

In the decline phase, the product is losing market share and profitability rapidly. Colour can also be important: for example, Heinz's use of a turquoise label for their baked beans tin emphasises the orange colour of the beans when the can is opened. Some consumers are driven to buy new products almost as soon as they become available, whereas others prefer to wait until the product has been around for a while before risking their hard-earned money on it. Innovations therefore take time to filter through the population: this process is called diffusion and is determined partly by the nature of consumers and partly by the nature of the innovation itself.

BRANDING

oDe Chernatony and McDonald offer the following definition of brand; oA successful brand is an identifiable product, service, person or place, augmented in such a way that the buyer or user perceives relevant, unique added values which match their needs most closely. o In Figure 6.6, the consumer benefits from the brand in terms of knowing what the quality will be, knowing what the expected performance will be, gaining some self-image values o (for example, a prestigious product conveys prestige to the consumer by association – conversely, a low-price product might enhance a consumer's sense of frugality and ability to find good value for money). In 1982 Barksdale and Harris proposed two additions to the BCG matrix.

4 War Horses have high market share, but the market has negative growth; the problem for management is to decide whether the product is in an irreversible decline, or whether it can be revived, perhaps by repositioning into another market. Engineers, accountants and managers may have differing definitions; there is, however, general agreement that firms must introduce new products if they are not to be left with a range of obsolete, dying products.

Everett Rogers (1962) identified the following perceived attributes of innovative products, by which consumers apparently judge the product during the decision-making process (whether to buy the product or not):

- oRelative advantage. This definition emphasises the increased value that accrues to the consumer by buying the established brand rather than a generic or commodity product.
- 6) They should encourage the development of a nickname (for example, Bud for Budweiser Beer).

6.2 Brands and semiotics

Semiotics is the study of meaning, and is concerned with the symbolism conveyed by objects and words.

RETAILERS' OWN-BRANDS

Often manufacturers will become suppliers of retailer-brand products which compete with their own branded goods. The manufacturer may be able to buy raw materials in greater quantities, or may be able to invest in more efficient production methods, if the throughput of product is increased. Packaging decisions might include such areas as tamper resistance (paper strips around caps to prevent bottles being opened while on supermarket shelves). It is therefore difficult to generalise about the process, but a frequently quoted model of the NPD process was given by Crawford,⁷ and follows this sequence:

1. Trickle-down theory says that the wealthy classes obtain information about new products, and the poorer classes then imitate their 'betters'.

The other ways of achieving the brand's objectives, and the other factors involved in its success, have a bearing on the choice of brand name. Ries suggests that brand names should have some, or all, of the following characteristics:

- 1) They should shock, i.e. catch the customer's attention.

EX: UK biscuit brand Hob Nobs conveys an image of a warm kitchen (the hob) with friendliness (hob-nobbing). The same is true of James Bond's Aston Martin, and several brands of beer.

STRATEGIC ISSUES IN BRANDING

- o Adding value to the product by branding involves a great deal more than merely giving the product a catchy name.
- o Overall family branding is where one brand name is used for a range of products, such as Heinz

57 Varieties, and line family branding is where a smaller group of brands carries a single identity. A further extension of this concept is brand architecture, which is concerned with setting up 'partner' brands and creating a balance between branding at the product level and corporate or banner levels. 9. supporting a product for which there is little natural demand is very unprofitable, but sometimes products can be revived and relaunched, perhaps in a different market. Consulting Group (BCG) developed. 4.2 Product positioning oProduct positioning is about establishing the product in the consumer's perceptual map in a position relative to other products. Three main theories concerning the mechanisms for this have been proposed: (trickledown theory – two–step flow theory – multi– stage interaction theory). The strategic considerations for brand naming are as follows: 1)Marketing objectives. This is about the practical aspects of the product, and includes meanings of reliability, effectiveness, fitness for the purpose and so forth. This is about the social effects of buying (or not buying) the product, with meanings about membership of aspirational groups or about the fitness of the product for filling social roles. The main purpose of packaging is to protect the contents from the outside environment and vice versa, but packaging also carries out the following functions:– o Informs customers and customer usage (e.g. the development of beer packaging from bottles to cans to ringpulls to non–waste ring pulls to draught beer systems). For marketers, the definition must be 'a product that more closely meets our customers' needs than does the product it supersedes. It is important that the position corresponds with the actual product attributes, or cognitive dissonance (dissatisfaction) will follow. The brand name should fit the overall marketing objectives of the firm: for example, a firm intending to enter the youth market will need to develop brand names that appeal to a young audience. Brands are important symbols, often using more than one sign system to create meaning; the brand name, the logo, the colour and the design of the packaging all contribute. Myths are heroic stories about the product, many of which have little basis in fact: for example the Harley Davidson motorcycle brand has a strong mythical value due (in part) to its starring role in the film Easy Rider. Customer acceptability is of obvious importance; packaging must be hygienic and convenient for the consumer. Screening and evaluation. 3)socio–cultural sign. 2.3.4.5.6.6