

# MANIFEST BRANDING STRATEGY: A CASE OF FMCG COMPANIES IN INDIA

Balgopal Singh\*

**Abstract** *Branding Strategy of a firm involve deciding different brand elements applied to the different products and product categories sold by the firm. Firms have various alternatives with respect to branding strategy which they apply to their products and categories.*

*This paper suggests how the branding strategy pursued by the firm can be discovered for the firm as a whole and also for different product category. For the purpose, two tools are used-Brand Portfolio and Brand Hierarchy suggested by Keller is used; the practical implication of these tools is used to reveal the branding strategy pursued by Indian FMCG firms.*

**Keywords** *House of brands, sub-brands, endorser brands, branded house*

## INTRODUCTION

Branding strategy is a focal issue for firms operating in today's competitive marketplace, it concerns with brand element, a firm chooses to apply across the products it offers for the sale. Firms follow several branding strategies to manage their brands. In general, most firms begin with a single product and become multi-product firms over time. In initial stage there may arise two options for branding, the first option is that brand name for the product of a company that most likely be related to the name of the corporation or may be corporate name independent. As further due to strategic changes in the corporation, the new products are being added, the managers of the firm have same options either to use the corporate name as identification or a new name or mix of them and this dilemma continues every time.

If the initial product branding did not use the corporation or its subsidiary name and if the firm chooses different names for each new product (without the firm name), this is known as corporate name independent branding strategy or "House of Brands" (Aaker et al. 2000), and if firm uses the name of corporate or its subsidiary for naming their products being launched is known as corporate name dominated branding strategy that is "Branded House" (Aaker et al. 2000). Marketers have another option that is in between the 'house of brand' and 'branded house' which is called mixed branding strategy (Laforet and Saunders, 1994), in the form of either sub-brand or endorser brand depending upon which brand will play the driver role and which 'co-' or 'sub-' driver. This can be inferred as either firm uses corporate names as a

driver in the case of sub-brand or relatively minor driver role as in the case of endorser brand (Aaker et al. 2000).

The type of branding strategy being pursued by the firm can be inferred from examining the brand names of a firm's product. The brand-product matrix and brand hierarchy will help to characterize the firms' branding strategy (Keller, 2003).

The purpose of this paper is to familiarize the branding strategy pursued by the major FMCG firm in India.

## BRAND AND BRANDING BASICS

Organisations are using branding as a strategy in today's business environment with increased regularity (Rooney, 1995). One definition for a brand has been offered in the *Journal of Marketing Management* by Professor Peter Doyle of Warwick University: "A name, symbol, design, or some combination which identifies the product of a particular organization as having a substantial, differentiated advantage" (O'Malley, 1991, p. 107). Organizations develop brands as a way to attract and keep customers by promoting value, image, prestige, or lifestyle. By using a particular brand, a consumer can cement a positive image (Ginden, 1993). Brands can also reduce the risk customer(s) face when buying something that they know little about (Montgomery and Wernerfelt, 1992).

Branding is a technique to build a sustainable, differential advantage by playing on the nature of human beings. The purpose of branding is essentially to build the product's image (Cleary, 1981). This image will influence

\*Banasthali University, Rajasthan, India

the perceived worth of the product and will increase the brand's value to the customer, leading to brand loyalty (The Economist, 1988).

### BRANDING STRATEGY

Over the years, companies have pioneered and perfected the strategies for managing the identities of their products and product lines. These called branding strategies are highly important for the companies (Singh, 2010).

According to Kevin Keller (2003), Branding Strategy for a firm reflects the number and nature of common and distinctive brand elements applied to the different products sold by the firm. In other words, devising a branding strategy involves deciding which brand names, logos, symbols, and so forth should be applied to which products, and the nature of new and existing brand elements applied to the new products so that it could be uniquely and purposefully differentiated in the mind of the consumer. Thus Branding Strategy for a firm identifies which brand element a firm chooses to apply across the various products it sells.

The literature contains several taxonomies for classifying branding strategies; the most important are those of Olins (1989), Murphy (1987, 1989), and Laforet and Saunders (1994), Aaker et al (2000). Olins uses a three-category scheme of corporate identities only, corporate name with a subsidiary name, and branded identities. Murphy suggests four categories of corporate-dominant, brand-dominant, balanced systems, and mixed systems. Finally, on the basis of a comprehensive content analysis of brands of major U.S. and European grocery products, Laforet and Saunders (1994)

propose three categories of brands (all based on the use of the corporation's name in products' brand names). Their categories are as follows: (1) The name of the corporation or its subsidiary is prominent in the brand names of the products or services (e.g., FedEx), (2) the corporation's name is combined with another name (e.g., Kellogg's Corn Flakes), and (3) the corporation's name is not used at all to mark products or services (e.g., Pampers). Four - category taxonomy based on Aaker and Joachimsthaler (2000) scheme- based on the driver role that brands play is of great importance to differentiate the branding strategy. The driver role reflects the degree to which a brand drives the purchase decision and use experience. In the 'house of the brand' strategy each brand has its own driver role. With an 'endorsed brand', the endorser usually plays a relative minor driver role. With 'sub brands' the master brand shares the driver role with sub brands. In the 'branded house' the master brand generally has the driver role.

The analysis of brand portfolio and brand mix through brand – product matrix and brand hierarchy will help to characterize the firms branding strategy (Keller, 2003), which would resemble the four basic strategies suggested by the Aaker and Joachimsthaler (2000).

### BRAND—PRODUCT MATRIX

Brand-Product Matrix is a graphical representation of the associations between all the brands and products sold by the firm (Keller, 2003). The matrix has the brands of a firm as rows and the corresponding products as columns as shown in fig. 1.

Figure Brand — Product Matrix

		Products			
		1	2	3	4
Brands	A				
	B				
	C				
	D				

The rows of the matrix represent brand-product relationships and capture the brand extension strategy (Line extension and/or category extension) of the firm in terms of the number and the nature of products sold under the firm's brands (also called as breadth of branding strategy). A brand line consists of all products - original as well as line and category

extension - sold under a particular brand. Thus, a brand line would be one row of the matrix. A brand mix is the set of all brand lines that a particular firm make available to the buyers (Keller, 2003).

The columns of the matrix represent product-brand relationships (Depth of branding strategy) and capture the

brand portfolio strategy in terms of the number and nature of brands to be marketed in each category. The brand portfolio is the set of all brands and brand lines that a particular firm offers for sale to buyers in a particular category. Thus a brand portfolio would be one particular column of the matrix (Keller, 2003).

A branding strategy for a firm can thus be characterized according to the breadth (brand – product relationship and Brand extension strategy) and depth (Product – brand relationship and the brand portfolio and mix)

## BRAND HIERARCHY

Brand Hierarchy is the graphical representation of the relations between the products and the brands or multiple brands offered by the firm (Keller, 2003). By capturing the relationship among different products and brands sold by the firm it can be a useful means of portraying firm’s branding strategy.

Brand hierarchy is based on the realization that a product can be branded different ways depending on how many new and existing brand elements are used and how they are combined for any one product because certain brand elements are used to make more than one brand (Keller, 2003).

Hierarchy is constructed to represent how products are nested with other products because of their common brand elements. Some brand elements are shared by many product, other brand elements are unique to certain products.

The branding strategy of firm can be determined by preparing and analyzing the tools given below.

- Brand Portfolio
- Brand Hierarchy

## Brand Portfolio

**Table 1** Brand Portfolio of Hindustan Unilever Ltd.

Product	Brands
Personal wash (Soap)	Lux, Breeze, Lifebuoy, Liril, Pears, Hamam, Rexona, Dove
Laundry/Fabric Care	Surf, Rin, Wheel
Skin care	Fair & lovely, Ponds
Hair care	Sunsilk, Clinic Shampoo
Oral care	Pepsodent, Close - up

Secondary data

For the sake of convenience only few cases of Indian FMCG major are considered which have interest in full line of the product categories of Home and Personal Care products and possibly manifest the branding strategy suggested by the Aaker and Joachimsthaler (2000). The conclusion of manifest branding strategy is drawn on the basis of analyzing the brand elements used by the firms for naming their products, how they are combined for any one products, which brand element are used to make more than one brand, and which product have common brand element .

## ANALYSIS OF BRANDING STRATEGY OF FIRMS

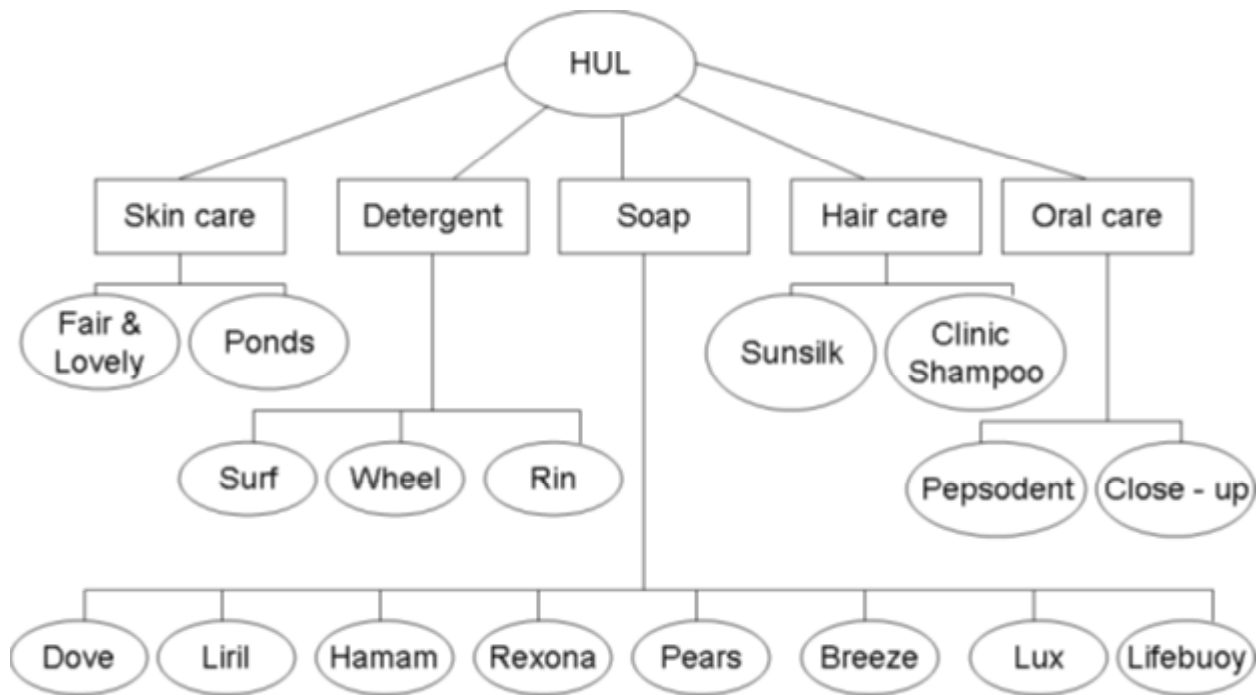
The branding strategy of a firm can be characterized by analyzing Brand–Product matrix, Brand hierarchy, Brand Line, Brand portfolio and Brand Mix, to decide whether it follows Branded House, House of Brands or Mixed branding strategy i.e. Sub-branding or endorsed branding for their Home and Personal Care products. Here I have used only Brand Portfolio and Brand Hierarchy to discover the branding strategy pursued by the firm.

### Case 1. Hindustan Unilever Ltd

Hindustan Unilever Limited (HUL) is India’s largest Fast Moving Consumer Goods Company, touching the lives of two out of three Indians with over 20 distinct categories in Home & Personal Care Products and Foods & Beverages. As a part of their power brand strategy they chose to focus on 35 power brands covering all consumer appeal and price segments.

### Brand Hierarchy

**Figure 2** Brand Hierarchy of Brands of Hindustan Unilever Ltd.



### Inference

As it is evident from the Brand Portfolio and Brand Hierarchy that HUL for branding its product categories has used individual brands. Hence the conclusion can be drawn that the Branding strategy pursued by the HUL is that of individual branding strategy (House of Brands) or Multi-Branding Strategy.

### Case 2. Godrej Consumer Products Ltd.

Godrej Consumer Products (GCPL) is a leader among India’s Fast Moving Consumer Goods companies, with Personal and Home Care Products. Wide array of products are manufactured by Godrej Consumers Products. The company is popularly known for its Soaps, Toiletries, Hair Care, Household Care, and Fabric Care solutions.

### Brand Portfolio

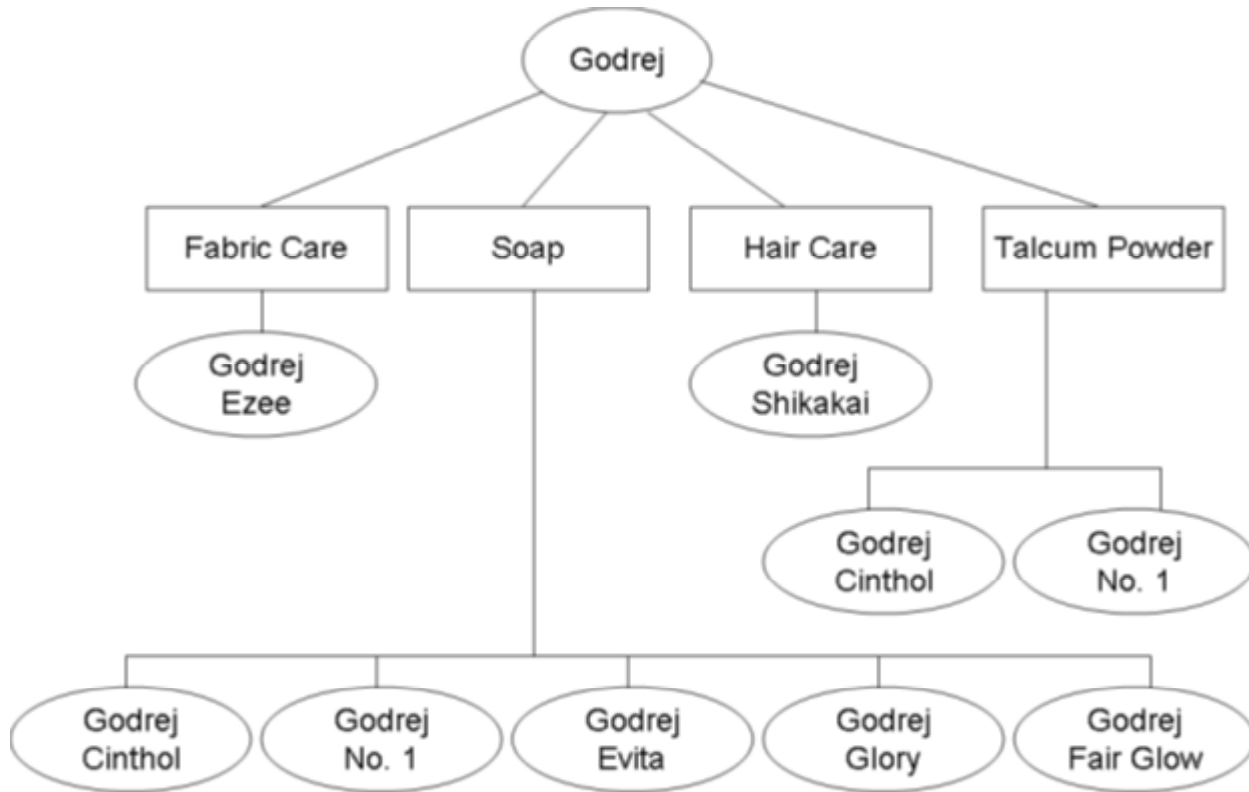
**Table 2** Brand Portfolio of Godrej Consumer Products Ltd.

Product	Brands
Personal wash (Soap)	Godrej Cinthol, Godrej No.1, Godrej Evita, Godrej Glory, Godrej Fair Glow.
Talcum Powder	Godrej Cinthol Deo Talc, Godrej No. 1 Talcum Powder
Laundry/Fabric Care	Godrej Ezee
Hair care	Godrej Shikakai

Secondary data

## Brand Hierarchy

**Figure 3** Brand Hierarchy of Godrej Consumer Products Ltd.



### Inference

It is evident from the Brand Portfolio and Brand Hierarchy of Godrej CPL. that for branding its product categories it uses the corporate name with that of the individual brands. Hence the conclusion can be drawn that the Branding strategy pursued by the Godrej is that of the Mixed - Branding Strategy, where the Godrej the corporate name is endorsing the product brand Cinthol. Cinthol is an umbrella brand that has been line extended within the personal care category.

There may be the case where the corporate name and the product name are the same as in the case of the Nirma which pursue branded house branding strategy.

### Case 3. Nirma

Nirma is a group of companies in India that manufactures products ranging from soaps to detergents,

### Brand Portfolio of Nirma

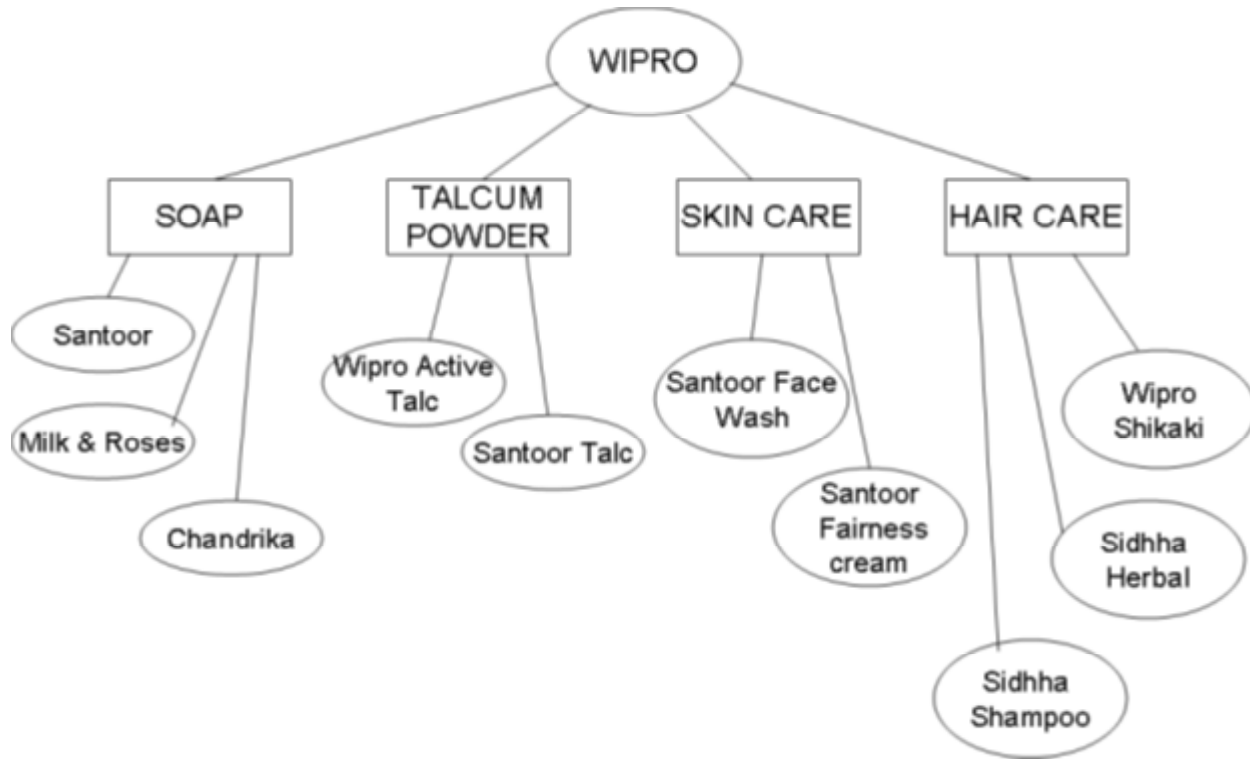
**Table 3** Brand Portfolio of Nirma home and personal care products.

Product	Brands
Personal wash (Soap)	Nirma Bath Soap, Nirma Beauty Soap, Nirma Lime Fresh, Nirma Rose And Nirma Sandal
Laundry /Fabric Care	Nirma Washing Powder, Super Nirma Washing Powder and Soaps.

Secondary data

### Brand Hierarchy of Nirma

Figure 4 Brand Hierarchy of Nirma for home and personal care products.



### Inference

As it is evident from the Brand Portfolio and Brand Hierarchy of Nirma, that for branding its product categories it has used the corporate name for branding washing powder with is the first product marketed by the company. The extension of brand to personal care that is in the toiletry soap is in the name of Nirma beauty soap they have used sub-brand strategy with master brand ‘Nirma’ as driver and in the case of Nirma, the strategy used is endorsed brand specially linked name as suggested by Aaker and Joachimsthaler.

Hence the conclusion can be drawn that the Branding strategy pursued by the Nirma for the detergent is corporate branding while that for the soap is sub-branding and endorsed branding.

### Case 4. WIPRO

The firm that was called Western India Products Limited - Wipro has a significant presence in Consumer Products segment.

### Brand Portfolio of WIPRO

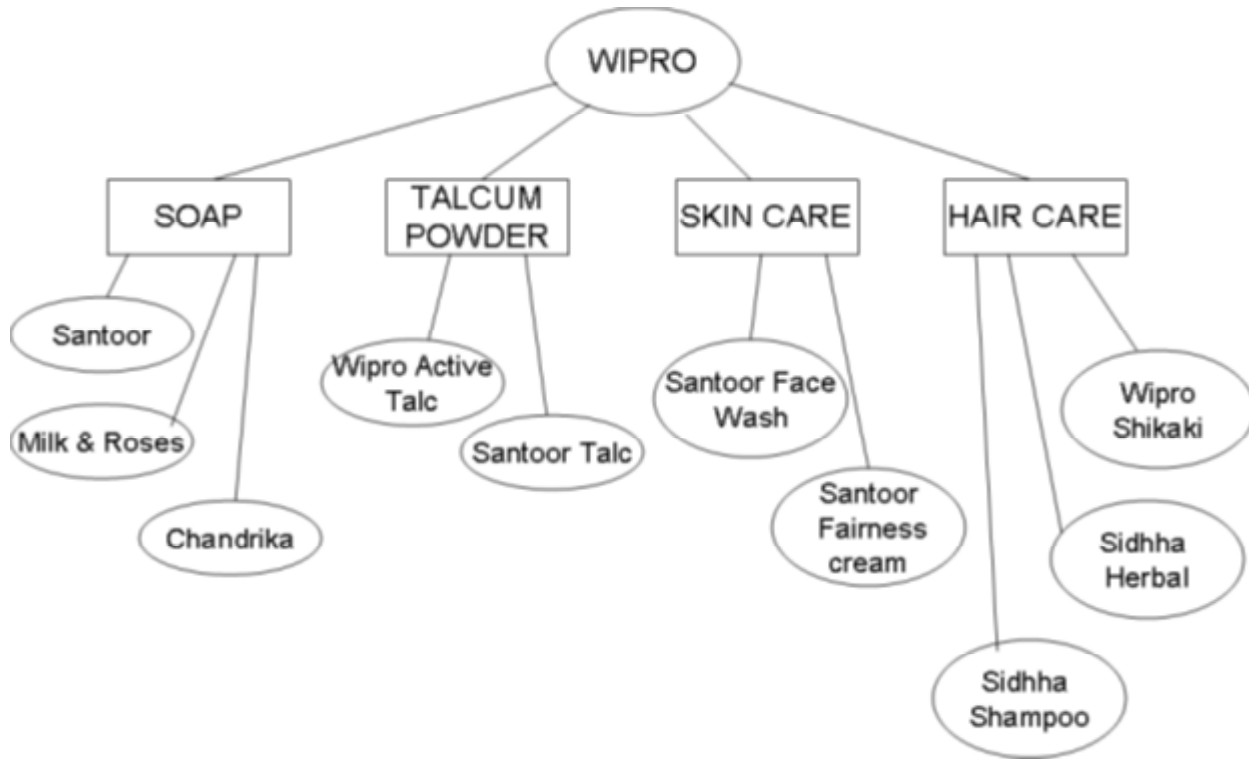
Table 4 Brand Portfolio of WIPRO for home and personal care products

Product	Brands
Personal Care	Santoor, Chandrika, Milk and Roses,
Talcum Powder	Santoor talcum powder, Wipro Active talc
Skin Care	Santoor Face wash, Santoor Fairness cream
Hair Care	Wipro Shikakai, Sidhha Shampoo

Secondary data

### Brand Hierarchy

Figure 5 Brand Hierarchy of WIPRO for home and personal care products



### Brand — Product Matrix

Table 5 Brand–Product Matrix of WIPRO for Home and Personal care products

		PRODUCTS			
Products →		Soap	Talcum Powder	Skin Care	Hair Care
Brands ↓					
<b>BRANDS</b>	<b>Wipro</b>		Wipro Active Talc		Wipro Shikakai
	<b>Santoor</b>	Santoor soap	Santoor Talc	Santoor Face wash Santoor Fairness Cream	
	<b>Milk &amp; Roses</b>	Milk & Roses soap			
	<b>Sidhha</b>				Sidhha Shampoo Sidhha Herbal
	<b>Chandrika</b>	Chandrika Soap			

## Inference

As it is evident from the Brand Portfolio, Brand Hierarchy and Brand – Product matrix of WIPRO, that for branding its product categories it has used its corporate name “Wipro” for talcum powder i.e. using sub-brand strategy, while individual Brand name “Santoor” has been used to brand more than one product category i.e. soap, talc and skin care as a Line extension i.e. Umbrella branding. While there are individual brands such as Chandrika and Milk & Roses. Hence it may be concluded that Wipro for branding its products has used all the branding strategy viz. corporate name, sub-brand and individual brand.

## CONCLUSION

Thus by analyzing the Brand portfolio, Brand–Product matrix; and by preparing Brand Hierarchy, the branding strategy of the firm can be discovered. The firm has a number of branding options available with them, therefore there is no uniform agreement that only one type of branding strategy is adopted by the firm for all its products and categories. There may be case that company may differ their branding strategy w.r.t different product category.

## REFERENCES

- Aaker, D. & Keller, K. (1990). Consumer evaluations of brand extensions, *Journal of Marketing*, 54, (1), 27 – 33.
- Aaker, D. A. & Joachimsthaler, E. A. (2000). The Brand Spectrum – The key to the brand architecture challenge, *California Management review*, 42, (4), 8 – 23.
- Cleary, D. P. (1981). *Great American Brands*, Fairchild. New York, NY.
- Ginden, R. (1993). The name game, *Cheers*, 59-62.  
<http://www.hul.co.in>  
<http://www.new.godrej.com/godrej/GodrejAppliances/index.aspx>  
<http://www.nirma.co.in>  
<http://www.wiprocorporate.com/consumercare/html/products.htm>
- Kapferer, J. N. (1997). *Strategic Brand Management*, (2<sup>nd</sup> ed.). London : Kogan Page.
- Kapferer, J. N. (2008). *The new Strategic Brand Management : creating and sustaining brand equity long term*, (4<sup>th</sup> ed.). London : Kogan Page.
- Keller, K. L. (1998). *Strategic Brand Management*, Upper Saddle River, N. J. Prentice Hall.
- Keller, K. L. (2003). *Strategic Brand Management : Building Measuring and Managing Brand Equity*, (2<sup>nd</sup> ed.). PHI (2000).
- Keller, K. L. (2003). *Strategic Brand Management : Building, Measuring and Managing Brand Equity*, (2<sup>nd</sup> ed.), 521 – 563. India : Prentice – Hall.
- Keller, K. L. (2008). *Strategic Brand Management : Building, Measuring and Managing Brand Equity*, (3<sup>rd</sup> ed.), 520 – 565. PHI (2003).
- Laforet & Saunders. (1994). Managing Brand Portfolios : How the Leaders Do It, *Journal of advertising research*, 64 - 76.
- Laforet, S. & Saunders, J. (1999). Managing Brand Portfolios : Why Leaders do what they do?, *Journal of Advertising Research*, 51 - 66.
- Montgomery, C. & Wernerfelt, B. (1992). Risk reduction and umbrella branding, *Journal of Business*, 65, 31 - 50.
- Murphy & John. (1987). Branding : The Game of the Name, *Marketing*, 29, 32.
- Murphy & John. (1989). *Brand Valuation : Establishing a True and Fair View*. London : Hutchinson Business Books.
- O'Malley, D. (1991). Brand means business, *Accountancy*, 107, 107 - 8.
- Olins & Wally. (1989). *Corporate Identity : Making Business Strategy Visible Through Design*. London : Thames and Hudson.
- Rooney, A. R. (1995). Branding : A trend for today and tomorrow, *Journal of Product and Brand Management*, 4, (4), 48 - 55.
- Singh, B. G. (2009). Impact of Branding Strategy on consumer buying behaviour (with selected cases of FMCG) : A study with special reference to vindhya region, A doctoral thesis, 100 – 155.