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### **IMC & Brand Management**

## **Topic: Brand Hierarchies**

#### **Learning objectives:**

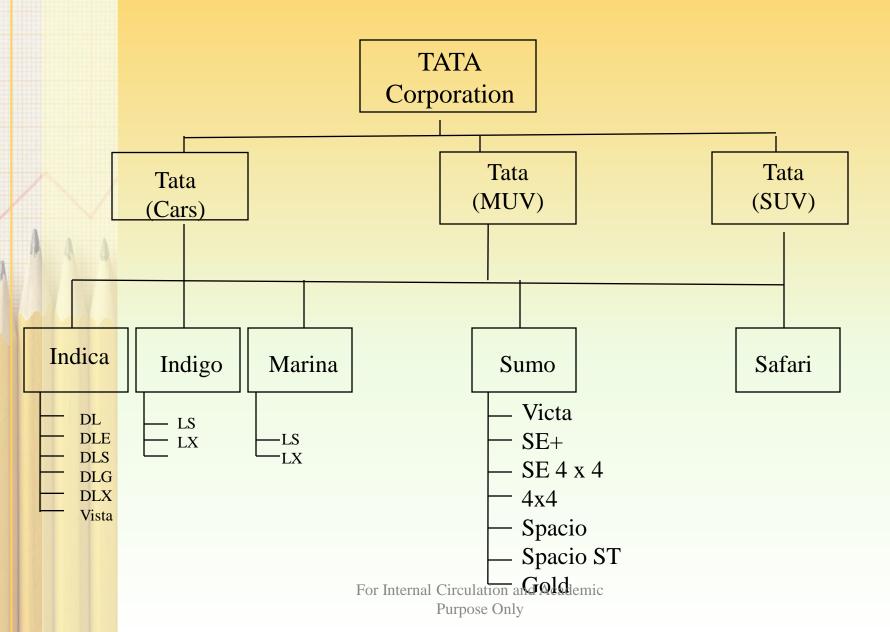
To understand the concept of brand hierarchy.

To understand the importance of maintaining brand hierarchy in brand management.

## **Brand Hierarchy**

- A means of summarizing the branding strategy by displaying the number and nature of common and distinctive brand elements across the firm's products, revealing the explicit ordering of brand elements
- A useful means of graphically portraying a firm's branding strategy

# **Brand Hierarchy Tree: Tata**

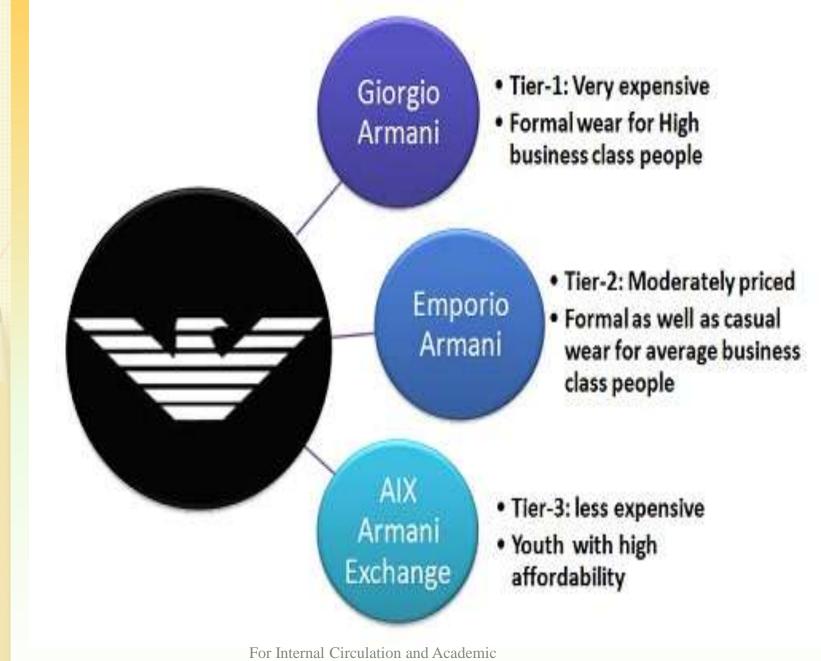


## **Brand Hierarchy Levels**

Corporate Brand (General Motors) Family Brand (Buick) Individual Brand (Park Avenue) Modifier: Item or Model (Ultra)

# The brands in the Brand Portfolio play the following different roles:

- Flanker Brand: A Flanker Brand also known as a Fighter Brand is a new product launched in a market by the company in the same category wherein an established brand is already positioned. T
- his is primarily done for the increased market share as well as to cater to the need of all the segments of customers.
- e.g. Armani's brand portfolio is one of the best examples to explain the concept of a flanker brand. In it, the brands are distinguished on the basis of price and customer segment.



- Cash Cow Brand: A cash cow brand is that product in the brand portfolio that has reached the maturity level in the product life cycle but is able to bring in profits necessary for its survival.
- These brands are not removed from the market because necessary **cash is flowing in** through its sale which is better than incurring heavy cost on the launch of a new product.
- **E.g.** The best example of cash cow brand is Gillette Company that is keeping the old brands viz. Gillette Atra, Gillette sensor and Gillette Trac II in its brand portfolio despite new razor technology such as Mach III turbo and Gillette Fusion.

#### Contd...

- Low-End Entry Level Brand: A low Entry Brand in a brand portfolio includes the product which is offered at less price.
- The low priced product is added to the portfolio to ensure the purchase at least once and bring the customer into the brand family.
- Once the customer becomes a part of the family, he is then persuaded for the purchase of the higher priced product in near future.
- E.g. Hero MotoCorp explains this concept very accurately wherein low priced bikes viz. CD Dawn, Platina, CD Deluxe are added in the brand portfolio to gain the customer base along with the high priced bikes such as Karizma, Ignitor, Impulse, Achiever, etc. Internal Circulation and Academic Purpose Only



- **High-End Prestige Brand:** A High-End Prestige Brand in the brand portfolio is the product offered at **a high price** with the intention of creating a sense of prestige in the minds of customers.
- Other brands in the portfolio also get the recognition because of the premium brand and its quality do have a halo effect on each product line.
- **E.g.** Tata is the best example to elucidate high-end prestige branding.



- Assessment questions:
- Students to list out three good examples each of Value Hierarchy of brands

#### **Reference Books**

- Integrated Marketing Communication; Tom Duncan; Tata McGraw
- Strategic Brand Management; Kevin Lane Keller; PHI