



Branding CBBE Model

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About Products

➤ **Product Mixes and Product line extensions**

Product Line Decisions

- **Product Line:** A group of products that are closely related because they function in a similar manner, are sold to the same customer groups, are marketed through the same types of outlets, or fall within given price ranges.



Product Line Decisions

- **Product line length:** the number of items in a product line
- Two ways a company can expand product line:
 1. **Line filling:** involves adding more items within present range of the line
 2. **Line stretching:** company lengthens its product line beyond its current range



Product Line Decisions



Line stretching:

- Example: BMW -> one brand, 5 model maker, power house of 3 brands, 14 series and more than 30 distinct models



Downward



Upward

Product Mix Decisions

- **Product mix(or product portfolio):** The set of all product lines and items that a particular seller offers for sale.



The product mix:
Campbell Soup Company
has nicely contained
product line consistent
with its mission of
“nourishing people’s lives
everywhere, every day.”



Unilever's corporate mission is “to add vitality to life. We meet everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life.”

Unilever Brands

AXE

Best Foods

Block & White

Cif

CLEAR
NOTHING TO HIDE

closeup

CREAM
SILK

Domex

Dove

ESKINOL

Knorr

Lady's Choice

Lipton

Master
SERVING THE REAL COMPANY

Pepsodent

POND'S

Unilever
pureit

✓
Rexona

Sunlight

Surf

TONI & GUY
HAIR MEET WARDROBE

TRE Semmè
USED BY PROFESSIONALS™

Vaseline

Heart logo

130 years of continuous success...



UNIDS
Success Breeds Success

Global Brands



Product Line



Unilever



Product Mix Decisions



PRODUCT LINE

A GROUP OF CLOSELY RELATED PRODUCTS

- Advertising economies
- Package Uniformity
- Standardized component
- Efficient sales and distribution
- Equivalent quality

PRODUCT MIX

INCLUDES ALL THE PRODUCTS SOLD BY THE COMPANY

- Nike sells a wide variety of items under one brand.

**PRODUCT MIX WIDTH
NUMBER OF PRODUCT LINES A COMPANY OFFERS**

- Soups
- Sauces
- Frozen
- Beverages (V8)

PRODUCT LINE DEPTH

NUMBER OF PRODUCT ITEMS IN A PRODUCT LINE

- Mushroom soup
- Cream of chicken
- Vegetable soup
- Tomato Soup
- Minestrone

CBBE Model

➤ Customer- Based Brand Equity Pyramid

CBBE Model

- Keller's Brand Equity model is also known as the Customer-Based Brand Equity (CBBE) Model. Kevin Lane Keller developed the model and published it in his widely used textbook, "Strategic Brand Management." Within a pyramid, the model highlights four key levels that you can work through to create a successful brand.



CBBE Model

Customer-Based Brand Equity (CBBE) Model

- CBBE Model provides a unique point of view of what brand equity is and how it should be built, measured and managed.
- CBBE approaches brand equity from the perspective of the consumer
- The basic premise of the CBBE model is that the power of a brand lies in what customers have learned, felt, seen and heard about the brand as a result of their experiences over time
-the power of a brand resides in the minds of customers

The best-known CBBE model is the Keller Model, devised by Professor of Marketing Kevin Lane Keller and published in his mighty *Strategic Brand Management*.

The Keller model is a pyramid shape and shows businesses how to build from a strong foundation of brand identity upwards towards the holy grail of brand equity 'resonance': where customers are in a sufficiently positive relationship with a brand to be advocates for it.



Keller's Brand Equity Model – CBBE Model



The iPad is a stunning example of this CBBE: from the robust foundation of Apple's brand identity, the iPad was developed to look great, be easy to use, do everything its customers wanted, and more. Customers loved it and any glitches that attracted negative responses were quickly patched. Before long, iPad users were extolling its virtues and their loyalty, and the iPad is now ubiquitous in stores, health centers, schools, offices and homes. It's a classic example of something we didn't know we needed or wanted until we saw one. Now we can't do without it.

Level 1: Brand Identity (who are you?)

This is how customers look at your brand and distinguish it from others. It explores the words and images buyers associate with when they hear a particular brand name. It's the most important level and must be strong to support the rest of the pyramid above it. Brand identity quantifies the breadth and depth of customer awareness of a brand. Start to build it when customers are unaware of your products and values, attracting them with ad campaigns and targeted marketing.



Level 2: Brand Meaning (what are you?)

Once customers become aware of your brand, they'll want to know more about your product. They'll question its features, looks and style, reliability, durability, customer experience and value for money, to find its brand meaning. For the purposes of brand reputation, Level 2 is split into two categories:



- **Brand performance:** This covers product functionality, reliability, durability, and price as well as customer service and satisfaction. It's 'it does what it says on the tin' territory and when it performs well, customer opinion will be positive.



"THE ONLY THING WE CAN BE SURE OF ABOUT THE FUTURE IS THAT IT WILL BE ABSOLUTELY FANTASTIC."

 – ARTHUR C. CLARKE, 1964

BMW congratulates the German International School of New York, Class of 2017

Launch from 0 to 60 mph in approximately 4.2 seconds. Accelerate with a combined maximum torque of 420 lb-ft. With the BMW i8 plug-in hybrid, you'll experience the power of a TwinPower Turbo engine and the efficiency of an all-electric motor for an exhilarating driving experience that's every bit BMW.


The Ultimate Driving Machine®

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Brand imagery: different, but equally important, imagery meets the customers' social and psychological needs. What does the brand appear to be to customers? Volvo appears Scandi-chic, family-orientated, safe and eco-responsible; Cushelle soft, homely and cozy. This messaging can come out in targeted marketing and word of mouth.

Level 3: Brand Response (What are the feelings for the brand?)

On this level of Keller's model, judgment and feelings can be hard to separate and are intensely personal for each individual customer. One customer may judge the brand irrelevant to them, whereas another will find it completely relevant. Another may make their own value comparison against another product, harshly or fairly. And add to the mix actual interaction and perceived reputation and you can see how hard it can be to quantify how customers feel about a brand and how much they trust it. Companies need to respond to judgments and build positive feelings about the brand once they know what they are.

FEEDBACK





Level 4: Brand Resonance (a strong relationship)

The apex of Keller's CBBE model is resonance: when a customer is loyal to a brand, considers it superior, will buy no other and advocates its merits to others. Many things resonate with customers: lifetime experience, customer service, products and value. A good measure for resonance is the Net Promoter Score that asks one simple question: 'How likely is it that you would recommend [Product X] to a friend or colleague?'

Keller's model is deceptively beautiful in its simplicity; building customer-based brand equity is, in reality, a long and hard road. When you start at the bottom with a great brand identity, then get customers to know your brand and your business gradually, you'll create a brand that people will like, trust and which will ultimately be successful.



Most valuable Global Brands 2020



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Keller's Brand Equity Model – CBBE Model

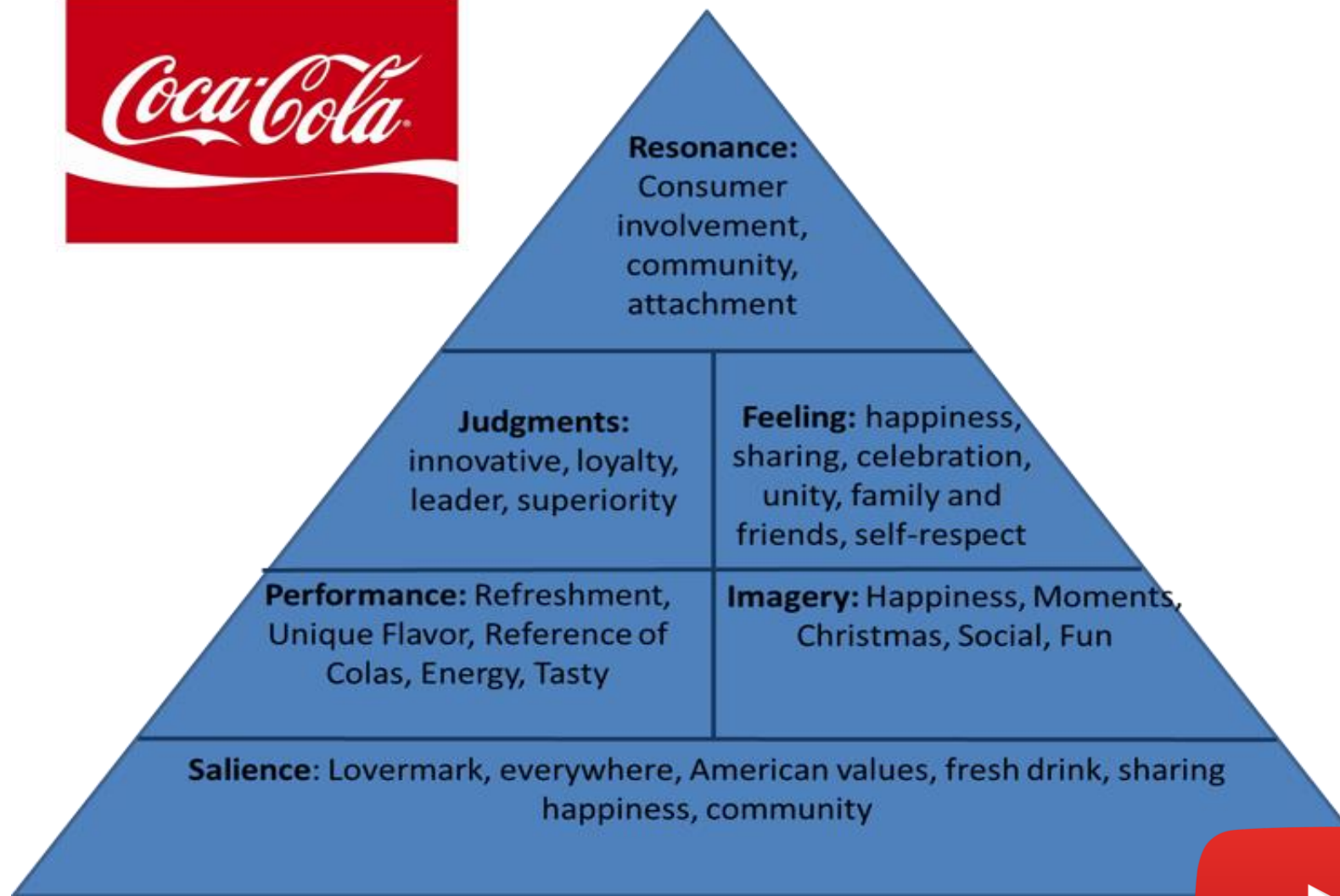
CBBE Model



CBBE Model



CBBE Model



CBBE Model

HEINEKEN RESONANCE PYRAMID

Resonance

- Repeated purchase
- Loyal following
- Strong and wide online community
- Strong positive perception: association with happiness and pleasure

Judgments

- Very recognizable brand image
- Trustworthy brand
- Quality
- A choice of consideration during purchase
- Superiority

Performance

- Universal premium larger beer
- Long story and heritage: universal beer
- "Universal" taste
- Design and packaging: iconic brand name
- Sustainable brewer (Environment reports + Charities)



Feelings

- Having fun
- Pleasure
- Relaxation (after work and during holidays)
- Fashionable and trendy

Imagery


- Young male
- Highly sociable
- Self-Confidence
- Trendy
- Party goes
- Special moments / events

Salience

- Global branding: green bottle + Red star
- Huge and strong advertising campaigns
- Sharing good moments
- Friendship

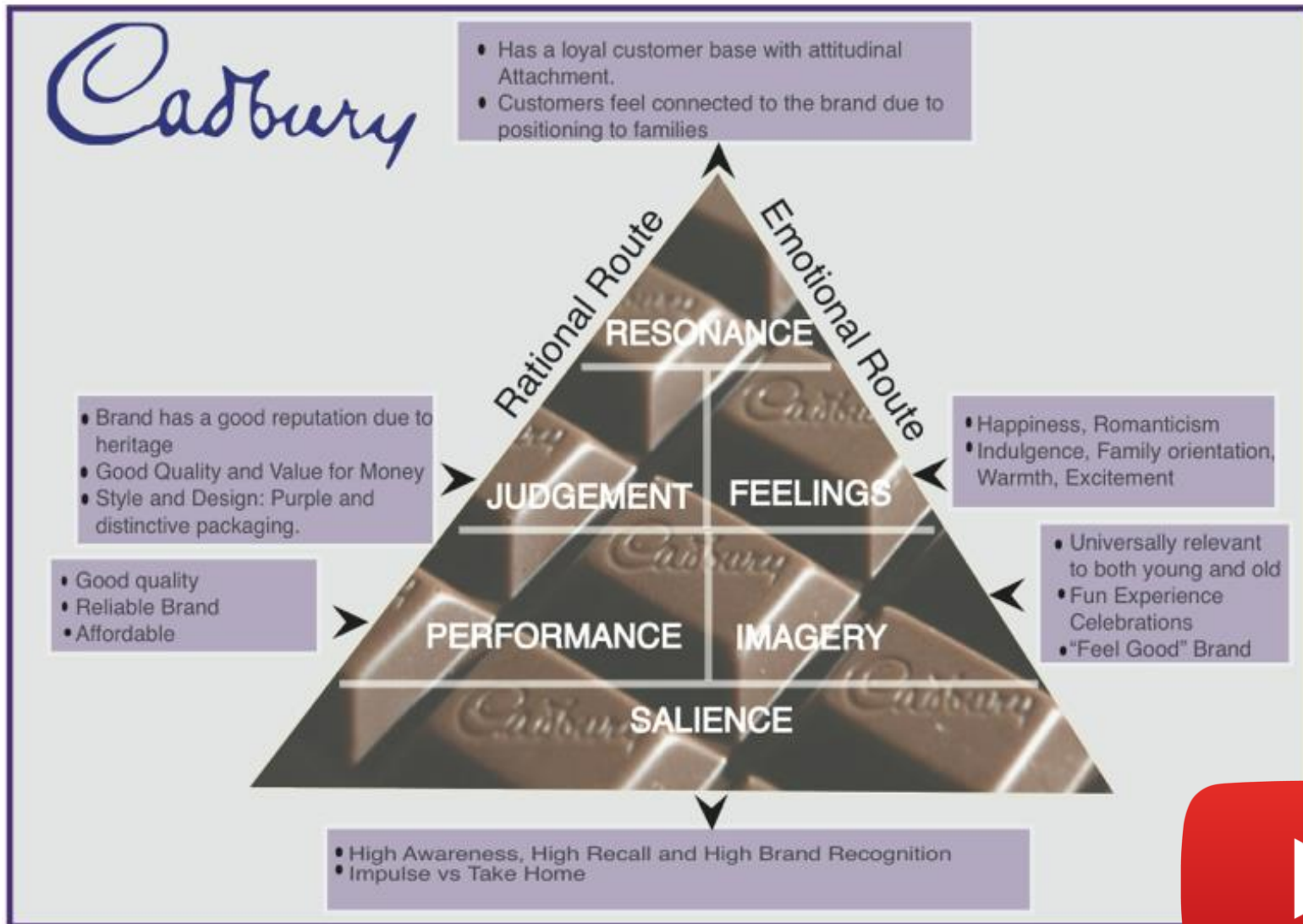


CBBE Model

	CONSUMER BASED BRAND EQUITY PYRAMID
Salience	Furniture Retailer
Imagery	Scandinavian, Price-conscious, Family friendly, Versatility, Innovative & Inspirational
Performance	Furniture leader, Low prices Function and diverse designs, DIY Short term home solutions, Lifetime guarantee
Feelings	Welcoming layout, Fun, IKEA Effect (DIY Self-respect) Socially accepted Familiar environment (security)
Judgment	"Good Deal" happiness, Low quality, Not durable Convenient flat-pack Good customer service
Resonance	Rapid purchase (cheap) Price- & distance-sensitive loyalty – low attachment IKEA Hackers & online fan community Strong engagement



CBBE Model

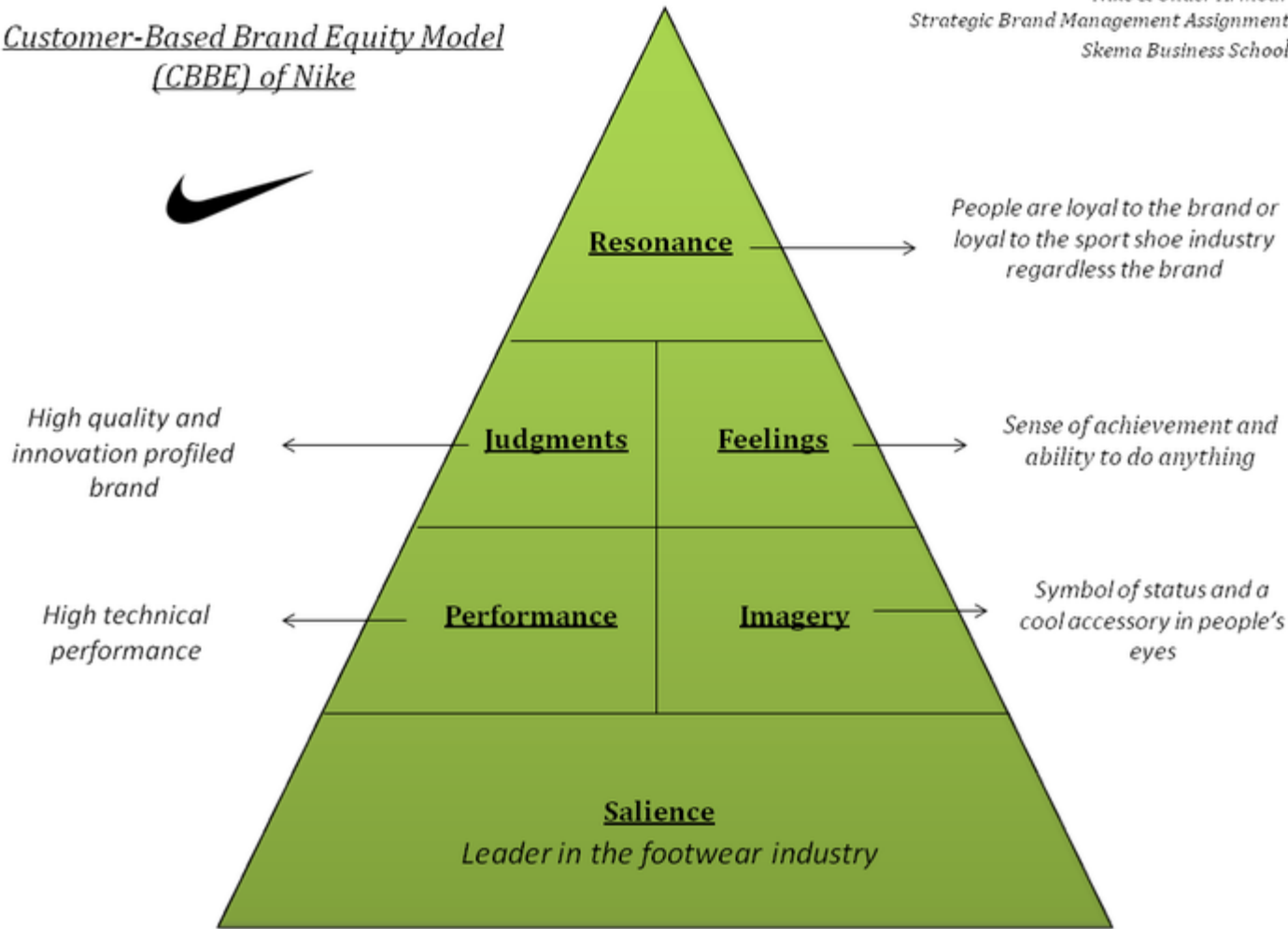


CBBE Model

*Customer-Based Brand Equity Model
(CBBE) of Nike*



*Nike & Under Armour
Strategic Brand Management Assignment
Skema Business School*



CBBE Model

BRAND RESONANCE PYRAMID CBBE

RESONANCE

- Strong brand loyalty.
- Same theme of advertisements
iconic Chanel.

JUDGEMENTS

- Overpriced.
- Value for money.

FEELINGS

- Sense of high social status / price.

PERFORMANCE

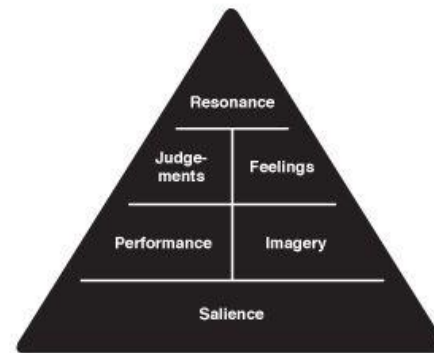
- Good quality.
- Durable.

IMAGERY

- Themed use of black and white.
- Emphasises luxury / sophistication.

SALIENCE

- Iconic brand status.
- Low recall rates, high brand
recognition.



Group Assignment: CBBE Model

- Each group is required to create the CBBE Model for an existing Thai Brand. Ajarn will approve your brand.
- You are required to use both primary and secondary data for your research
- No more than 1 ppt slide (excluding cover page and appendix)
- CEOs please submit your slides to me by next Monday in messenger before class
- Please prepare for group presentations (no more than 5 mins each)
- HAVE FUN 😊

The Three E's in Content Marketing:

Engage
Educate
Excite



Kob Kun Krub...Ka

Thank you

