



JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA

PGDM (G/S/M) 2017-19 BATCH, TRIMESTER- V

END TERM EXAM January, 2019

SUBJECT: Brand Management

Time : 2 Hours

Max. Marks: 40

*Note : All questions are compulsory*

1. Most valuable assets many firms have may not be tangible ones, such as plants, equipment, and real estate, but intangible assets such as management skills, marketing, financial and operations expertise, and, most important, the brands themselves. This value was recognized by John Stuart, CEO of Quaker Oats from 1922 to 1956, who famously said, "If this company were to split up I would give you the property, plant and equipment and I would take the brands and the trademarks and I would fare better than you."  
By taking a couple of perspectives, uncover the value of brands to both customers and firms themselves. (8 marks)
2. A brand audit, is a more externally, consumer-focused exercise to assess the health of the brand, uncover its sources of brand equity, and suggest ways to improve and leverage its equity. A brand audit requires understanding the sources of brand equity from the perspective of both the firm and the consumer. Conducting brand audits on a regular basis, such as during the annual planning cycle, allows marketers to keep their fingers on the pulse of their brands. Brand audits are thus particularly useful background for managers as they set up their marketing plans and can have profound implications on brands' strategic direction and resulting performance.  
The brand audit consists of two steps: the brand inventory and the brand exploratory. Explain these two steps through relevant examples. (10 marks)
3. The brand value chain is a structured approach to assessing the sources and outcomes of brand equity and the manner by which marketing activities create brand value. It recognizes that many different people within an organization can affect brand equity and need to be aware of relevant branding effects. The brand value chain thus provides insights to support brand managers, chief marketing officers, managing directors, and chief executive officers, all of whom may need different types of information. Explain how different steps involved in Brand Value chain add value? (10 marks)
4. Coca-Cola created its first brand extension after nearly a century of existence. Diet Coke was born - a sugar-free version of its flagship product, launching in the US in August, and created using sweeteners aspartame and saccharin. Diet Coke's advertising uses slogans that include its most famous, "Just for the taste of it!", with TV ads featuring the "Diet Coke hunk". After 1982, several Diet Coke variants are rolled out, including lime, cherry and vanilla flavour. Colgate-the undisputed leader of Indian oral market, till recently, is still fighting cavities. Just that there are more cavities in its marketing strategy. Ask any Indian woman what Colgate is and she would have jumped up and said – "protection".

And, then what happens? Colgate is extended to so many products- Colgate Toothbrush, Colgate Toothpowder, Colgate Total, Colgate this and Colgate that. Any extended rubber band snaps after a point. That's what happened and Colgate started stagnating since it was diffusing its basic brand image in the mind of the Indian women – 'What's Colgate now?' Everything or may be nothing. And that's when something else happened. Hindustan Lever launched Pepsodent. Pepsodent targeted the mothers – Colgate style. Pepsodent appealed to the mother's instincts taking the kids route – Colgate style. Pepsodent stood on protection – Colgate style again. Me too's don't work in marketing and Pepsodent should have bombed. It didn't, simply because Colgate was losing its specialty appeal and Pepsodent walked in to occupy that slot, without a fight. The Indian woman started lapping it up and Pepsodent climbed up the stairs too fast for Colgate's comfort and started breathing down its neck.

Brand extensions can thus become game changers for a company, provided they are well thought out and strategic. While it is about entering a new market, competing with the existing players, the successful examples have one common characteristic, integrating the existing brand experience with the extended portfolio.

- a. Explain the concepts of line extension and brand extension by taking relevant examples from this case. (4 marks)
- b. Explain the advantages and disadvantages of brand extensions. (8 marks)