

PRODUCT PRICE PROMOTION

NOW ONLY ₹20

# 4Ps

## BUSINESS & MARKETING

VOL. VI ISSUE 3 25 FEB - 10 MAR '11

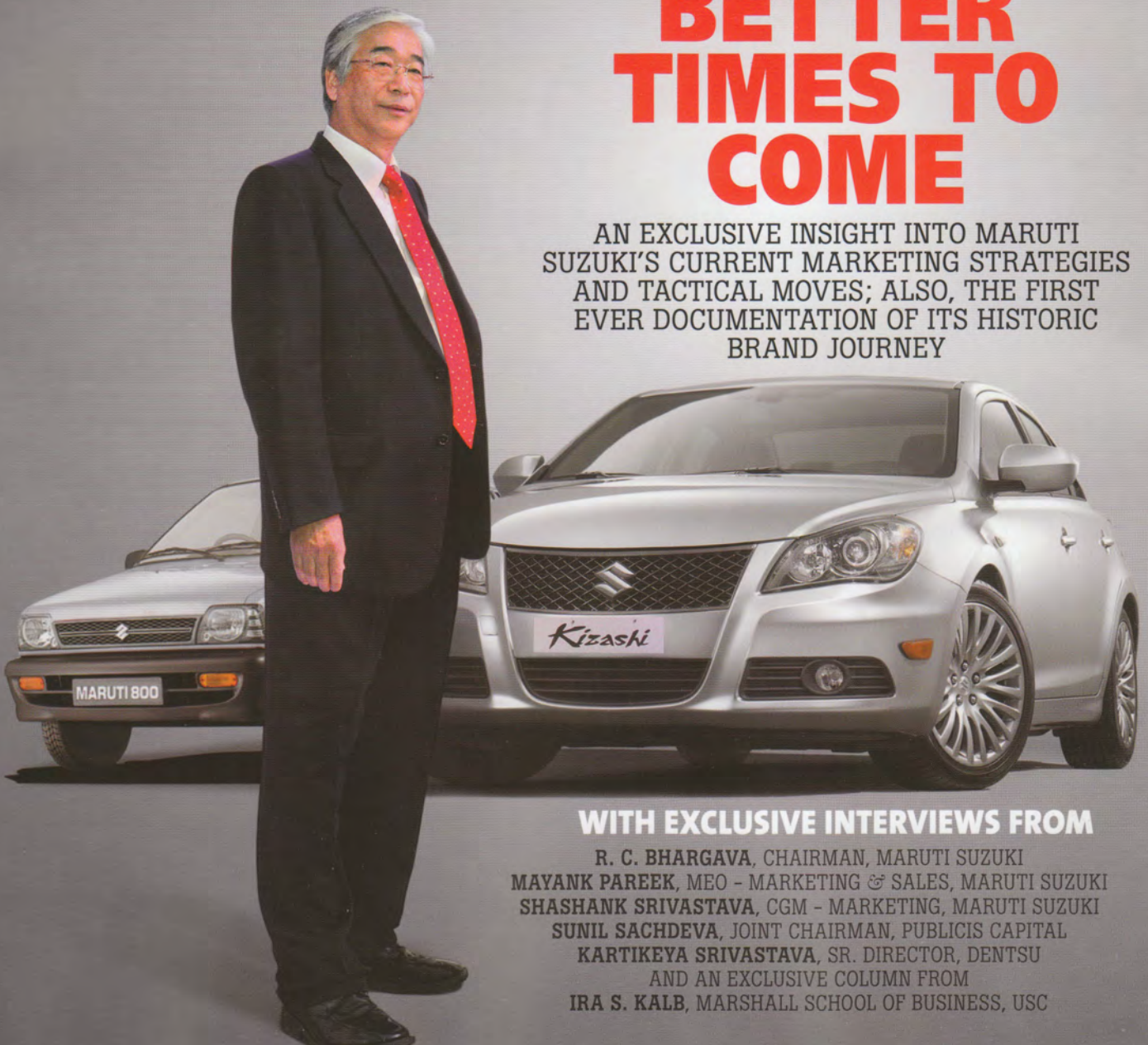
India's First & No. 1 Business & Marketing Magazine

**AWARDED BUSINESS MAGAZINE OF THE YEAR**

FROM THE 800 TO KIZASHI, MARUTI SUZUKI BETS ON

# EVEN BETTER TIMES TO COME

AN EXCLUSIVE INSIGHT INTO MARUTI SUZUKI'S CURRENT MARKETING STRATEGIES AND TACTICAL MOVES; ALSO, THE FIRST EVER DOCUMENTATION OF ITS HISTORIC BRAND JOURNEY



**WITH EXCLUSIVE INTERVIEWS FROM**

- R. C. BHARGAVA, CHAIRMAN, MARUTI SUZUKI
- MAYANK PAREEK, MEO - MARKETING & SALES, MARUTI SUZUKI
- SHASHANK SRIVASTAVA, CGM - MARKETING, MARUTI SUZUKI
- SUNIL SACHDEVA, JOINT CHAIRMAN, PUBLICIS CAPITAL
- KARTIKEYA SRIVASTAVA, SR. DIRECTOR, DENTSU
- AND AN EXCLUSIVE COLUMN FROM
- IRA S. KALB, MARSHALL SCHOOL OF BUSINESS, USC



**IRA S. KALB**

PROFESSOR OF MARKETING,  
UNIVERSITY OF SOUTHERN CALIFORNIA

## DECODING THE BRANDING PUZZLE

AS JAPANESE STUDENTS AGED AND BECAME MORE AFFLUENT, MANY WANTED LUXURY CARS. AUTO COS. LIKE TOYOTA, HONDA & NISSAN HAD TO CREATE NEW PRODUCT IMAGES, SO THEY CREATED LEXUS, ACURA AND INFINITI

**Branding is made up of two basic building blocks: corporate image and positioning, which are built from a lock and a key**

The concept of branding goes back to ancient times when people in positions of power labelled their possessions to identify them. As commerce developed, certain brands evolved to represent quality, recognition, relationship, ownership, and trust – with the goal of making purchase decisions easier and increasing sales.

Branding is made up of two basic building blocks: corporate image and positioning. Both are comprised of two sub-components called the lock and key. The lock is the market segment that has an unfilled need, and the key is the image of the product that is created to fill that need better than competitors. Companies can employ the following 14-step process to build better brands.

Step 1 • Do a SWOT analysis. Match up your strengths with the opportunities.

Step 2 • Define your marketplace – the one that incorporates the most promising opportunities that your strengths allow you to pursue.

Step 3 • Identify company-wide locks, the market segments with needs that you can fill better than competitors.

Step 4 • If you are known in that market, skip to Step 5. If you are already in business and known, determine what image, if any, does your organisation have in the marketplace. Simply ask people what first “pops” into their mind when they think of your organisation. If the answer is consistent and is the answer you want, your company brand is working and you can skip Step 5.

Step 5 • Create a corporate-level key. If you need to create a corporate image either because you are new or your existing image is not working, you first need to establish your mission statement. Step 6 • Create corporate identity tools. The tools typically used to implement corporate identity strategies include: Name, logo, slogan, colors, type fonts, mascots, and jingles. These are then used on letterheads, business cards, web sites

and all other communication vehicles.

Step 7 • Identify the product locks. For each of your goods and services, identify the target market segments with unfilled needs that each product can fill.

Step 8 • Include your company image in your product image? A critical decision marketers need to make is whether to combine the image of the company with the image of each product or not. If the company wants to get into new product areas that are in conflict with established market segments, they need to create new brand identities for these products. Japanese automobiles Toyota, Honda, and Nissan, had images as being small, ugly, affordable and fuel efficient and that worked well for college students in the 1970s, but as those students aged and became more affluent, many wanted luxury cars. Japanese automakers had to create new product images, so they created Lexus, Acura and Infiniti for these segments. In India, Maruti Suzuki recently launched their Kizashi luxury sedan that seems to follow the Lexus example.

Step 9 • Create product keys. Once the decision is made whether to use the company image or not, unique keys should be established for each product.

Step 10 • Avoid cannibalisation. In establishing unique keys, care must be taken to avoid having the image of one product overlap with others in the product line.

Step 11 • Create positioning tools. The tools typically used to implement positioning strategies include: Name, Logo, and Corporate Slogan. Some instances are Coca Cola Classic – *It's the real thing* and Diet Coke – *Just for the taste of it*.

Step 12 • Communicate. Once keys are created for the locks, it is time to execute the strategies in all marketing communications. The company has to have someone who understands the branding process well enough to direct those who will be implementing strategies.

Step 13 • Measure and analyse results to determine what is/isn't working and why. Step 14 • Take corrective action. Strategies should be modified and refined.

If your company executes this procedure properly, the rewards can be dramatic. The brand images of Coca Cola, Disney, and Microsoft are estimated to be worth \$100 billion. **418**

*Coordinated by Sugandh Singh*