**Marketing Mix, Not Branding**

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**ABSTRACT**

Purpose of this study is to get a better understanding of the basic marketing mix in branding perspective. Theoretical frame work presents a view of different theories of marketing mix and theories of brand building and how marketing mix and brand building theories are related to each other. This is a qualitative research, with a deductive approach. The research proposes a model linking branding and marketing mix. Theories of marketing mix and branding are thoroughly studied and relationships are developed on the basis of deduction and logical reasoning. The marketing mix and brand building process are highly interlinked. All stages of brand building process are dependent on marketing mix, which is product, price, promotion and place. To create brands, firms need to design the marketing mix in such a way so that it creates the desired image and position in customers’ minds and generate positive response which then could be converted into a strong long lasting relationship.

**Keywords:** Marketing Mix, Branding, Customer-Based Brand Equity Model, Strategies

**INTRODUCTION**

Branding is a key to success in today’s competitive market where customer is very aware and demands the best product that could be provided. In developing countries companies are extensively focusing on branding their products and services because brands get more attention from customers. Brands are commonly perceived better at satisfying customer’s basic, social and psychological needs. Customers perceive brands as assurance of quality and reliability.

When marketing managers think about doing branding, they find many brand building strategies in literature. Heavy costs are associated with implementing branding strategies and designing heavy marketing and advertisement campaigns to create desired brand image in targeted customers’ mind. Along with heavy costs they face difficulty in understanding and implementing complex strategies.

This study attempts to link brand building process with basic marketing mix so that the marketing managers could get better understanding of brand building and could do branding through strategies as simple as the four P's of marketing.
LITERATURE REVIEW

Marketing Mix

Borden (1964) developed the concept of “marketing mix” and affirmed the idea of defining marketing manager as “one who is constantly engaged in fashioning creatively a mix of marketing procedures and policies in his effort to produce a profitable enterprise”. (Borden, 1964)

Now the marketing mix is defined as set of controllable marketing tools that a company uses to create a desired response in the targeted market. (Kotler P., Armstrong, Wong, & Saunders, 2008). Set of these tools is generally referred to as 4Ps of Marketing, being Product, Price, Promotion and Place. (Kotler P., Armstrong, Wong, & Saunders, 2008) (Balachandran & Gensch, 1974)

Product

Product is some good or service that a company offers in the market. (Kotler P., Armstrong, Wong, & Saunders, 2008) Product is something that can be offered to the customers for attention, acquisition, or consumption and satisfies some want or need. (Kotler P., Armstrong, Saunders, & Wong, 1999).

Kotler et al (1999) suggests that a marketer should build an actual product around the core product and then build augmented product around core and actual product. Core Product refers to the problem-solving services or core benefits that customers are getting when they buy some product. On the other hand, actual product refers to a product’s parts, level of quality, design, features, brand name, packaging and other features that are combined in order to deliver the core benefits. Augmented product means associating additional benefits and services around the core and actual product. These additional factors could be guarantees, after sale services, installation, etc.

![Diagram of Product, Augmented Product, Core Product](image)

Source: Three Levels of Product. (Kotler et al, 1999, Pg. 562)

Branding Strategies for Product


Manufacturer Brand is a product that sells under the name of the producer. This is the most common product branding strategy. The benefits and drawbacks of using this strategy directly affect the manufacturer. Benefits of this strategy can be customer loyalty and price
premiums while drawbacks can be high cost and long time taken for brand building. (Kotler, 2000)

Private Branding refers to when a company produces a product on another company’s specifications. (Gabrielsson, 2005)

When two or more brands unite in one product, it is known as Co-Branding. (Keller K. L., 1998) Co-branding is done when joining the brands is likely to increase sales. (Kotler, 2000)

Price

Price is what a customer have to pay to acquire a product, or cost of a product to a customer. Price is considered to be the most significant factor that affects consumer’s choice. (Kotler P., Armstrong, Saunders, & Wong, 1999)

Pricing Strategies

Cost-based pricing is the simplest pricing strategy. Using this strategy price is set by adding some mark-up to the cost of the product. This strategy works if firm’s prices are not too high as compared to the competition. (Kotler P., Armstrong, Saunders, & Wong, 2005)

Another cost-oriented pricing strategy is Break-even Pricing. Firms determine the price at which they can recover manufacturing and marketing cost, or make targeted profit. (Nagle & Hogan, 2006)

Competition-based Pricing is when a company sets prices in accordance with the competition. Prices are largely based on the prices of the competitors. (Kotler P., Armstrong, Saunders, & Wong, 2005)

In Customer-value based Pricing, products are priced on the basis of perceived value of the product. Company shall find out what value customers assign to competitors’ product and what value they perceive of company’s product. Measuring perceived value is difficult and if the more prices are charged than the perceived value, sales will suffer. (Kotler P., Armstrong, Saunders, & Wong, 1999)

Promotion

Kotler (2002) defines promotion as the activities a company performs in order to communicate to its existing and potential customers. Multiple channels are used to communicate to different parties (Distributors, customers) and different means could be used to do promotion.

Branding Strategies for Promotion

Kotler (2002) classifies promotional activities into different categories. Advertising is a non-personal presentation of goods or services, such as T.V ads. (Kotler P., Armstrong, Saunders, & Wong, 2002). Keller (1998) considers advertisement a powerful tool to create strong associations with brands.

Personal Selling is the type of promotion in which a company representative meets customers personally to sell a product. It is useful to understand customer needs deeply. (Kotler P., Armstrong, Saunders, & Wong, 2002). According to Keller (1998) personal selling is more customized and detailed.

Sales promotions/Trade promotions are about giving incentives to enhance sales, such as discounts or samples. (Keller K. L., 1998). While Kotler (2002) provides various reasons for sales promotions, he says that sales promotions to end-customers increase short term sales and help building long term relationships, while trade promotions aimed on distributors and retailers so they buy large volumes and advertise the product more.

If a company or a product gets positively promoted without the company paying for it, such as in documentaries, it is called communication through Public Relations. This type of
promotion has high credibility because it is viewed as news instead of an advertisement. (Keller K. L., 1998)

Standardizing advertisement brings a consistency in the way a brand is portrayed. (Melewar & Vemmervik, 2004). However Boddewyn et al (2004) argues that the companies which follow standardization in advertisement loose competitive advantage.

**Place**

Place refers to the availability of the product to the targeted customers. (Kotler P., Armstrong, Saunders, & Wong, 1999) A company can adopt multiple channels to get its product to the customers. (Kotler P., Armstrong, Saunders, & Wong, 2002) These channels can be direct and indirect. Choice of channel has strong affect on sales. (Keller K. L., 1998)

**Branding Strategies for Place**

Direct channels to reach customers could be company owned stores, phone and internet selling while indirect selling could be through intermediaries such as distributors or agents. (Kotler P., Armstrong, Saunders, & Wong, 2002)

Using indirect channel, company has to give up control over distribution and selling. (Kotler, Marketing Management, 2000) Company loses control over prices charged to end users, and how the product is being displayed. (Keller K. L., 1998)

Indirect channels should be used because intermediaries have the experience of the market, they may be specialized in a segment and may have scale of operations, therefore they can add value to the product. (Kotler P., Armstrong, Saunders, & Wong, 2002).

Kotler et al (2002) calls the firms Multi- or Hybrid structures which use both direct and indirect channels for selling.

A company having strong brand image is more likely to get qualified intermediaries, and middlemen work more enthusiastically to promote a product with a strong brand image and demand. (Keller K. L., 1998)

**Branding**

The word brand comes from the root word “Brander” which means “to burn”. The burn marks were and still are used to tag animals so they could be identified. Today word “Brand” is used for the same purpose, to identify and distinguish products and services. (Keller K. L., 2008) (Cliffton & Simmons, 2004)

American Marketing Association defines brand as “a name, term, sign, symbol, design or a combination of them, intended to identify the goods and services to differentiate them from the competition”. While practicing managers define brands as something that creates awareness, reputation and prominence etc in the market. (Keller K. L., 2008) Glatstein (n.d) says that brand image is a promise that a company makes to its customers. Brand image defines who the company is, how it operates and how it is different from its competitors.

To create a brand means ability to choose a name, logo, symbol, design or other characteristics for a product to differentiate it from others. (Keller K. L., 2008) Brand elements are those specialties and basic characteristics of the brand that differentiate it from the other products in the market, these are trade mark able features of a product or service which serve as identification. Brand elements are generally chosen on the basis of six criteria which are Memorability, Meaningfulness, Likability, Transformability, Adaptability and Protect-ability. (Keller K. L., 2008) Customers experience brands in many ways such as product, price, packaging, marketing, sales staff etc. (Glatstein)
Kotler & Keller (2006) define the Brand Positioning as “the act of designing the company’s offer and image so that it occupies a distinctive and valued place in the targeted customer’s mind” while Cowley (1996) says that positioning means to own a profitable and respectable place in the mind of a customer. To position the brands, markets are divided into homogeneous segments of the customer on the basis such as Behaviour, Demography, Psychology and geography etc. (Keller K. L., 2008) (Kotler & Keller, 2006) Segmenting Markets on the basis of geography is a famous approach and is used frequently. Targeted markets are divided on the basis of nations, regions, countries, cities or neighborhoods. Companies could decide to operate in a few geographical areas depending on the customer’s needs and wants or they may focus on regionalizing their products. (Kotler & Armstrong, 1996)

Brand image is the set of characteristics of a brand that comes into a consumer’s mind when recalling a brand. Keller (1998) defines brand image as “perceptions about a brand as reflected by the brand associations held in consumer memory”. Brand associations along with brand image shape together the total meaning or the consumer’s perception of the brand. (Belen del Rio, Vazquez, & Iglesias, 2001) (Keller K., 1998)

**Stages of Brand Building**

Customer-Based Brand Equity model suggest that brand building is a process consisting of four successive steps. (Keller K. L., 2008) These steps being 1) identity 2) Meaning 3) Response and 4) Relationships.

At the first stage company focuses on ensuring identification and associating brand with some specific product class or customer need, at the second stage focus is on linking tangible and intangible brand associations with properties. At third stage company evokes customer's response about brand identity and meaning, while at the fourth and final stage company convert brand response into a strong relationship. (Keller K. L., 2008)

Stages of Brand Building process, objectives of each stage and Brand building Blocks can be explained by Customer-Based Brand Equity Pyramid.

**Customer-Based Brand Equity Model**

<table>
<thead>
<tr>
<th>Branding Objectives at each stage</th>
<th>Stages of Brand Development</th>
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<tbody>
<tr>
<td>Intense, Active Loyalty</td>
<td>4. Relationships</td>
</tr>
<tr>
<td>Positive, Accessible reaction</td>
<td>What about you and me?</td>
</tr>
<tr>
<td>Points of Parity and Difference</td>
<td>3. Response</td>
</tr>
<tr>
<td>Deep, Broad brand awareness</td>
<td>What about you?</td>
</tr>
<tr>
<td></td>
<td>2. Meaning</td>
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<tr>
<td></td>
<td>What are you?</td>
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<tr>
<td></td>
<td>1. Identity</td>
</tr>
<tr>
<td></td>
<td>Who are you?</td>
</tr>
</tbody>
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Source: Customer Based Brand Equity Pyramid (Keller, 2008, p.60)
Explanation of Customer-Based Brand Equity

The first stage of brand building model is creating brand identity through deep, broad brand awareness.

Keller (2008) defines salience as achieving the right identity in customers’ minds. Salience measures brand awareness which is the ability of customers’ to recognize and recall the brand. Brand awareness aids customers to identify what need the brand satisfies and the product category in which a brand competes other brands. In other words “what basic functions does a brand provide?”

Depth of brand awareness is measure of likelihood of a brand element to pop up into a consumer’s mind, while breadth of brand awareness refers to the range of usage and purchase situations in which a brand element comes to mind. (Keller K. L., 2008)

The second stage of the model is Meaning, where tangible and intangible brand associations are linked with properties of the brand.

Heart of brand equity is product itself as it is the primary influence on consumers’ experience of the brand, what the consumers heard about the brand and what company communicates about its product. (Keller K. L., 2008)

Brand performance refers to the need satisfying ability of a brand and perception of quality. Five important attributes and features of a brand performance are

1. Primary ingredients and supplementary features.
2. Product reliability, durability and serviceability.
4. Style and design
5. Price (Keller K. L., 2008)

Customers have beliefs about the levels to which the primary and secondary features of a product operate. Measure of consistency of product performance over time is called reliability. Expected economic life of product is known as durability and serviceability refers to the availability of after sales services. (Keller K. L., 2008)

Effectiveness measures level of satisfaction that a brand provides while efficiency is the response speed of service, and empathy is about trust that a service provider gains. (Keller K. L., 2008)

Customers may have associations with the style and design of product, like color, shape, size and material used etc. (Keller K. L., 2008)
Price creates associations in customers’ minds that how expensive the brand relatively is. (Keller K. L., 2008)

Brand imagery is about how well a brand meets social and psychological needs of the customers. (Keller K. L., 2008)
At the third stage customers' response to a brand is assessed. This response or feedback is based on judgments and feelings of the customers about the brand.

Brand judgment is customers' personal opinion about the brand based on performance and imagery. Four important judgments are about brand quality, credibility, consideration and superiority. Brand feelings refer to customers' emotional response to brand. Transformational advertisements are designed to alter the customer perception about actual usage experience with the brand.

At the fourth and final stage, a long term relation of loyalty is created with the customer.

THEORETICAL FRAMEWORK

According to Customer-Based brand Equity Model, the first stage of branding is identity, which is associating a brand to a product class or a customer need. (Keller K. L., 2008) And describing the four Ps of marketing Kotler says that Product is something that satisfies some customer need. A product shall satisfy the core need and contain value added features such as design, packaging etc along with additional benefits such as guarantees and after sale services. (Kotler P. , Armstrong, Saunders, & Wong, 1999). Kotler's core product, that delivers some core benefits to consumers, relates itself to some customer need, which is the first stage (Identity) of Keller's brand building process; to associate a brand to a customer need. From this it can be inferred that a product and a brand, both create some Identity for themselves in minds of customers. If a core product, equipped with features such as design, packaging, and quality and carrying additional benefits, such as guarantees and after sale services, fairly priced, well communicated and made available to customers, achieves a unique identity in customer's mind, we could say that the first step of a brand building process is offering a product. Product along with price, promotion and place creates awareness in consumers, gets itself known, gets attention and gets some identity.

So, creating identity while branding, is to offer a product, price, promote and place it to create awareness and get identified.

The second step in CBEM is Brand meaning, which is linking brand associations with tangible and intangible properties. (Keller K. L., 2008) While Price, Packaging, Promotion and Place of Kotler's marketing mix are the elements that associate benefits with a product such as affordability, availability, recognizability etc and create a perception about the product. (Kotler P. , Armstrong, Saunders, & Wong, 1999). From this it can be concluded that Price, Promotion and Place along with a product generate Brand Meaning to the customers as they associate performance and imagery with product style and design, and prices and promotion, especially advertisement.

At third stage, company collects customer feedback about Brand Identity and Meaning. Brand meaning means customer's judgment and feelings about brand's performance and imagery. (Keller K. L., 2008) Customers associate brand imagery with Product, Price, Promotion and place, and evaluate performance against what they had to pay (price), what was promised to them (promotion) and what effort they did to reach to that product (place), so it can be deduced that at this stage customer's response about the basic marketing mix is being gathered and analyzed. And at the fourth and final stage, the company converts customer's response into a relationship. (Keller K. L., 2008). While Kotler's (1999) definition
of Relationship Marketing suggests that long term relation with customer can be established by consistently delivering quality *product* on a fair price.

The core product with its value adding (Quality, Design, Packaging) and additional features (Guarantees, after sale services, Installation etc) provided consistently carves basis for a strong relationship. Hence, to establish a long term relationship it is necessary to consistently deliver quality product on a fair price.

On the basis of these assumptions, Brand Building process could be linked to the basic marketing mix as follows.

*Figure 1: AW Model: Linking Marketing Mix to Brand Building Process*
Branding as it is commonly perceived is not some extra ordinary thing. When branding, the companies just have to use the basic marketing mix in a structured way to generate desired brand image and response in the customers. At the first stage company can design the marketing mix to create brand awareness, at second stage same marketing mix is used to create a brand perception in customers’ minds. At third stage customer’s response on company’s marketing mix is gathered and analyzed and at the fourth and final stage this positive response can be converted into a permanent relationship by assuring the customers that company will provide the same product with same quality, on fair prices consistently in the future.

CONCLUSION

Branding is an important tool of success in today’s market. If a company wants to succeed in a market, it needs to position itself in customers’ minds and create a strong brand image. The image that insure need satisfaction, quality, effectiveness, reliability and fulfills the social and psychological needs of people. In fact companies need to focus on all brand elements and build strong and long lasting brands that not only excite their customers but also bring profits to the firms.

Doing successful branding is not an easy job, it requires resources and time, effectiveness and efficiency. It adds to the marketing costs of the company and cut down the profit margins. Above all it needs solid planning and consistency. Marketing managers need to be focused when they are branding their products. While doing branding practices firms engage in heavy advertisements and promotional campaigns and forget about the core benefits that they are supposed to provide, so when customers actually experience the brand they get disappointed and feel betrayed, which results into loss of resources and loss of customers for the firms.

When doing branding, firms do not have to actually practice the complex branding strategies, and unsuccessfully implement them, but they should rather focus on the basic marketing mix and try to make it more efficient and effective. A better product at a better price, promoted in a better and more effective way, with a better placement could be a very successful brand. After all, brand building is nothing but playing with the 4P's to get a desired response from the customers.

RESEARCH LIMITATIONS AND FURTHER STUDY

This research just interlinks brand building process to the marketing mix, there is a need to study every aspect of branding and link all brand elements to the marketing mix. The research is based on the deductions and logical reasoning so there exists a need to test it against the practical marketing, the model presented needs testing in real marketing scenarios and validity and application of the models needs to be tested from practicing marketing managers as well as marketing researchers. Furthermore quantitative data and evidence should be collected to support or reject the model we have presented in this research.

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