

# brandcareers - glossary

Look up those branding terms that have been on your mind.

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**Awareness** The percentage of population or target market who are aware of the existence of a given brand or company. There are two types of awareness: spontaneous, which measures the percentage of people who spontaneously mention a particular brand when asked to name brands in a certain category; and prompted, which measures the percentage of people who recognise a brand from a particular category when shown a list.



**Brand** A brand is a mixture of attributes, tangible and intangible, symbolised in a trademark, which, if managed properly, creates value and influence.

"Value" has different interpretations: from a marketing or consumer perspective it is "the promise and delivery of an experience"; from a business perspective it is "the security of future earnings"; from a legal perspective it is "a separable piece of intellectual property." Brands offer customers a means to choose and enable recognition within cluttered markets.

**Brand Architecture** How an organization structures and names the brands within its portfolio. There are three main types of brand architecture system: monolithic, where the corporate name is used on all products and services offered by the company; endorsed, where all sub-brands are linked to the corporate brand by means of either a verbal or visual endorsement; and freestanding, where the corporate brand operates merely as a holding company, and each product or service is individually branded for its target market.

**Brand Associations** The feelings, beliefs and knowledge that consumers (customers) have about brands. These associations are derived as a result of experiences and must be consistent with the brand positioning and the basis of differentiation.

**Brand Commitment** The degree to which a customer is committed to a given brand in that they are likely to re-purchase/re-use in the future. The level of commitment indicates

the degree to which a brand's customer franchise is protected from competitors.

**Brand Earnings** The share of a brand-owning business's cashflow that can be attributed to the brand alone.

**Brand Equity** The sum of all distinguishing qualities of a brand, drawn from all relevant stakeholders, that results in personal commitment to and demand for the brand; these differentiating thoughts and feelings make the brand valued and valuable.

**Brand Essence** The brand's promise expressed in the simplest, most single-minded terms. For example, Volvo = safety; AA = Fourth Emergency Service. The most powerful brand essences are rooted in a fundamental customer need. Also, in Interbrand's model, a vivid distillation of the Brand Platform.

**Brand Experience** The means by which a brand is created in the mind of a stakeholder. Some experiences are controlled such as retail environments, advertising, products/services, websites, etc. Some are uncontrolled like journalistic comment and word of mouth. Strong brands arise from consistent experiences which combine to form a clear, differentiated overall brand experience.

**Brand Extension** Leveraging the values of the brand to take the brand into new markets/sectors.

**Brand Harmonisation** Ensuring that all products in a particular brand range have a consistent name, visual identity and, ideally, positioning across a number of geographic or product/service markets.

**Brand Identity** The outward expression of the brand, including its name and visual appearance. The brand's identity is its fundamental means of consumer recognition and symbolizes the brand's differentiation from competitors.

**Brand Image** The customer's net "out-take" from the brand. For users this is based on practical experience of the product or service concerned (informed impressions) and how well this meets expectations; for non-users it is based almost entirely upon uninformed impressions, attitudes and beliefs.

**Brand Licensing** The leasing by a brand owner of the use of a brand to another company. Usually a licensing fee or royalty rate will be agreed for the use of the brand.

**Brand Management** Practically this involves managing the tangible and intangible aspects of the brand. For product brands the tangibles are the product itself, the packaging, the price, etc. For service brands (see Service Brands), the tangibles are to do with the customer experience - the retail environment, interface with salespeople, overall satisfaction, etc. For product, service and corporate brands, the intangibles are the same and refer to the emotional connections derived as a result of experience, identity, communication and people. Intangibles are therefore managed via the manipulation of identity, communication and people skills.

**Brand Mission** See [Brand Platform](#).

**Brand Parity** A measure of how similar, or different, different brands in the same category are perceived to be. Brand parity varies widely from one category to another. It is high for petrol, for example: about 80% of respondents (BBDO survey) see no real difference between brands. By contrast, brand parity for cars is low: only about 25% of respondents say that one make is much the same as another.

**Brand Personality** The attribution of human personality traits (seriousness, warmth, imagination, etc.) to a brand as a way to achieve differentiation. Usually done through

long-term above-the-line advertising and appropriate packaging and graphics. These traits inform brand behavior through both prepared communication/packaging, etc., and through the people who represent the brand - its employees.

**Brand Platform** Interbrand's proprietary model for defining brands. The Brand Platform consists of the following elements:

- **Brand Vision** The brand's guiding insight into its world.
- **Brand Mission** How the brand will act on its insight.
- **Brand Values** The code by which the brand lives. The brand values act as a benchmark to measure behaviors and performance.
- **Brand Personality** The brand's personality traits (See also definition for [Brand Personality](#)).
- **Brand Tone of Voice** How the brand speaks to its audiences.

**Brand Positioning** The distinctive position that a brand adopts in its competitive environment to ensure that individuals in its target market can tell the brand apart from others. Positioning involves the careful manipulation of every element of the marketing mix.

**Brand Strategy** A plan for the systematic development of a brand to enable it to meet its agreed objectives. The strategy should be rooted in the brand's vision and driven by the principles of differentiation and sustained consumer appeal. The brand strategy should influence the total operation of a business to ensure consistent brand behaviors and brand experiences.

**Brand Tone of Voice** See [Brand Platform](#).

**Brand Valuation** The process of identifying and measuring the economic benefit - brand value - that derives from brand ownership.

**Brand Values** The code by which the brand lives. The brand values act as a benchmark to measure behaviors and performance. (See also [Brand Platform](#).)

**Brand Vision** See [Brand Platform](#).

**Branding** Selecting and blending tangible and intangible attributes to differentiate the product, service or corporation in an attractive, meaningful and compelling way.

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**Co-branding** The use of two or more brand names in support of a new product, service or venture.

**Consumer Product** Goods (consumer goods) or services (consumer services) purchased for private use or for other members of the household.

**Core Competencies** Relates to a company's particular areas of skill and competence that best contribute to its ability to compete.

**Corporate Identity** At a minimum, is used to refer to the visual identity of a corporation



(its logo, signage, etc.), but usually taken to mean an organization's presentation to its stakeholders and the means by which it differentiates itself from other organizations.

**Country of Origin** The country from which a given product comes. Customers' attitudes to a product and their willingness to buy it tend to be heavily influenced by what they associate with the place where it was designed and manufactured.

**Customer Characteristics** All distinguishing, distinctive, typical or peculiar characteristics and circumstances of customers that can be used in market segmentation to tell one group of customers from another.

**Customer Relationship Management (CRM)** Tracking customer behavior for the purpose of developing marketing and relationship-building processes that bond the consumer to the brand. Developing software or systems to provide one-to-one customer service and personal contact between the company and the customer.

**Customer Service** The way in which the brand meets its customers' needs via its various different channels (for example, over the telephone or Internet in the case of remote banking, or in person in the case of retail or entertainment).



**Demographics** The description of outward traits that characterize a group of people, such as age, sex, nationality, marital status, education, occupation or income. Decisions on market segmentation are often based on demographic data.

**Differential Product Advantage** A feature of a product that is valuable to customers and is not found in other products of the same category.

**Differentiation** Creation or demonstration of unique characteristics in a company's products or brands compared to those of its competitors.

**Differentiator** Any tangible or intangible characteristic that can be used to distinguish a product or a company from other products and companies.



**Endorsed brand** (See [Brand Architecture](#).) Generally a product or service brand name that is supported by a masterbrand - either dominantly e.g. Tesco Metro or lightly e.g. Nestle Kit-Kat.



**FMCG** Fast moving consumer goods. An expression used to describe frequently purchased consumer items, such as foods, cleaning products and toiletries.

**Focus Group** A qualitative research technique in which a group of about eight people is invited to a neutral venue to discuss a given subject, for example hand-held power tools. The principle is the same as an in-depth

interview, except that group dynamics help to make the discussion livelier and more wide-ranging. Qualitative groups enable the researcher to probe deeper into specific areas of interest (for example, the nature of commitment to a brand). The result adds richer texture to the understanding of broader data (for example, quantitative), which may paint general trends or observations. Also known as a group discussion.

**Freestanding Brand** (See [Brand Architecture](#).) A brand name and identity used for a single product or service in a portfolio, which is unrelated to the names and identities of other products in the company's portfolio.

**Functionality** What a product does for the buyer and user; the utility it offers the user; what he or she can do with it.



**Goods** A product consisting predominantly of tangible values. Almost all goods, however, have intangible values to a greater or lesser extent.

**Group Discussion** See [Focus Group](#).



**High Technology** (*high tech*) A term with vague and far-reaching meaning. This covers electronics, data technology, telecommunications, medical technology and bio-chemistry. In order to be classed as a high tech company, one definition is that at least 35 percent of staff should have a technical qualification, and at least 15 percent of sales should be used for R&D. Another definition states that the company must employ twice as many scientists and engineers and invest twice as much in R&D as the average of all manufacturing companies in the country.



**Intangibles** "Intangible" - incapable of being touched. (1) Intangible assets - trademarks, copyrights, patents, design rights, proprietary expertise, databases, etc. (2) Intangible brand attributes - brand names, logos, graphics, colors, shapes and smells. (See [Service Brand](#).)



**Launch** The initial marketing of a new product in a particular market. The way in which the launch is carried out greatly affects the product's profitability throughout its lifecycle.





**Market Leader** A company that has achieved a dominant position - either in scale (e.g., British Airways) or influence (e.g., Virgin) - within its field. This leading position often comes about because the company was the first to market a certain type of product and, with the protection of a patent, has managed to consolidate its position before direct competition was possible. Alternatively, a company may overtake a previous market leader through greater efficiency and skilful positioning.



**Market Position** A measure of the position of a company or product on a market. Defined as market share multiplied by share of mind.

**Market Segment** A group of customers who (a) share the same needs and values, (b) can be expected to respond in much the same way to a company's offering, and (c) command enough purchasing power to be of strategic importance to the company.

**Market Share** A company's share of total sales of a given category of product on a given market. Can be expressed either in terms of volume (how many units sold) or value (the worth of units sold).

**Mass Marketing** Simultaneous standardized marketing to a very large target market through mass media. Other names for this are market aggregation and undifferentiated marketing.

**Masterbrand** A brand name that dominates all products or services in a range or across a business. Sometimes used with sub-brands, sometimes used with alpha or numeric signifiers. (See also [Monolithic Brand](#).) Audi, Durex, Nescafe and Lego, for example, are all used as masterbrands.

**Monolithic Brand** A single brand name that is used to "masterbrand" all products or services in a range. Individual products are nearly always identified by alpha or numeric signifiers. Companies like Mercedes and BMW favor such systems.

**Multibrand Strategy /Multiple Branding** Marketing of two or more mutually competing products under different brand names by the same company. The motive may be that the company wishes to create internal competition to promote efficiency, or to differentiate its offering to different market segments, or to get maximum mileage out of established brands that it has acquired. When a company has achieved a dominant market share, multibrand strategy may be its only option for increasing sales still further without sacrificing profitability. For example, Lever Brothers sells washing powders under the Persil, Omo and Surf names; Cadbury sells chocolates under the Dairy Milk, Bournville and Fruit & Nut names; Heinz sells canned convenience foods under the Baked Beans, Spaghetti Hoops and Alphabetti Spaghetti names.



**Names** There are three basic categories of brand (or corporate) name:

**Descriptive name** A name which describes the product or service for which it is intended, e.g., TALKING PAGES.

**Associative name** A name which alludes to an aspect or benefit of the product or service, often by means of an original or striking image or idea, e.g., VISA.

- **Freestanding name** A name which has no link to the product or service but which might have meaning of its own, e.g., PENGUIN.

The following are also helpful:

- **Abstract name** A name which is entirely invented and has no meaning of its own, e.g., ZENECA. Abstract names are a sub-set of freestanding names because they also have no link to the product of service.
- **Coined name** Any name which is in some way invented. Coined names can be descriptive (CO-CREATE), associative (IMATION) and freestanding/abstract (ZENECA).

**Niche Marketing** Marketing adapted to the needs, wishes and expectations of small, precisely defined groups of individuals. A form of market segmentation, but aimed at very small segments. Niche marketing characteristically uses selective media.



**OEM market** OEM stands for Original Equipment Manufacturers. The OEM market consists of companies that use another company's product as a component in their own production. A manufacturer of ball bearings, for example, sells both to OEM customers who build the bearings into machines, and to end users who need the bearings as spare parts for machines that they have bought from the OEMs. Most manufacturing companies thus have an OEM market and a replacement market. The latter is usually called the MRO market or aftermarket.



**Offering** What a company offers for sale to customers. An offering includes the product and its design, features, quality, packaging, distribution, etc., together with associated services such as financing, warranties and installation. The name and brand of the product are also part of the offering.



**Packaging Design** The design of the pack format and graphics for a product brand.

**Parent Brand** A brand that acts as an endorsement to one or more sub-brands within a range.

**Passing Off** The name given to a legal action brought to protect the "reputation" of a particular trademark/brand/get up. In essence, the action is designed to prevent others from trading on the reputation/goodwill of an existing trademark/brand/get up. The action is only available in those countries that recognize unregistered

trademark rights (for example the UK and US). In some countries, it is called "unfair competition action."

**Perceptual Mapping Graphic** Analysis and presentation of where actual and potential customers place a product or supplier in relation to other products and suppliers. Most perceptual maps show only two dimensions at a time, for example price on one axis and quality on the other. There also are methods of graphically analyzing and presenting measurement data in three or more dimensions.

**Positioning Statement** A written description of the position that a company wishes

itself, its product or its brand to occupy in the minds of a defined target audience.

**Power Branding** A strategy in which every product in a company's range has its own brand name which functions independently, unsupported by either the company's corporate brand or its other product brands. Power branding is a resource-intensive strategy, since each brand must be commercially promoted and legally protected. This strategy is used mainly by manufacturers of consumer goods. Lever's and Procter & Gamble's detergents are good examples of power brands.

**Product Brand** A brand which is synonymous with a particular product offering, for example, Cheerios.

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**Rebrand** When a brand owner revisits the brand with the purpose of updating or revising based on internal or external circumstances. Rebranding is often necessary after an M&A or if the brand has outgrown its identity/marketplace.

**Relative Market Share** Your own company's market share compared to those of your competitors. A large share confers advantages of scale in product development, manufacturing and marketing. It also puts you in a stronger position in the minds of customers, which has a positive influence on pricing.

**Relaunch** Reintroducing a product into a specific market. The term implies that the company has previously marketed the product but stopped marketing it. A relaunched product has usually undergone one or more changes. It may, for example, be technically modified, rebranded, distributed through different channels or repositioned.

**Repositioning** Communications activities to give an existing product a new position in customers' minds and so expanding or otherwise altering its potential market. Many potentially valuable products lead an obscure existence because they were launched or positioned in an inadequate manner. It is almost always possible to enhance the value of such products by repositioning them.

**Rollout** The process by which a company introduces a new product or service to different geographical markets or consumer segments.

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**Selective Media** Media that, unlike mass media, reach only small and identifiable groups of people, for example, members of a particular profession or industry or other groups defined by geographic, demographic or psychographic data (otherwise known as targeted media).

**Service Brand** A product consisting predominantly of intangible values. "A service is something that you can buy and sell, but not drop on your foot" (The Economist). In this sense, a service is something that you do for somebody, or a promise that you make to them.

**Share of Mind** There are many definitions of share of mind. At its most precise, share of mind measures how often consumers think about a particular brand as a percentage of all the times they think about all the brands in its category. More loosely, share of mind can be defined simply as positive perceptions of the brand obtained by market research. Whereas market share measures the width of a company's market position, share of mind can be said to measure its depth.

**Share of Voice** The media spending of a particular brand when compared to others in its category.

**Sub-brand** A product or service brand that had its own name and visual identity to differentiate it from the parent brand.

**Tangibles** "Tangible" - capable of being touched. (1) Tangible assets - manufacturing plant, bricks and mortar, cash, investments, etc. (2) Tangible brand attributes - the product and its packaging. (3) Tangible brand values - useful qualities of the brand known to exist through experience and knowledge.

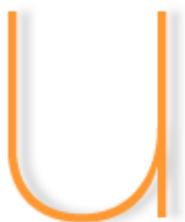
**Target Market** The market segment or group of customers that a company has decided to serve, and at which it consequently aims its marketing activities.

**Top-of-Mind** What is present in the uppermost level of consciousness; the manufacturer or brand that people in market surveys name first when asked to list products in a specific category. Top-of-mind is the highest degree of share of mind. To attain that position, a company normally needs to have a large share of voice in its category.

**Trademark** "Any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of another undertaking" (UK Trade Marks Act 1994).

**Trademark Infringement** A trademark registration is infringed by the unauthorized use of the registered trademark, or of one that is confusingly similar to it, on the registered goods or services, or in certain circumstances on similar or dissimilar goods and services.

**Trendsetter** Someone or thing that breaks a traditional mold or routine and gains a following because of it. iMac is an example of trendsetting in design as now office supplies come in the familiar colors and translucent packaging of an iMac.



**User Segmentation** Division of potential customers into market segments according to how and for what purpose they use a product. Do they use it for cleaning their teeth or for making cakes (baking powder)? For oiling their hair or for frying food? (True story concerning use of Brylcreem in Nigeria). As a decongestant chest rub or as an aphrodisiac? (True story concerning Ribby Rub in Caribbean).

**Visual Identity** What a brand looks like - including, among other things, its logo, typography, packaging and literature systems.



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