incorporate a series of promises and significances (Kotler, 2003: 74) that the respective brand is to suggest. An offer of the type „a lot and good” needs to have a brand name meant to suggest a good quality, and in no case a bad quality. Recent research indicates that it is names that create differences. For instance, the photos of two nice girls were shown to a group of boys, who were asked to choose the nicer of the two - their vote was equal. The researcher then wrote the names of the two girls, Irina and Maria, respectively, and the vote turned to 75% in favour of Irina.

Another possibility for the best brand names is to create positive associations. A company should take in consideration several dimensions, so as to be able to communicate a message:

➤ a good brand should trigger in the buyer's mind several features. For example, a BMW car suggests in the buyer's mind, the image of a strong, highly elegant, durable, expensive car. Had it not suggested such features, it would be - let's say so - a weak brand.

➤ furthermore, a good brand needs to emphasize the personality or some personality traits. If we imagine the BMW to be a male person, then we would imagine someone with a strong personality, a somewhat authoritative businessman. If the BMW were an animal, then we would be tempted to think of a lion, as having a strong personality.

➤ a good brand suggests, however, not only features, but also a series of advantages. Having the same example in mind - the BMW - then this car suggests the idea that the driver is „an important person”, that the car is easy to drive and highly performing.

➤ if we take the users as reference point, then the brand should suggest the category of persons that would buy that brand. .
In conclusion, brands are effective and have impact, when they induce positive features, personality and potential buyers.

Tools to build the identity of a brand

The package as brand differentiator becomes an increasingly wider phenomenon, given the fact that manufacturers and retailers are more and more aware of the role the package plays in the whole process of building a brand.

The package however needs to reflect the identity elements of the brand. Moreover, companies should look for solutions to design really distinctive packages, since nowadays we have technologies that enable interesting innovations.

The package needs to be considered under two fundamental **aspects**: physical - so as to ensure the protection of the product, and psychological - that is of the promotional tool.

Packaging has to correspond to the consumers' preferences and needs. It is a fact widely known that the preferences of consumers vary from one another, being influenced by the social, economic and cultural factors (Munteanu, 2011: 203). That is why it is necessary to study the behaviour of consumers. For example, in Japan, the design and the package are core elements of the product, having subliminal effects, and influencing the consumers to a great extent. The Japanese are willing to pay more for an attractive package.

A brand builder should take into consideration the buying customs and traditions, the esthetics, the size and colour of the package, the symbol, the labelling, as well as the customs and traditions specific to each market of that country. As an example thereof, the Americans prefer to buy the mustard and the mayonnaise in jars, whereas the Swiss prefer the tubes: the Americans prefer beer in cans, while Europeans would rather have it in bottles. Regarding the colour of the package, a great advantage for a company or a brand would be to use a set of colours that would help one immediately identify that brand: green, for example, is popular in Muslim countries, whereas black and red have negative significances in certain countries of Africa. Yellow is Kodak colour, IBM uses blue, which is why it is also named „the Big Blue”.

Symbols and logotypes

Big companies should adopt a symbol or a logo to use. These companies hire a well-known spokesperson who will pass on his qualities to the brand, as well. For example, Nike uses Michael Jordan, an American basketball player and businessman, who enjoys worldwide popularity and is loved all over the world, to promote the Nike products; Garnier uses the journalist Andrea Marin Bănică, Unicef member, who is popular not only in our country, but also abroad, to promote the cosmetic products; the insurance company Travelers adopts another approach and uses an umbrella, suggesting in this way that an insurance is equivalent to having an umbrella in case of rain; L'oreal company uses as symbol Penelope Cruz, one of the internationally known actresses; the actress Candice Bergen advertises for those from Sprint, the telecommunications company; the insurance company Prudential uses the Gibraltar rock, suggesting that an insurance policy is similar to having „a piece of the rock”, which obviously indicates something solid and reliable.

In time, the logotype (as well as the brand to which it is associated) becomes a victim of the tear-and-wear. In order to boost the sales of a company, to reposition it so as to handle an increasing competition or to promote certain activities resulted from previous diversifications, one should revise and rejuvenate the brand and the image it transmits on a periodical basis, in other words one should modernize the logotype.

Strong brands usually come with a set of stories. Coca-Cola is the name of a company and of a product - a carbonated soft drink with apparently insignificant features. This soft drink, however „was copied and harshly criticized, praised and boycotted ... Coca-Cola - the product, the form, the green bottle - Georgia - was celebrated in songs and lyrics, being the topic of countless editorials and cartoons and the subject of hundreds and thousands of photos. It was gathered, caressed, sipped by queens and kings, by presidents and prime-ministers, by maharajahs and monks, by astronauts and aborigines. The product ... stood for practically everything - from free enterprise and American way of life to imperialism and American way of death” (Thomas, 1986), (Băcanu, 2006: 286).

Worth mentioning is also the fact that strong brands have a **slogan**. A lot of companies have successfully added a slogan to the company or to the name of the brand, which is repeated in every commercial or advertisement on the market. The slogan, as well as the design, has a subliminal effect, their almost hypnotic repeated use creating an image of the brand. Some examples of the most famous slogans, that many persons could

recognize and remember while walking on the street include: „Borsec - Fountain of energy”, „Beck’s - You have the key”, „Ford - Quality is our number 1 mission”, „Fanta - Play on”, Nokia - “connecting people”, Nike - “just do it!”, Pepsi - “ask for more”, Samsung - “everyone is invited”.

The fourth stage consists in the collecting of information regarding the behaviour of consumers, based on motivational research. Motivations are internal factors which act upon and direct the human behaviour, so as to reach their objective. From our analysis it resulted that the most effective methods that provide significant results and that can be applied in practice are: *the in-depth interview, the associative interviews, the projective tests, programmed analysis, multi-dimensional analysis, semantic analysis.*

Conclusions

Finally, there remain a small number of names, from which the one most adequate to the designed objective is chosen. Even though intuition may interfere as well, it needs to be controlled and based on *scientific facts*.

The stages presented above are not compulsory. Sometimes, the activity may end from the first stage. As shown before, of uttermost importance is the attention given by the enterpriser to the name of the company.

Good results can be obtained if the name of the company were set by specialized companies, in virtue of an agreement. Building a brand, therefore, implies much more than building an image. The work of a brand manager is the work of building the image of the brand. In conclusion, the brand implies in fact a relation between a product and a buyer. Just like companies have as main objective the development of consumers’ loyalty, by coming with offers and services that would suit the needs of the buyer, in the same way, loyalty towards a brand is developed by anticipating the buyer’s needs, by giving him „satisfaction reasons”.

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