

Building Brands By Helping Others Win

* Dr. G. Sudarsana Reddy

** Dr. M. Muniraju

Nokia made its first appearance in the Brand Equity Most Trusted Brand survey in 2005 and was positioned at No.71. Since then, in four short years, Nokia has leapfrogged from a distant No. 71 (in 2005) to No. 44 (2006) to No. 4 (2007) to finally replacing the deeply entrenched Colgate as the No. 1 brand in the year 2008. Why had customers voted Nokia as the most trusted brand? It reached that position because of its investment in research, brand and marketing and at the time, understood the local market well.

Who does not want to buy Nokia products? In other words, who does not want to buy branded products? Who does not want to work for reputed companies? Who does not want to invest in a reputed or well performing company? Who does not want to support a socially responsible company? Every one wants to be associated with the most trusted brand. Branding is a basic decision in marketing products. Brand is a means of differentiating a company's products or services from those of its competitors. As said above, customers prefer to buy well established branded products and they want to be loyal customers. A good brand not only helps the company spread market share but also allows charging premium price for their products or services. There is plenty of evidence to prove that customers will pay a substantial premium for a good brand and remain loyal to that brand. Intel Microchips, Microsoft computer software, Duracell batteries are the few products, which are bought by customers by paying premium price. Therefore, it is important for companies to build brands. Businesses that invest in and sustain leading brands prosper whereas those that fail are left to fight for the lower profits available in the commodity markets. In the globalised business environment, every business, whether it is large, medium, or small wants to be a customer's first choice. Therefore building and managing a brand can play a significant part in making that happen. The present paper is divided into four parts: part one gives the definition of a brand, need for building brand is given in the part two. Part three lists a few companies that succeeded in brand building by helping others win, and the last part provides conclusion.

BRAND - CONCEPT

Branding is a marketing decision in which an organization uses a name, phrase, design, symbol, or a combination of these, to identify its products or services of a business and distinguish them from those of competitors¹. A brand name is any word, "device" (design, sound, shape, or color), or combination of these used to distinguish seller's goods or services. With this, one can understand that the popular view of a brand is merely a name or logo on a TV, a sachet of shampoo, etc. But the concept of brand that concerns here is far bigger, the symbol of all of the aspects that make a business valuable in the minds of clients, customers and consumers. In this sense, the brand is the public incarnation of a company's products, services, knowledge, culture, employees, ideas, intellectual property and innovation. One commentator (Dr. Lindsay Moore) puts it this way: "Brands have become the most valuable asset within many enterprises, capturing the knowledge, the art, the science and the work of each person in each work day, making them the ultimate symbol of the companies for which they speak. This is the business reality of the 21st Century". Partridge² has given five key concepts that tied to the letters of the word **BRAND: B-Business, R - Reputation, A - Assets (intellectual), and N - Knowledge, and D - Definition**. In the globalised business environment, every corporate business leader's job is to take action every day to build their company's BRAND. According to Partridge, there are five steps to do this, again tied to the letters of the word **BRAND: B - build and create, R - register and protect, A - adjust and align, N - negotiate and exploit, and D - defend and police**. The first step is building the brand name.

NEED FOR BRAND BUILDING

As said above, brand building helps a company to differentiate its product from competitors and drive customer loyalty. Every business has already got a brand, even if it doesn't treat it as one. But their customers (and potential customers) already have a perception of what a business firm product means to them. Brands can help increase turnover by encouraging customer loyalty and are particularly useful if: a brand provides reassurance to customers and encourages their loyalty when business environment changes rapidly, a brand can help a company to stand apart when customers are confronted with a wide choice of comparable suppliers. They will always

* Professor in Management (MBA), Seshadripuram Institute of Management Studies (SIMS), Seshadripuram First Grade College, CA Site No. 26, Yelahanka New Town, Bangalore - 560064. E-mail : dr.ssreddy1973@gmail.com

** Senior Faculty, Department of Commerce, Bangalore University, Bangalore- 560001

choose the one they feel will suit them best. Successful companies can make businesses more attractive to potential buyers or franchisees by suitably portraying its brand to targeted customers. A good brand name is of such importance to a company that it has led to a concept called **brand equity**. Brand building not only helps in attracting customers for buying products or services, but also helps in attracting skilled talent, creditors for investment, support from government and society.

BUILDING BRANDS BY HELPING OTHERS WIN

Now-a-days, the primary focus of any company has always been on thinking how to make money and win, but they do not think that they should win by helping others win. In other words, companies want to win in their business by making others (stakeholders) fail in fulfilling their expectations. But precious few companies think about how their business model can help others (stakeholders) win too. We can call this as “mindful business”. Business firms should not forget that they are making money with the help and support of its stakeholders. Therefore, they should think how to make stakeholders win and create an ecosystem in which they operate. The following few examples explain how companies build their brands by helping others win:

1. Employees: N.R Narayana Murthy and six others founded Infosys³ on July 2, 1981 in Pune. It has been providing high quality IT services since 1989. The company has focused on web content management and portal solutions, collaborative software applications development in the year 1999 and in the same year, it had hit \$100 million turnover. In 2001, it was rated "Best Employer in India"⁴. Not only this, Infosys won the Global MAKE (Most Admired Knowledge Enterprises) award, for the years 2003⁵, 2004 and 2005, being the only Indian company to win this award and was inducted into the Global Hall of Fame for the same. In terms of financial growth, the company has also seen a steady increase in the size of its technical and service delivery teams. Infosys story is revealing that it has been very visible in recruitment advertisements and it did not bring out any major advertising campaigns in India. Yet, this brand was valued at a steep Rs 31,617 crore in the financial year 2007, which is a big number for an Indian company. In the initial years, Infosys was finding it hard to attract the right talent. The need to build a brand became clear: the company identified what it stood for: **integrity and intellect**. Surprisingly, no one was talking about such intangibles then. Infosys quickly realised the utility of doing things differently. It understood that it would have more recall this way than spending money in advertising. Narayana Murthy's biggest contribution was his keen sense for brand building. Over the years, Infosys did many new things⁶ - the ESOP plan where the company gave out one third of its equity to employees, its NASDAQ listing, its international style campus... These became talking points and built a unique image for the company. Murthy himself became one of the most powerful CEO brands in corporate India. Infosys always highlighted the fact that it was founded with Murthy's meager savings and his middle class lifestyle became a celebrated fact.

2. Customers: It has been an eventful journey of Tata Motors from 1954 to 2007. Over the years, Tata Motors' has evolved from a truck manufacturer to becoming India's only fully integrated automobile manufacturer with a product range designed to meet India's transportation needs. It is India's largest automobile company, with revenues of Rs. 32,426 crores (USD 7.2 billion) in 2006-07. It is the leader by far in commercial vehicles in each segment, and the second largest in the passenger vehicles market with winning products in the compact, midsize car, utility vehicle segments and world's most affordable car. More importantly, India is driving innovation tailored for emerging economies with limited infrastructure. For example, Tata Motors, India's largest conglomerate decided in the early 1990s to diversify from its heritage as India's largest commercial vehicle maker into the passenger car market, building the first completely indigenous Indian car. Tata Motors is now completely redefining the cost structure, production and distribution models for car manufacturing in order to design and deliver the world's most affordable car, with a target price of Rs. 1 lakh, or approximately \$2,500; bringing car ownership within the reach of a large percentage of Indian citizens and other people like them across the developing world for the first time (the current ratio in India is only seven cars per 1,000 people). In the month of January 2008, Ratan Tata unveiled the Nano - 'The People's Car' as promised five years ago, even though commodity prices had gone up. This is the best example for helping others win and build brand. Let us read the same from the words of Ratan Tata, “Indian families need a safe and affordable all weather means of transport”.

3. Investors (Shareholders): Any company requires funds for starting, running, and expanding its business. Public companies generally depend on public for funds by issue of shares and debentures. All companies cannot raise the total funds completely by issue of shares or debentures because it depends on the company's reputation among the investors, and its ability to create confidence among them. But reputed companies can definitely raise the total funds required, since they are creating wealth for the investors by brand building. For example, take Infosys, it would be able to raise funds (whatever amount they want) and the same may not be possible for other

companies or even government. Investors who have invested in Infosys have earned crores of rupees, due to increase in value of Infosys and its share value. Value creation is possible for Infosys even after satisfying all other stakeholders.

4. SOCIAL RESPONSIBILITY

(a). Starbucks: Starbucks' concepts of social responsibility is embedded deep into its brand, including conservation, community volunteerism, commitment to coffee producers, the Starbucks Foundation⁷ (youth literacy), Ethos water, socially responsible investing, and more. In 1997, Starbucks chairman, president and CEO, Howard Schultz established The Starbucks Foundation to support communities where Starbucks does business. The Foundation's initial focus was on funding literacy programs in the U.S. and Canada. It has since grown to include supporting education and youth leadership in communities where Starbucks has stores and social investments in countries where Starbucks buys coffee, tea and cocoa. To date, the Foundation has provided more than \$22 million in grants to benefit communities around the world. Its current program areas include: The Starbucks Foundation began supporting young (in 2008) social entrepreneurs around the world. Starbucks supports communities that produce coffee, tea and cocoa by investing in their social infrastructures. The foundation is committed to ensuring the mission of Ethos - to help children around the world get clean drinking water. In the year 2005, the Foundation pledged \$5 million over five years to create the Starbucks China Education Project at Give2Asia. Starbucks and the Foundation have committed \$5 million over five years to assist in the relief, recovery and rebuilding of South Louisiana after hurricanes Rita and Katrina. With the above, it can be concluded that Starbucks is contributing positively to communities and environment, because social responsibility is one of the six guiding principles of its Mission Statement. It works on a daily basis with its partners (employees), suppliers, farmers and others to help create a more sustainable approach to high-quality coffee production, to help build stronger local communities, to minimize environmental footprint, to create a great workplace, to promote diversity and to be responsive to their customers' health and wellness needs.

(b) Intel's World Ahead Program: Intel employees have been recognized for a number of corporate initiatives and charitable endeavors. In the year 2008, it received the best CSR award. And while winning awards is certainly not the motivation behind these efforts, the recognition is always appreciated. Intel is driven to create bold advancements in technology that enhance people's lives. Explore how Intel is cultivating the spirit of innovation and promoting the concept of sustainability in operations and in communities worldwide. Intel Corporation will invest more than \$1 billion over five (2006-2011) years in a broad new program to provide speed access to uncompromised technology and education for people in the world's developing communities. The Intel World Ahead Program, which extends the company's existing initiatives for developing regions, integrates Intel's efforts to enhance lives by driving progress in three areas: **(a) Accessibility:** Creating opportunities for widespread ownership and use of PCs through affordability, access and content, including the development of fully featured, affordable PCs tailored to regional needs, **(b) Connectivity:** Expanding wireless broadband Internet access by cultivating the required ecosystems and encouraging deployment, including the broad promotion of WiMAX trials and deployments, and **(c) Education:** Preparing students for success in the global economy through education programs and resources, including professional development for teachers worldwide. The five years objectives of the World Ahead Program are to extend broadband PC access to the world's next billion users while training 10 million more teachers on the use of technology in education and with the possibility of reaching another one billion students. For years Intel has invested in driving greater worldwide PC access, faster and more cost-effective connectivity, and broad-reaching education programs. The company operates in virtually every corner of the world and has extensive programs aimed at local communities, from community education for disadvantaged youth to platform definition centers where Intel researchers and engineers define and develop user-centric technologies to meet the needs of specific regions of the world⁸.

CONCLUSION

Brand is a means of differentiating a company's products or services from those of its competitors. A good brand helps a company charge premium price for their products or services, since customers prefer to buy good branded product and they will be loyal customers. Therefore, brand building plays a key role in the era of globalization. But now days, many companies always think about how to make money and win, but they do not think that they should win by helping others win. But there are few companies that think about how their business model can help others (stakeholders) win too, in the process of brand building. In near future, almost all the business firms must try to build brands by helping others win.

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have to keep consistency in his efforts to manage these global brands, which is not all that simple.

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being encountered in decentralized logistics. Learned feed-forward mechanism and ANN-Genetic Algorithmic integration are two great ways to reduce dynamic tracking error of a feedback based decentralized logistics control system as well as to optimize the logistical processes and decision variables. Hence, the above-deliberated possible interface offers a tremendous opportunity of developing an Experiential Expert System for logistics control, policy formulation and decision-making.

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