Branding in Modern Day Businesses

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Analyzing how a modern company brand itself most effectively.

A study on the factors that contribute to the success and failure in the branding of companies, corporate and small and conducted three case studies on selected companies that exemplify successful and unsuccessful branding initiatives.

BACKGROUND:

Branding is defined as a process involved in creating a unique name and image for a product in the consumer's mind. It aims to establish a significant presence in the market that attracts and retains loyal customers. Without the right brand, consumers won't purchase the service, even if it is of quality. As technology transforms the consumer market, the producing market has to change accordingly in order to fit its customers. In order to pave the way for success for future companies, it is crucial to determine what causes a company to succeed or fail in its branding endeavors.

SIGNIFICANCE:

This matters to corporations, big and small, to target consumers effectively. This is also important to consumers so they can avoid being blindsided by a company's branding tactics. To improve their brand, companies conduct advertising campaigns with a consistent theme and are are attentive to changing trends (what is popular/attractive to people today). Technology and changing capabilities have encouraged the use of more channels and platforms for displaying a company's branding. For example, data collection improvements, enhanced data analysis, creation of new research roles and the use of large data.

DIFFERENTIATING QUALITIES OF OUR RESEARCH:

Our research is unique than that from other research on the topic of branding because, we have conducted and concluded research from high school student's perspective. Our findings and research reflect on how high schoolers view modern branding as (for example, the different types of branding present in social media/technology) and the effect that management can have on our perceptions of the company.
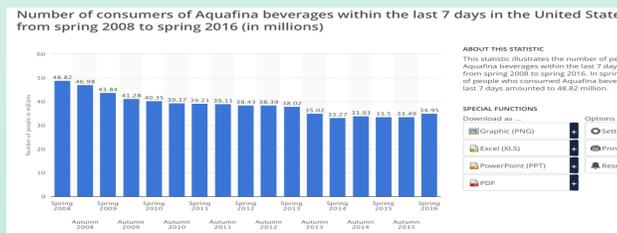
CASE STUDIES:

Successful: AQUAFINA BOTTLED WATER and TOMS SHOES
Unsuccessful: ABERCROMBIE&FITCH

AQUAFINA BOTTLED WATER

"Good" branding can actually cause beliefs in a false story and many consumers are often tricked by companies that use clever branding tactics. The Pepsi corporation admitted that its Aquafina bottled water is not purified water or spring water, but simply tap water. The company will now be forced to change the labeling of the brand to accurately represent that their product is just tap water. Many informed customers choose bottled water because they are concerned about the quality of tap water. However, due to strategic marketing and branding tactics, many companies have their customers fooled. Pepsi shrewdly designed the Aquafina logo as what can be interpreted as a Mountain, automatically sending the impression that their water is natural, or perhaps spring water. Aquafina is actually one of the top selling water brands in the world, and may see a slide in sales as a result of these new findings.

Number of consumers of Aquafina beverages within the last 7 days in the United States from spring 2008 to spring 2016 (in millions)

13.87% customer decrease since 2008!

ABERCROMBIE&FITCH

Abercrombie and Fitch is a fashion retailer that is facing the common issue of a single type of product marketed to an aging clientele. CEO Mike Jeffries was forced to step down from the lead of the company after he made remarks his company's ideal brand ambassador. He made it clear that the clothes were for young, tall, thin, and white American teens. As America is increasingly becoming a diverse melting pot of people from various experiences with different body types, this brand became wildly unpopular. The brand also had a low difference index, meaning that the type of product has low variation and caters to a single type. In order to recover from their revenue setbacks, the company has smartly decided to revitalize (applies original brand associations in a contemporary way) rather than reposition(invent new position for existing brand). The company has decided that it Needs to stop being so elitist and exclusive in order to win back their previously popular customer base. There is optimism that it will be successful because they have hired a new management team with Aaron Levine for creative director whose priority is reconnecting with the old customer base. As a result the share price increased by 50% over 12 months.

Abercrombie & Fitch quarterly sales growth
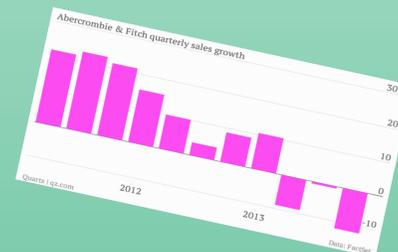
TOMS SHOES

Brand Story: According to "The Toms Story", founder Blake Mycoskie "witnessed the hardships faced by children growing up without shoes" while traveling to Argentina. Wanting to help those kids he saw, he created Toms Shoes that would donate every pair of shoes purchased with a new pair of shoes for a child in need. The success of this company can be measured by how much the children in need have benefited from Toms— more than 50 million pairs of shoes have been given to children in need. This brand works because it follows the concept of **one of one**: customers are benefiting from a good product while being apart of something that will directly benefit someone in need.

TOMS Shoe Giving Reports

Source: http://www.toms.com/media/docs/0726/TeachingGuide_V2_LR.pdf

ACKNOWLEDGEMENTS / REFERENCES

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