Brand Pruning-A Wisely Used Tool In The Marketers' Arsenal

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INTRODUCTION

Brand Pruning can be defined as a process by which a company cuts off those brands and line brands, which have less contribution on its bottom-line or sometimes top line as well. This is almost a continuous process particularly for FMCG and white goods in India.
(Kotler-2000).

The theoretical part of Brand Pruning is relatively new, although it has been practiced by many companies from ages and decades but non availability of a comprehensive literature is a major hindrance. The earliest records of advocating Brand Rationalization process can be traced in the early 1930s; **Neil McElroy** was a manager who supervised the advertising for Camay soap at **Procter & Gamble**. The consumer products giant ignored Camay but spent money and paid attention on its flagship product, Ivory. Naturally, Ivory remained the leader while Camay struggled for survival. Annoyed, McElroy drafted a three-page internal memo in May 1931. He argued that P&G should switch to a brand-based management system. Only then would each of its brands have a dedicated budget and managerial team and a fair shot at success in the marketplace. McElroy suggested that the company's brands would fight with each other for both resources and market share. Each "brand man's objective would be to ensure that his brand became a winner even if that happened at the expense of the business's other brands. However, McElroy did not carry the argument to its logical end." (Kumar-2004)

Seven-plus decades have gone by since **McElroy** wrote his famous ***memo***, but brand pruning has remained an unwritten chapter in the marketer's handbook and an underused tool in the marketer's arsenal. Companies spend vast sums of money and time launching new brands, leveraging existing ones, and acquiring rival Brands. They create line extensions and brand extensions; not to mention channel extensions and sub brands to cater to the growing number of niche segments in every market, and they fashion complex multibrand strategies to attract customers. Surprisingly, most businesses do not examine their brand portfolios from time to time to check if they might be selling too many brands, identify weak ones, and kill unprofitable ones. They tend to ignore loss-making brands rather than merge them with healthy brands, sell them off, or drop them. Consequently, most portfolios have become chockablock with loss-making and marginally profitable brands.

Moreover, the surprising truth is that *most brands don't make money* for companies. Research shows that, year after year, businesses earn almost all their profits from a small number of brands—smaller than even the 80/20 rule of thumb suggests. In reality, many corporations generate 80 percent to 90 percent of their profits from fewer than 20 percent of the brands they sell, while they lose money or barely break even on many of the other brands in their portfolios. For example, Kumar(2004) analysed the cases of four MNCs':

Diageo, the world's largest spirits company, sold 35 brands of liquor in some 170 countries in 1999. Just eight of those brands—Baileys liqueur, Captain Morgan rum, Cuervo tequila, Smirnoff vodka, Tanqueray gin, Guinness stout, and J&B and Johnnie Walker whiskeys provided the company with more than 50 percent of its sales and 70 percent of its profits.

Nestlé marketed more than 8,000 brands in 190 countries in 1996. Around 55 of them were global brands, 140-odd were regional brands, and the remaining 7,800 or so were local brands. The bulk of the company's profits came from around 200 brands, or 2.5 percent of the portfolio.

Procter & Gamble had a portfolio of over 250 brands that it sold in more than 160 countries. Yet the company's ten biggest brands—which include Pampers diapers, Tide detergent, and Bounty paper products—accounted for 50 percent of the company's sales, more than 50 percent of its profits, and 66 percent of its sales growth between 1992 and 2002.

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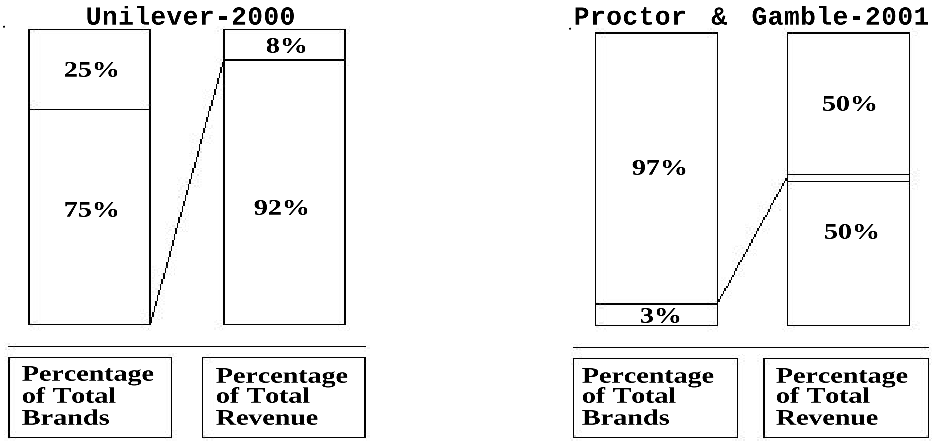
Unilever had 1,600 brands in its portfolio in 1999, when it did business in some 150 countries. More than 90 percent of its profits came from 400 brands. Most of the other 1,200 brands made losses or, at best, marginal profits.

In our country, **Hindustan Lever** used to have more than 110 Brands prior to 2001. The company realized that it is handling too many Brands which are not contributing to its bottom-line but incurring cost and consuming valuable management time. Now, HLL is focusing with its 35 odd Power Brands instead of 110 Brands and the result is quite visible. (HLL Annual Report-2004).

The Impact of a bouquet of brands and their respective contributions of the Total revenues of a company can be reflected from the following examples of various multinationals worldwide. (Unilever & P&G Here) Consider the following graph:



(Source:Singh, Lamba- Journal of Marketing, Jamnalal Bajaj Institute of Management Studies.-2005)

We can see that in both the cases, a handful of Brands contribute the most to the Total Revenue.

UTILITY OF BRAND PRUNING

The main utility of Brand Pruning is enormous. It leads to the following :

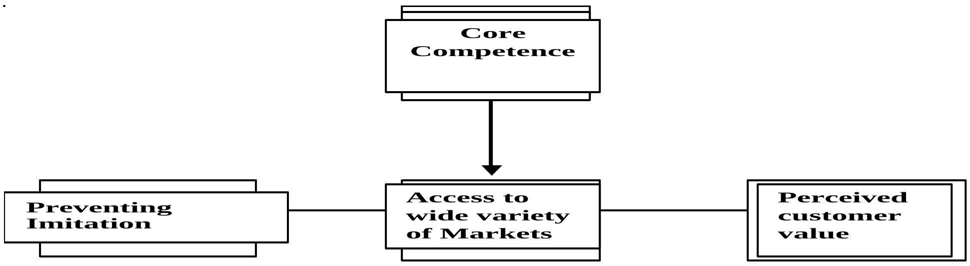
- Reduction of production, advertising and promotional cost.
- Brand Pruning enables a company to concentrate and focus on its core Brands which typically earns the company the most of the profits.
- Brand Pruning reduced the invaluable management time which was earlier focused with the not so profitable Brands.
- With the help of Brand Pruning, the company can identify its weak Brands; it may try to revive the weak brands with proper positioning or drop them from its portfolio.
- Without systematic and regular brand pruning, the company may lose its focus from its core brands.
- Brand Pruning helps the brand managers to identify the major loss making brands and marginal brands.
- This identification enables a company to formulate future strategy for more effective brand management.

PROCESS OF BRAND PRUNING

A) METHODOLOGY AS PROPOSED BY SINGH & LAMBA-2005:

ALIGNMENT WITH CORE COMPETENCE

The Brand Portfolio of a corporate should be in alignment with its **Core Competence** in order to reduce vulnerability of failure. This shall enable evolving brands (niche or mass) that define **clear customer segments**, **positioning**, **end customer value**, **brand promise delivery** and **brand relevance**, also minimizing the complexity and cost in managing a portfolio in the process. (Singh & Lamba-2005)



Three aspects are relevant in this regard:

- It provides the brand portfolio potential access to a variety of markets.
- It enables significant contribution to the perceived customer benefits of the end product.
- It enables uniqueness for the brand, preventing imitation.

This feature should be the ***first question*** asked at all stages of brand killing and nonadherence of the same creates a case for brand pruning.

BRAND PORTFOLIO ANALYSIS SHEET

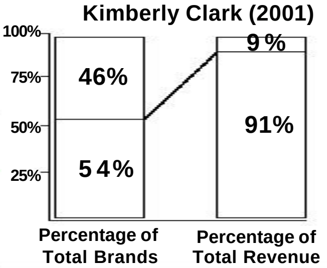
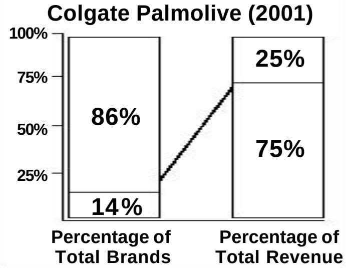
The next step in analyzing the dormant brands in a portfolio of brands is in examining them from the following 3 aspects:

$$\text{Ratio of Profitability: } \frac{\text{\% of the Brand Revenues to Total Revenues}}{\text{\% of Brand Profits to Total Profits}}$$

A ratio of less than 1 implies that although the brand contributes comparatively lower to total revenues than profits, the **Economic Power** of the brand is strong. However, a ratio considerably more than 1 is a cause of concern as the brand is consuming resources without adding to the bottom-line. As shown in the Table below, ***Kimberly Clark*** is in a much better position than ***Colgate Palmolive*** in the same year as it defies the 80:20 principle i.e. 20 % brands contribute to 80 % revenues.

$$\text{Selling Cost Analysis: } \frac{\text{\% of Selling Cost expended On the Brand Out of Total Company Selling Cost}}{\text{\% of the Brand Revenues to Total Revenues}}$$

It is necessary for a firm to analyze whether there is enough justification for its expenditure on promoting a brand. A competitive comparison shall also support in qualifying the brand as a "cash generator" or a "cash user". Let us analyze the following Graphs.

Brand			X	Y	Z	Benchmarking	
						Favourable Scenario	Unfavourable Scenario
Contribution of Brand	To Company Sales	A	5%	4%	...	Kimberly Clark (2001) 	Colgate Palmolive (2001) 
	To Company Profits	B	6%	10%	...		
Ratio of Profitability		A / B	0.83	0.4		A / B < = 1	A / B is considerably more than 1

Brand			X	Y	Z	Benchmarking
Cost / Benefit Analysis	% of Selling, Marketing Costs	A	5%	3%	...	Benchmark with; a) industry average; b) unfavourable if ratio is considerable more than 1
	% of Total Revenues	B	10%	4%	...	
Selling Costs Ratio		A / B	0.5	0.8		

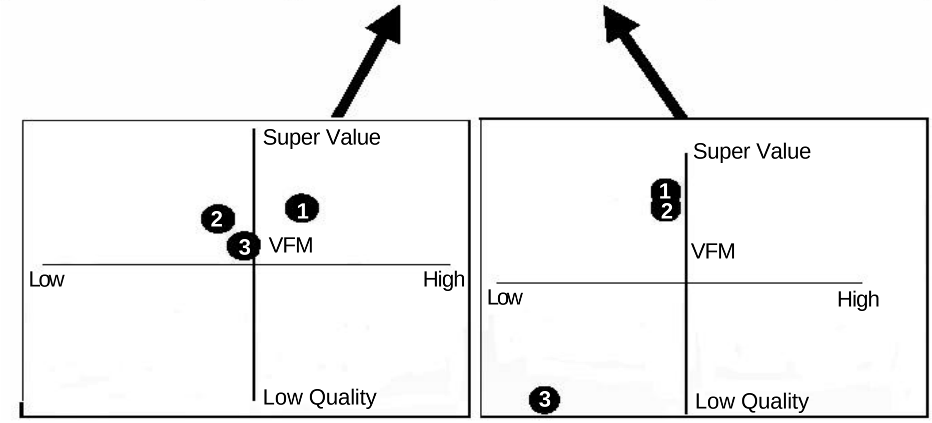
(Source:Singh, Lamba- Journal of Marketing , Jamnalal Bajaj Institute of Management Studies.-2005)

ALIGNING REGIONAL PERFORMANCE WITH CONSISTENCY OF IMAGE (POSITIONING) ACROSS VARIOUS REGIONS

Unsatisfactory performance in a region can be a result of bad positioning or misunderstood identity. In such a scenario, the brand can hurt the other brands of the company and thus becomes a case of brand pruning. As shown in the example below, when we map the regional performance of the brand and the image, we find that an inconsistency in the case of Brand Y in Region 3 might be a result of an inconsistent image, which might be harmful to the other brands of the same company. On the other hand, the consistency of image and performance in the case of

Brand X shows favourability for the brand. Also, if within the same category, 2 brands have the same image but negative and positive performances respectively, it implies an ***overlap.***

Brand		X	Y	Z
Performance - Market Share	Region 1	35%	20%	5%
		VFM	Super Value	Low Quality
	Region 2	20%	20%	35%
Positioning /Image		VFM	Super Value	Quality
	Region 3	28%	3%	40%
		VFM	Low Quality	Quality



Where: **VFM**= Value for Money

X-Axis – Regional Performance (High Market Share……………Low Market Share).
Y-Axis – From a super value product to a low quality one.

All these 3 elements should be considered together while analyzing the brand portfolio, thus determining **which brand to be pruned based on unsatisfactory performance on these parameters**. (Singh,Lamba-2005)

The above exercise thus addresses the following issues:

- Is the Brand in alignment with the business design?
- Does a Regional Brand have enough mass to service or does it overlap with an offering from the same stable?
- Are advertising expenditures on a brand justified?
- How many brands (% terms) are miniscule contributors to the topline and bottom line?
- Is brand performance in a particular region fallout of a faulty image?
- Do our customers think that our brands compete with each other?

The answers coupled with resolving people's issues viz. inter-brand rivalry; emotional attachment to the brand can bring in front of the company a clear picture of the brands that are necessarily losing money. This gives rise to a new question which may be considered as an ultimate one **-"How to Kill/Prune a Brand**"!

B) BRAND RATIONALIZATION PROCESS

After the company has realized that it needs to rationalize its brand portfolio, it can use a simple **four-step process** to achieve the above:

1. Brand Profitability Analysis

The rationalization process can be started by orchestrating groups of senior executives in joint audits of the brand portfolio. Such audits are useful because most executives do not know which brands make money or how many brands are unprofitable. To calculate the profitability of each brand, firms must allocate fixed and shared costs to them. That can prove to be a complicated task resulting in long and bitter debates between managers.

Executives view each brand from their own particular perspective and put forward arguments about the problems they will face if it is dropped. That collectively results in a justification for almost every brand in the portfolio. However, when executives look at the big picture together, they uncover the problems. They reluctantly extend a degree of support to the program despite their job- and turf-related concerns.

2. Pruning The Portfolio

In the next stage, companies have to decide how many brands they want to retain. They can deploy two distinct but complementary models to do so:

MODEL 1

Under this model, companies can choose to keep only those brands that conform to certain broad parameters. A committee of senior executives and company directors can be set up to draw up these parameters. That's a good way to push ahead with the rationalization program in a large organization, since the appointment of the committee signals the top management's commitment to the task. a high-level committee is also necessary because the process inevitably becomes an opportunity to check if the company should exit some markets or countries where all its brands perform poorly.

Parameters which can be used to prune the portfolio can be:

- To retain only those brands that are number one or number two in their segments, as measured by market share, profits, or both.
- Companies in fast growth industries can choose to keep brands that display the potential to grow rapidly.
- Manufacturers that depend on retailers for sales can focus on brands that draw shoppers into stores.
- Individual parameters are not either-or criteria and can be combined to arrive at their filters.

MODEL 2

In this model, companies can identify the brands they need in order to cater to all the consumer segments in each market. By identifying distinct consumer segments and assuming only one brand will be sold in each segment, executives can infer the right size of the portfolio for a particular category. Companies can decide which brands to keep in each market in a number of ways:

General parameters can be considered akin to those that were applied to the entire portfolio, such as market share or growth potential, to select the brands to focus on in each market.

The market can be re-segmented and those brands can be identified that are needed to cater to the new segments. For instance, firms can segment markets based on consumer needs rather than by price or product features. Companie s can use both approaches also. For instance, they may start by rationalizing brand portfolios category by category and when they still find themselves with too many brands, they apply the portfolio approach to complete the task. And the process can easily be reversed.

***3.* Liquidating Brands**

After companies have identified all the brands they plan to delete, executives need to reevaluate each of them before placing it on one of four internal lists: merge, sell, milk, or kill.

MERGING BRANDS

Companies can opt for merging brands when the brands targeted for elimination have more than a few customers or occupy niches that might grow in the future. Executives can transfer product features, attributes, the value proposition, or the image of the marked brand to the one they plan to retain. They can do this around the same time they drop the brand, not before or after. By advertising the change and using promotions to induce consumers to try the replacement brand, marketers can get people to migrate from one to the other. However, merging brands is tricky. During Unilever's brand re-organization process, Antony Burgmans, Unilever's Vice chairman warned his marketers, "You are not migrating brands but migrating consumers."

SELLING BRANDS

Companies can sell brands that are profitable when they ***don't fit*** in with corporate strategy. They might be profitable but in categories that the company does not want to focus on. In such cases, the brand's market value is often greater than the value the company places on it, making it a good candidate to put up for sale.

MILKING BRANDS

Some of the brands that companies want to delete may still be popular with consumers. If selling them is not possible because of either strategic or sentimental reasons, companies can milk the brands by sacrificing sales growth for profits. They can stop all marketing and advertising support for such brands, apart from a bare minimum to keep products moving off the shelves. They can also try to save on distribution costs and reduce retailer margins by selling only on the Net. Finally, the organization should move most managers off the teams that handle these brands. As sales slowly wind down, companies maximize profits from these brands until they are ready to be dropped entirely.

ELIMINATING BRANDS

Companies can drop most brands right away without fearing retailer or consumer backlash. These are the brands for which they have had trouble getting shelf space and buyers in the first place. To retain what customers they do have, companies can offer samples of their other brands, discount coupons or rebates on the replacement brands, and trade-ins.

4. Growing The Core Brands

The **fourth and final step** in the brand portfolio rationalization process is not destructive, but creative. At the same time that corporations delete brands, they should invest in the growth of the remaining brands. There may be hesitation in doing this because profits would soar as they drop brands. But they should not forget that the business is also shrinking in terms of sales and people, which can cause as much trouble as the proliferation of brands did. Stagnation could set in, and demoralized managers might leave the organization. Sensing that the firm has lost its appetite for innovation and risk, rivals can also move in aggressively. Companies can reap the benefits of brand deletion only if they reinvest the funds and management time they have freed either into the surviving brands or into discerningly launching new ones and taking over other brands. Establishing a brand portfolio rationalization program shouldn't be a priority solely for marketers. It has to be a top management mandate, especially since companies' contract when they delete brands. While the profit payoffs come early in the program, it takes firms anywhere from three to five years to recoup revenues, depending on the number of brands they delete. So clearly, the top management team needs to agree to the financial objectives as well as to the timetable for their achievement. The team also has to buy time from shareholders, who usually prefer measures that deliver earnings per share increases in the next quarter. Done right, however, a brand portfolio rationalization project will result in a company with profitable brands that is poised for growth.

SIGNS OF BRAND PRUNING

There are some telltale signs left behind by the brand killing managers. This would help identify whether a company is on its way to destroying a brand. Under no circumstances should one conclude that if one clue is present, "Pruning" is happening there.

Sign 1: Constant cuts in ad budgets year after year.
Sign 2: More sales promotions than advertisements.
Sign 3: More emphasis on "push" than on "pull".
Sign 4: Little or no emphasis on consumer research and contact.
Sign 5: Non-marketing people in charge of marketing.

EXAMPLES OF COMPANIES PRUNING THEIR BRANDS EFFECTIVELY

- **Electrolux:** Take, for example, the manner in which Electrolux rationalized its portfolio of brands in the professional foodservice equipment market in Western Europe. In the late 1990s, the consumer durables manufacturer offered a range of equipment that included ovens, chillers, freezers, refrigerators, and stoves for professional kitchens in hospitals, airports, cafeterias, hotels, and restaurants.

Before it attempted a turnaround, **Electrolux** conducted market research in 1996 and found that many customers were willing to pay premiums for leading brands. At almost the same time, CEO Michael Treschow announced a rationalization of the company's portfolio of 70-plus brands. That's when Electrolux executives realized that if they replaced the 15 small brands in the professional market with a few big brands, they might just be able to make money. That still begged the question: How many brands did Electrolux need to cater to customers in this market?

Having four pan-European brands, instead of 15 local brands allowed Electrolux to manage the brand portfolio more effectively. The company developed international marketing and communication tools, such as new advertising and showroom concepts, Web sites, newsletters, road shows, and exhibitions to ensure that customers perceived each brand as the best in its segment. Electrolux was also able to design more appropriate products for the brands because it better understood the needs of its customers. The resulting economies of scale and scope helped turn around the fortunes of the business. Although Electrolux deleted 12 brands, the division's sales never fell.

Indian Example: The following is an illustration of how **Electrolux** changed the consumer mind from **Kelvinator** towards its core Brand in a phased but very effective manner.

"Electrolux came into India through acquisitions and thereafter, mergers.Through the above strategy Electrolux had with it the *Kelvinator, Allwyn, Voltas* and *Maxclean* brands, apart from Electrolux. From January 1, 2004, all the brands were brought under the Electrolux umbrella. At the same time, to retain the customers that had a greater recall for the "Kelvinator" brand, it was not totally vanished at the dealer level. In order to keep the potential Kelvinator consumer informed, the company besides instructing the selling points to educate the customers about the amalgamation of the "Kelvinator" brand, had stuck stickers inside its direct cool refrigerators, which explained that *Kelvinator is now Electrolux*." (Singh, Lamba-2005)

POWER BRAND FOCUS & CUSTOMER RETENTION

Defocusing on loss-making brands normally leads to better resource allocation to stronger brands. An analysis of the same is shown below:

Expenses Saved on Killed Brands	Renewed Focus on Core Brands
Advertising and Promotional Expenses. Reduction in Factors producing eliminated Brands.	Reduction in Brand Cannibalization. Focused advertising and promotional spends.
Consolidated Purchasing expenses.	Effective supply chain.
Improvement in Operating Margins.	Supporting core Brands with best managerial talents.
Improvement in bottom line.	Enhanced Product developmental efforts. Renewed Positioning.

(Singh,Lamba-2005)

The performance of the **HLL, HPC** division just after the implementation of the "Power Brand" strategy, as shown in the table below serves as an apt illustration in the portfolio consolidation process.

CUSTOMER RETENTION

From the consumers' point of view, certain steps need to be taken. These include, i) gradually streamlining ranges and harmonizing products thus making the value proposition less distinctive; ii) harmonizing pack design and logotypes so that consumers loyal to discontinued *brands* gradually learn to appreciate the visual language of the *brand* that is staying; iii) Developing a joint strategic *brand* position so as to achieve a gradual transition of the *brand* proposition in the consumers' mind. (Singh & Lamba-2005)

DISADVANTAGES OF BRAND PRUNING-A NOTE OF CAUTION

- **KILL THE BRAND, NOT THE PRODUCT**: A pruned brand might possess qualities that are the core behind consumer loyalty. Incorporating these qualities in the mother brand in case of merging brands, advertising the change and inducing the customers to buy the replacement brand, the marketers should try to migrate these customers. Sales promotions like sampling and discount coupons could be carried out in this regard. (Singh, Lamba-2005)

• **LOCALIZED BRANDS:** Certain brands that are added to the portfolio, although are low contributors to Total Revenues serve as entry barriers for competitors to enter certain regions. Phasing out these brands could mean customer anger. So, advertising enough for regional sustenance should be carried out, reducing emphasis on a national scale. (Singh, Lamba-2005)

• **LEGAL SAFEGUARDS**: While selling a brand, the marketer should create legal safeguards preventing use of the brand name for a limited period of time, thus ensuring that these brands don't return as rivals. (Singh, Lamba-2005)

• **HERITAGE BRANDS**: These are outdated Brands, but enjoy a sense of loyalty and emotional involvement amongst the marketers who initiated them. These need to be eliminated, in a gradual manner, keeping the people's issue in mind. (Singh, Lamba-2005)

• **COMPETITOR IMPACT**: In a belief that the organization has lost its urge for innovation in its process of killing brands, competitors speed their activity. Rational reinvestment of funds at this stage should be undertaken by the company in its core brands thus retaining competitiveness. (Singh, Lamba-2005)

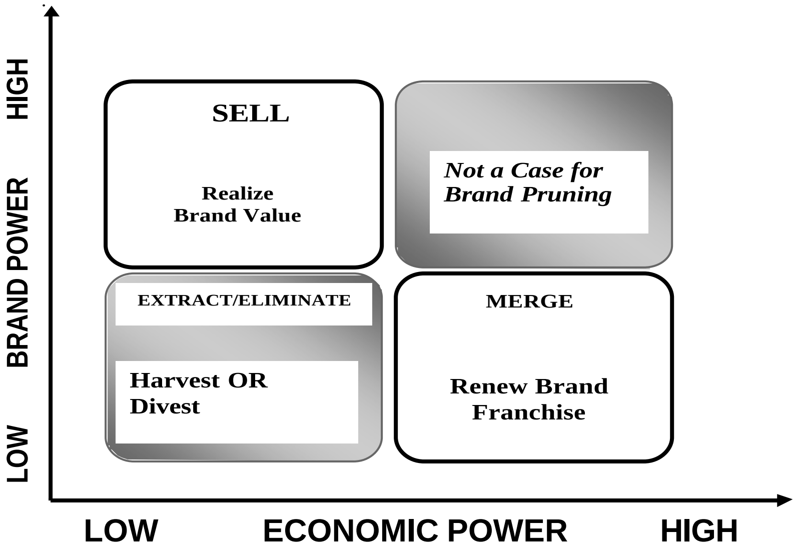
• **EROSION OF BUFFER BRANDS**: Many FMCG companies simply retain the prunable Brands only to engage the shelf space of the retailers so that the competitors' Brands cannot get any space on the shelf.(Example HLL's Breeze is a buffer Brand to Nirma's Nima Rose.)

• **EROSION OF CONFIDENCE:** If a company starts Brand Pruning in a regular manner, then the psychological impact may be negative to a consumer who used to see that Brand in a regular manner on the retailer's shelf.

ALTERNATIVES TO PRUNE A BRAND

The **BrandCheck** brings forth a set of short listed brands that need to be killed, taking into account certain few considerations. There are two key parameters that need to be considered while evaluating alternatives:

- **Brand Power:** The level of awareness enjoyed by the Brand and the period for which it has been in the marketplace.
- **Economic Power:** The contribution of the brand to profits and revenues of the parent company.



(Singh & Lamba-2005)

RESULTANT ALTERNATIVES

SELL THE BRAND: This is possible when the Brand is an attractive proposition for another company due to Brand Power. However, being undifferentiated from the brands in the same category of the parent company, the Economic Power is low. Also, the Brand does not fit into its business design.

"**The want for focus on a top tier of beauty care brand forced Procter and Gamble to sell *Clearasil* to Boots Healthcare International for £ 230 m – a case of strategic misfit**." **(Singh, Lamba-2005)**

EXTRACT: In a scenario wherein the market is niche, customer loyalty is high and brand elimination shall lead to negative publicity, harvesting the brand with minimal advertising enough to sustain the loyal base is recommended **(a cash Cow)**.

"Less as a Growth strategy and more as a limited demand serving one, Hindustan Motors has continued to milk profits out of its *Ambassador* which has seen sales falling to 800-900 units a month." (Singh, Lamba-2005)

ELIMINATE: Wherein continuation of a brand can only lead to negative PR, and there is absolutely no alignment with the business design/core competence, it becomes necessary to divest the brand without paying a head to customer/channel reaction.

"Unknown to many people, the present "*Maxima*" range of watches is the erstwhile "*Purewal"* quartz that went into substantial losses. Both these are from the stable of Purewal and Associates who found it appropriate to kill the brand "*Purewal" in exchange of Maxima*." (Singh, Lamba-2005)

MERGE THE BRAND: High Economic Power with a significant consumer base, but an undifferentiated positioning leads to merger with a master brand in the same product category by transfer of attributes. Existing customers carry on with brand transition, and a new larger overall customer base is created.

"In an attempt to rationalize its portfolio of brands as well as cost reductions, HLL has merged its various Tea Brands under a single brand umbrella – *Brooke Bond*. This implies weakening the power of brands like Taj Mahal, Red Label, and Taaza." (Singh, Lamba-2005)

CORPORATE BRANDING: As companies in various sectors move from a product centric strategy to a promise-centric strategy, killing sub-brands and stressing a corporate brand allows a corporate identity that can be flexible in its offering.

"For portraying the image of a Pan-India presence, AT &T brand in Maharashtra, Goa and Gujarat, the Tata Cellular brand in Andhra Pradesh and the RPG Cellular brand in Madhya Pradesh and Chattisgarh were replaced by a singular corporate entity "IDEA"". (Singh, Lamba-2005)

LEGAL CONSIDERATIONS: In certain areas, laws prevent use of a brand name, thus killing a brand in exchange for an alternate brand name.

"To allow the apparel venture *Wills Lifestyle* to operate without charges of surrogate advertising, ITC had to drop the names *WILLS* from the Navy Cut brand thus reducing the equity provided by *Wills Brand*." (Singh, Lamba-2005)

EXAMPLE OF A BRAND WHICH REFUSED TO DIE

Coca cola attempting to kill **Thumps-up** in India in the late 90's is a perfect example of a brand refusing to die and come back even stronger after the attempt due to its dynamic presence in the mind of consumers.

The entry of **Coke**, in 1993, made things complicated for the soft drinks market in India and the fight became a three-way battle (one including of Pepsi). That same year, in a move that baffled many, Parle sold out to Coke for a mere US$ 60 million. Some assumed Parle had lost the appetite for a fight against the two largest cola brands; others surmised that the international brands seemingly endless cash reserves psyched-out Parle. Either way, it was now Coca-Cola's, or Coke has a habit of killing brands in its portfolio that might overshadow it. Coca-Cola apparently did try to kill **Thums Up**, but soon realized that Pepsi would benefit more than Coke if Thums Up was withdrawn from the market. Instead, Coke decided to use Thums Up to attack Pepsi.

From a brand that was virtually unchallenged to a brand that was stifled, **Thums Up** stormed back after a near death experience. The brand proves that its strength lies not just in its taste but also in its performance. The grown up tag is an enduring one and will probably counter Pepsi for a long time to come.

CONCLUSION

In today's cluttered scenario, a consumer is exposed to more than 1500 advertising messages a day, encounters more than 200 edible oils, 150 soaps and 90 Toothpastes on the shelves of grocery stores to choose from, and thus is constantly evolving, the term **focus** seems to get lost.

This makes **Brand Pruning** not just a marketing issue, in which a suboptimal portfolio dilutes marketing messages and confuses customers; it also directly affects corporate profitability. According to the research of **Anocha Aribarg and Neeraj Arora** (2003), a multibrand firm can improve its portfolio profit by carefully managing variant overlap by Brand Pruning. Ill-defined and overlapping brands in a portfolio lead to erosion in price premiums, weaker manufacturing economies, and sub-scale distribution. In a slower economy, the problems of an underperforming portfolio are even more acute. While adding brands is easy, it becomes difficult to harvest the value in a brand or to divest it.

Most companies haven't put systematic brand-Pruning processes in place. Mainly because executives believe it is easy to erase brands; they have only to stop investing in a brand, they assume, and it will die a natural death. They're wrong. When companies drop brands clumsily, they antagonize customers, particularly loyal ones. In fact, most attempts at brand deletion fail after companies club together several brands or switch from selling local brands to global or regional brands (they were able to maintain market share less than 50 percent of the time). Similarly, when firms merged two brands, in most of the cases, the market share of the new brand stayed below the combined market share of the deleted brand.

Therefore, for Brand Pruning to be used as an effective tool in the Marketer's arsenal, the first priority will be to get managers at all levels of the organization to back the decision maker because Brand Pruning is a traumatic process. Brand and country managers, whose careers are wrapped up in their brands never take easily to the idea. Customers and channel partners defend even inconsequential and loss-making brands. There will always be pressure from senior executives to retain brands for sentimental or historical reasons. Indeed, brand rationalization programs have often become so bogged down by politics and turf battles that many companies are paralyzed by the mere prospect.

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