This course is based on the teachings and writings of Professor David Aaker, considered the father of modern branding.

Brand planners/strategists face many challenges, including how to:

1. Create a comprehensive brand architecture that will provide strategic direction;
2. Generate motivating brand identities and value propositions for the key brands;
3. Develop brand-building programs; and
4. Organize to manage brands effectively.

The goal of this course is to provide concepts, models, methods, and role models that will help address these challenges.

The brand architecture challenge involves an identification of the brands and the sub-brands that are to be involved, their respective roles, and, most important, how they relate to each other. An effective, well-conceived brand architecture will lead to clarity in customer offerings and realize real synergies in the brands and their communication programs. What is destructive and wasteful is to have a host of brands that emerge and drift in a random, disorganized fashion resulting in a confused set of offerings with monumental communication inefficiencies. A key issue in the creation of effective brand architecture is knowing when to stretch an existing brand, when to employ a new brand,
when to use sub-brands, and when to use endorsed brands. The roles and management of sub-brands and endorsed brands are often the key elements of brand architecture decisions. Can a sub-brand or endorsed brand be used to help a brand stretch over products and markets?

The brand identity challenge is to have a vision of how each actively-managed brand should be perceived by its target audience. The brand identity helps to provide clarity of mission for employees and partners and clarity of offering to customers. It needs to resonate with customers, differentiate from competitors, and reflect the organization’s resources and plans.

Development of communication and other brand-building programs needed to realize the brand identity is the third challenge. Brand-building programs not only implement the brand identity, but also define it. An advertising execution or sponsorship can bring clarity and focus to a brand identity that appears sterile and ambiguous. In fact, some strategies are difficult to communicate in words without some pilot executional elements. In addition, some executional effort may provide confidence that a strategy is doable.

The fourth challenge is organizational. Brand strategies need to be created and implemented in the context of organizational structures and processes. This course will consider various forms of organizational efforts to support brand building. Global brand management creates complexities that put strains on the organization, and these strains will also be addressed.

Case Analyses

A large part of the course will involve discussions of cases and exercises. This part of the course, which will include short written assignments and class discussions, will constitute about 50% of the grade. Name cards will be used throughout the semester. Please try to maintain the same seat throughout. There are written assignments for many classes. You should plan to turn in four of them at the beginning or before class. They will not be returned. They will, however, be graded and contribute to the class participation grade. The written assignments may be done with no more than one partner.

In order to be able to participate in class discussions, attendance is mandatory. Attendance will be taken at the beginning of each class. If for any reason you cannot attend a class session, please let me know in advance. You can miss two classes per term without impact on your grade. Missing three or more classes will adversely affect your class participation grade.

The Brand Strategy Project

A brand strategy project is to be undertaken by a team of five to seven people for a client with a new or existing brand. The project will count for about 50% of the grade.
The project should involve some interviews or workshops with people in the client firm. You should pick a client that has one or more people who are willing to spend a few hours with you.

You should pick a context in which there is strategic brand issue (ie opportunity or challenge). It could involve a brand extension with a new brand vs. endorsed brand vs. sub-brand decision. Or it might involve articulating and positioning a new brand or the role of the corporate brand. It could also involve reviving a tired brand or assessing which brands warrant investment for growth, and how?

Report Outline

The following provides an outline of the report:

1. A brand audit as outlined in the appendix. You should consider including:
   a. Brand inventory.
   b. Description of the current brand image and communication strategy—if customer research is not feasible, the opinions of managers could be used.
   c. Competitor brand analysis.
   d. Brand portfolio roles—what are the silver bullet brands, the strategic brands?
   e. Brand system evaluation.

2. A brand identity and value proposition recommendation for one or more of the major brands. Specify if this identity is to be modified for different products or segments. For each brand identity, specify:
   a. The core identity
   b. The brand essence/tagline
   c. Strategic imperatives
   d. Role models—internal or external
   e. A measurement instrument

This phase should involve an assessment of the customers, competitors, and the brand itself. In the customer research, it might be appropriate to do some qualitative research to get at the brand’s perceived heritage, unique attributes, brand personality, organizational associations, symbols, functional benefits, emotional benefits, and self-expressive benefits. The same information should be obtained about the major competitors—sometimes this can be implied from Web sites, ads, supplemented by secondary research. The brand goals of your client brand and competitors in part can come from reviewing their annual reports and current advertising.

3. Develop recommendations for a communication program for the brand. You can develop logos, packages, and ads, if you wish. However, you can also provide broad suggestions as to the elements of the communication program and not provide any creative work. What events might be sponsored? What promotions? What co-
branding efforts? What visual images? What metaphors? What can be done to build/reinforce awareness, perceived quality, brand loyalty, and associations?

4. Develop a brand architecture that specifies the key brands and the relationship between them. Specify the use of endorsed brands, sub-brands, branded features/components, co-brands, etc. Identify the key brand architecture issues and defend your recommendations with respect to those issues.

5. Find a “best practice” brand strategy that could provide insights and guidance to your brand strategy. It might be a brand from a competing firm or from another industry. These benchmarking brands should be looked at critically—why might the strategy work in that context but not in ours? What is different?

6. Optional: If appropriate, develop a new brand name for a brand, a sub-brand, a branded feature or whatever.

Developing a Brand Strategy
When you are developing a brand strategy for one or more brands, do not attempt to apply every brand concept that you know. Draw on those that are really relevant and helpful. There is no checklist here. Focus your efforts on the most important brands and branding issues.

Report Schedule
Hand in by **Week 4** a note outlining:

1. The group members
2. The client selected
3. The brands to be focused on

Hand in by **Week 7** a memo with a draft of the brand audit (it can be incomplete) and an identification of the major brand strategy issues.

Hand in by **Week 10** a first draft of the brand identity and value proposition paper and the brand architecture section. Both can be incomplete. It does not have to be a final draft.

Final group report is due **Week 12**.

Teams
At the end of the semester, you will have an opportunity to provide me with feedback on the relative contributions of your team members. Obviously, it is important that each member carries their weight. These intra-group reviews will play an important role in the determination of final grades. It is possible that one’s grade could be reduced by one letter because of uniformly poor evaluations by other group members.
Texts


Course Outline:

Date and Topic Reading Assignment

Week 1. 9/21 Introduction

Review Syllabus, answer questions.
Overview of class.

Describe the following brands:

--Black Book Magazine
--Paris Hilton
--Al Qaeda
--Martha Stewart vs. Lillian Vernon

Week 2. 9/28 Brand Equity

MBE Ch. 1-7
BAM Introduction

Awareness--
How do you create awareness if you are Volvo or Howard Dean?
Who has done it well? How?

Case: Datsun/Nissan (MBE Chapter 3)
What was the logic? Was it a mistake?

Perceived quality--
What are quality cues for:
Cat Food
Golf clubs
Cosmetics
Consulting firms
Why is Tiffany perceived as having high quality year after year?

Case: The Schlitz Story (MBE Chapter 4)
1. Why did Schlitz lose their perceived quality?
2. What was done to get it back? Why did those efforts fail? What would you have done?
3. Do you know of any brands that did recover from a perception of low quality? Consider, for example, Toyota, which started with a very bad quality reputation.

Brand loyalty--
How would you estimate the value of the loyal customer if you were a bank? A car brand?
Who has a good loyalty program in banking? airlines? computers?

Week 3. 10/5 The Brand Identity

Case: Harley Davidson (BSB Chapter 5)
1. Develop a brand identity. What is the core identity? The brand essence?
2. What, in your view, is the brand personality of Harley? How did it develop? How is it maintained?
3. How do you account for the Harley user’s involvement in the brand? The summer gatherings? The local H.O.G. chapters? The tattoos?

Strategic analysis for the Stern School--
Customer, competitor, self
Building brand identities--
What should the brand identity be for the Stern School?

Written assignment: Write up a brand identity for Harley or Stern.

Week 4. 10/19 Brand ID (cont’d) and Valuing a Brand

Case: The Y&R Brand Asset Valuator (BSB Chapter 10)
1. What in your view are the strongest brands in the U.S.? Why?
2. Explain and evaluate the model. Does differentiation come first, as the model predicts? Can you think of counterexamples?
3. Examine Figure 10-1. Given that evidence and the underlying model, what would you say are the strongest brands in the U.S.?

Case: Luxury Sport Automobile Group
1. For each of the brands—Jaguar, Mercedes, BMW, Lexus:
   a. What is the brand personality?
   b. What is the emotional benefit?
   c. What is the self-expressive benefit?
2. Rank the symbols in terms of their ability to add to brand equity.
3. Evaluate the advertising of each.
4. Why do people buy luxury cars? How does the market segment?

Written assignment: Comment on either of the above.

Week 5. 10/26

Brand Identity Elaboration, Quantifying Brand Equity
BSB Ch. 7, 10
MBE Ch. 1 p. 21-30

Case: Elaborate the Harley Brand Identity
1. Identify external role models for the brand.
2. Probe the boundaries of one of the categories of external role models.

Case: Brand Valuation Methodology
1. Why would you attempt to put a value on a brand?
2. Evaluate the methodology. Suggest improvements.

Case: The Levi’s Tailored Classics Story (MBE Chapter 9)
1. Why, in your view, did the Levi’s Tailored Classics concept fail?
2. Was the concept faulty? Would you have gone after a different segment? Used a different position? Used a different name (not connected to Levi’s)?

Written assignment: Either provide a one-page note with an external role model set for Harley or evaluate the methodology in the brand valuation case.
Case: Pottery Barn (Web site, catalog(s))
1. What is the PB image?? What is its personality?
2. Evaluate PB’s decisions to:
   a. Introduce a kids brand.
   b. Introduce a brand for teens.
   c. What are the risks? What research would you have done before making the decision?
   d. What other business might PB extend into?
   e. How should Crate & Barrel respond?

Case: Ralph Lauren (Web site)
1. For each Ralph Lauren brand identify the master brand, endorser brand, sub-brand.
2. Evaluate the brand architecture. What are the strong points? The weak points?
3. Evaluate the RL symbol. What is the logic?

Case: The Healthy Choice Story (BSB Chapter 9)
1. What is the brand identity of Healthy Choice? The core identity?
2. Has it been extended too widely? On what produce would you say no? On non-food items?
3. Compare the brand policy of Healthy Choice with that of Kingsford Charcoal (BSB Chapter 9).
4. Compare Healthy Choice to Weight Watchers. (See MBE Chapter 5 for the Weight Watchers Story.) Is there any difference in their brand identities? Why wasn’t Weight Watchers the first to introduce a “Healthy Choice” brand? Why was it ConAgra?

Written Assignment: Report your work on the brand relationship spectrum example.

Week 7. 11/9  Branding in the High Tech World  BAM Ch. 5

Case: Intel Inside (Web Research)

Issues in High Tech Branding--
What are some strong high tech brands? How did they become strong?
Identify some (good)(bad) examples of brand architecture in high tech.
Is branding in high tech different than in other contexts?
Branding on the Internet--
Explore the following sites:
   Amazon, Ebay, Abercrombie & Fitch, Gap
   Americangirl, Red Envelope, ESPN, AskJeeves
   Tide, Audi

Evaluate the above web sites for:
   1. The name and/or symbol
   2. Look and feel—personality
   3. Content
   4. Experience
   5. Use of branded benefits, features

What is a good brand-building web site? Do you have any other examples?

Written assignment: Conduct qualitative market research using ideas discussed in Chapter 6 in MBE assuming that your client is Microsoft. Conduct a minimum of three one-on-one interviews. If you work with another person, generate five interviews. Alternatively you can do one focus group. Ask, If Microsoft were a person, what would be its personality? age? gender? etc. Or, if it were an animal, what kind would it be? What kind of magazine? movie? sports celebrity? movie star? etc. Do the same for HP and Intel.

Week 8. 11/16 Brands and Rejuvenation

Case: Playboy
   1. Customer analysis: How would you segment the market?
   2. Competitor analysis: How are the major competitors positioned?
   3. Develop a brand identity for Playboy. What are the sub-brands?
   4. What are immediate issues to be addressed? Where do we find growth?
   5. Address these issues:
      The aging of the brand.
      The impact of the Internet.
      Too racy, not racy enough?
      Hugh.

Case: The New Yorker
   1. Develop a brand Identity for The New Yorker
   2. Where do we find (invest in) growth?

Written assignment: Write a comment on one of the two cases—you don’t have to write up all the questions.
Week 9 11/30  The Brand is You
Speaker

Week 10. 12/7  Building Global Brands  BSB Ch. 7, 11
MBE Ch. 11

Case: Levi’s (Web site)
1. What is Levi’s brand identity?
2. Is Levi’s a global brand? Should it be?
3. What elements should be global? Be specific.
4. How would you organize to manage the Heineken brand?

Case: McDonald’s in Europe (Web site)
1. Should the best ads be exported to other countries?
2. Should this effort be extended to all of Europe? If so, how?
3. Should this be extended to multiple agencies? How?

Week 11. 12/14  Final Presentations
Week 12. 12/21  Final Presentations
The Brand Strategy Audit

The process starts with a brand strategy audit that provides a systematic way to inventory current brand assets and strategy. The audit will allow problems to be identified and priorities to be set with respect to brand strategy development and implementation. There are five elements of the audit. The first identifies the brands and sub-brands. The second identifies the current image and strategy of each brand. The third analyzes the competitors. The fourth categorizes the brands as to their roles. And the fifth evaluates the brand system.

Brand Inventory

1. What are the organization’s brands?
2. For each brand, what are the sub-brands?
3. For each brand, what are the branded features, services, or components?

Brand Image and Strategy

For each brand:
1. What is the brand image? Its perceived quality? Its brand personality?
2. What is the awareness level?
3. What is the brand’s point of differentiation? Its current value proposition?
4. What is the brand’s heritage?
5. Develop a profile of the brand’s brand-building activities. What advertising themes have been placed behind the brand?

Competitors

1. Who are the major competitors or competitor types?
2. What are their strengths? How are they perceived? How is each positioned? Are they attempting to change perceptions? If appropriate, competitors' ads should be obtained and analyzed as to positioning strategies and quality and consistency of execution.

Brand Categorization

1. What brands or sub-brands are “strategic brands”—brands that deliver or are expected to deliver significant sales and profits to the firm or are important points of leverage for the organization (e.g., Hilton Rewards)?
2. What brands or sub-brands are silver bullets—brands or sub-brands that influence another brand? Are they being exploited properly? Are additional silver bullets needed?
3. What brands are playing endorser roles? In what ways do they add value? Is their identity appropriate for that role? Is any identity-building augmentation needed because a brand is playing an endorser role at times? Are there cases in which the
endorser should recede or even become disassociated? Are there other contexts in which an endorser should be added or made more pronounced?

4. Identify umbrella or range brands—brands that range over product classes. Does the brand identity work in each context? Is there a plan that specifies what products the umbrella brands will include in the future?

**Brand System Evaluation**

1. Evaluate the number of brands. Are there too many? Are brands stretched too far? Should new brands be considered? What services, features or ingredients should be branded?

2. Are some brands not leveraged enough? Could they do more? Could they be used to attack new product markets? Could they be used to access value or premium markets?

3. Are there opportunities to partner or co-brand? What types of partners would serve to reduce limitations of the brand identity? What types would enhance the identity? In each case would it be more appropriate to be a modifier brand or a modified brand?

4. Does the system deliver clarity to the customer? Or confusion? Does the system represent a clear, motivating sense of purpose to employees and partners? Could sub-brands or sub-sub-brands be used to clarify or manage expectations?

5. Do the key brands have a brand identity? Are they actively managed?

A brand audit provides a start. The challenge is then to create a brand architecture, brand identities, and brand-building programs.

8/1/03