

# Power of Brand Innovation & Proliferation

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# BrandZ Top Brands 2015

Brand	Category	Brand Value 2015 \$M	Brand Contribution	Brand Value % change 2015 vs 2014	ch
	Technology	246,992	4	67%	
	Technology	173,652	4	9%	
	Technology	115,500	4	28%	
	Technology	93,987	4	-13%	
	Payments	91,952	4	16%	
	Telecom Providers	89,492	5	15%	
	Telecom Providers	86,009	5	36%	
	Soft Drinks	83,841	5	-4%	
	Fast Food	81,552	4	-5%	
	Tobacco	80,352	5	19%	

Rank	Brand	Brand Value	% Change	Rank	Brand	Brand Value	% Change
1	腾讯 TENCENT	\$1,200	+1%	11	联想 Lenovo	\$1,000	+2%
2	阿里巴巴 Alibaba	\$1,000	+1%	12	海尔 Haier	\$900	+1%
3	百度 Baidu	\$1,000	+1%	13	美的 Midea	\$850	+1%
4	华为 Huawei	\$1,000	+1%	14	格力 GREE	\$800	+1%
5	腾讯 TENCENT	\$1,000	+1%	15	小米 MI	\$750	+1%
6	阿里巴巴 Alibaba	\$1,000	+1%	16	联想 Lenovo	\$700	+1%
7	百度 Baidu	\$1,000	+1%	17	海尔 Haier	\$650	+1%
8	华为 Huawei	\$1,000	+1%	18	美的 Midea	\$600	+1%
9	腾讯 TENCENT	\$1,000	+1%	19	格力 GREE	\$550	+1%
10	阿里巴巴 Alibaba	\$1,000	+1%	20	小米 MI	\$500	+1%
21	联想 Lenovo	\$1,000	+1%	31	海尔 Haier	\$1,000	+1%
22	海尔 Haier	\$1,000	+1%	32	美的 Midea	\$1,000	+1%
23	美的 Midea	\$1,000	+1%	33	格力 GREE	\$1,000	+1%
24	格力 GREE	\$1,000	+1%	34	小米 MI	\$1,000	+1%
25	小米 MI	\$1,000	+1%	35	联想 Lenovo	\$1,000	+1%
26	联想 Lenovo	\$1,000	+1%	36	海尔 Haier	\$1,000	+1%
27	海尔 Haier	\$1,000	+1%	37	美的 Midea	\$1,000	+1%
28	美的 Midea	\$1,000	+1%	38	格力 GREE	\$1,000	+1%
29	格力 GREE	\$1,000	+1%	39	小米 MI	\$1,000	+1%
30	小米 MI	\$1,000	+1%	40	联想 Lenovo	\$1,000	+1%
31	海尔 Haier	\$1,000	+1%	41	美的 Midea	\$1,000	+1%
32	美的 Midea	\$1,000	+1%	42	格力 GREE	\$1,000	+1%
33	格力 GREE	\$1,000	+1%	43	小米 MI	\$1,000	+1%
34	小米 MI	\$1,000	+1%	44	联想 Lenovo	\$1,000	+1%
35	联想 Lenovo	\$1,000	+1%	45	海尔 Haier	\$1,000	+1%
36	海尔 Haier	\$1,000	+1%	46	美的 Midea	\$1,000	+1%
37	美的 Midea	\$1,000	+1%	47	格力 GREE	\$1,000	+1%
38	格力 GREE	\$1,000	+1%	48	小米 MI	\$1,000	+1%
39	小米 MI	\$1,000	+1%	49	联想 Lenovo	\$1,000	+1%
40	联想 Lenovo	\$1,000	+1%	50	海尔 Haier	\$1,000	+1%

# Brand Innovation

- Like products, brand is subjected to its life cycle, which can be much longer or shorter than a product life cycle. Therefore, brand needs innovation to **maintain its vitality** hence effects on top of its target customers' mind set.
- Brand innovation refers to continued innovation to **keep it fresh** and **relevant** to the dynamic changes of the marketing environment as well as the evolvement of customers' tastes, preferences, and desires.

# Brand Innovation

- Applying methods for **Strategic Change** to an offering's features and/or benefits **to create** new, **uncontested** market **space**.
- Transforms your brand into a dynamic, **relevant assets**, then directs it with purpose and creativity to a position of preference in your markets. It **requires** a **new** way of **thinking** and the **courage** and **commitment** by executive management to seek real and positive change. - BOLTgroup

# Brand Innovation

- A brand that goes through this transformation will **thrive today**, because it is current and relevant, and **grow tomorrow** because it anticipates and embraces the future.
- Through active participation, meaningful dialogue, and creative connections it will **build value with customers** and consumers.
- With knowledge and authority it will have the power to **challenge markets and competitors** with a new, vital energy. Its confidence will be envied. – BOLTgroup

# Brand Innovation

## Brand Innovation

Product Potential X Customer Potential

Take your product, or your company, and use your brand to **raise it to a higher power**—through the customer. That's your only assurance that you'll be tuned to the markets of tomorrow. Your **brand is the exponent.**

- Phipps 2013

# How to Innovate Branding

- Brand innovation as the key to the success of the brand, its cultivation and development is a complex process of multiple factors,
  - **Product** innovation,
  - **Name** innovation,
  - **Logo** innovation,
  - **Meaning** innovation

are indispensable part of the complex process, which provides the possibility for the brand innovation.



# Brand Innovation Examples

- The Story of Ivory
  - Creative brand name
  - Innovation by product

# Brand Innovation by Name

## 用名字創新品牌

- New Technology Developer Inc. => Legend Holding changes its brand name to “Lenovo”(Le=Legend, + novo=innovation)

# Brand Innovation by Logo

## 用標誌創新品牌

- Apple logo changes <http://thinkmarketingmagazine.com/index.php/apple-logo-evolution-story/>

# Brand Innovation by Logo

## 用標誌創新品牌

- Prudential changes its logo to modernize its brand image

[http://gds.parkland.edu/gds/!lectures/history/~0040\\_prudential/prudential.html](http://gds.parkland.edu/gds/!lectures/history/~0040_prudential/prudential.html)

- Logo Evolution of 38 Famous Brands

- <http://www.thedailytop.com/logo-history-of-37-famous-brands/>

# Brand Innovation by Name & Logo

- Federal Express => FedEx to disconnect with bureaucratic image carried by “Federal”, to differentiate from UPS, and become “youthful”.

# Brand Innovation by Communication: Nike

Nike emphasizes on Nikki (Diana) to **connect** with female market

# Brand Innovation by Ad Slogans

- McDonald's changes its slogan from "Look for the Golden Arch",... "We love to see you smile" => "I'm loving it"
  - <https://www.thrillist.com/eat/nation/looking-back-on-58yrs-of-mcdonalds-slogans>
- Coke & Pepsi each changes its slogan numerous time to keep the brand fresh, relevant
  - <http://www.coca-colacompany.com/stories/coke-lore-slogans/>
  - <http://www.gmdist.com/2012/12/11/pepsi-slogans-and-logos-throughout-the-years/>

# Brand Innovation by Logo & Ad Slogan

用標誌及廣告口號創新品牌

- Coca Cola & Pepsi



# Concluding Remarks for Brand Innovation 幾點結語

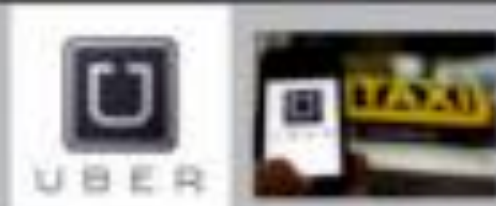
## BRAND INNOVATION MIX EXAMPLES

### PRODUCT INNOVATION



Consumers want to have a brand that is not only light but also powerful  
→ Apple provide and improve iPad to build iPad Air

### CHANNEL INNOVATION



→ In Vietnam, Uber is the 1<sup>st</sup> application that customers can take and pay for the taxi service directly via mobile phone

### PACKAGING INNOVATION



Through time, consumers have more diversity choice about the attributes of detergent  
→ DMO changed their packaging to meet customers' need.

### COMMUNICATION INNOVATION



→ DMO change the way of communication with mom to let kids free to learn & play

### PROCESS INNOVATION



→ Apple's innovation of Appstore to innovate the journey of consumer to access to Apple's software and music.

### PRICE INNOVATION



→ Big C offer very competitive & cheap price

# Brand Proliferation

- After effective brand innovation, many successful brands use **brand extension** to expand into different market segments or even diversified markets.
- However, brand extension has the risk of stepping too far outside the brand's comfort zone that **risks dilution** of brand meaning or even **contradicting** to the brand's **original success**.
- Brand proliferation provides a strategic solution for expanding into different market segments without risking dilution of the brand.

# Case: Marriott Hotel's Brand Proliferation

- Individually distinctive. Collectively powerful.
- Through an ever-evolving portfolio of innovative and award-winning brands created to answer precise market needs, Marriott continues to lead the way in customer satisfaction, and owner and franchisee preference.
- Fueling all levels of Marriott are the proven systems, support and services that provide the means for individual brands and hotels to operate efficiently and effectively, helping each to deliver the quality experience that guests worldwide have come to expect.
- (continued)

# The Case of Marriott Hotel's Brand Proliferation (continued)

- This – in concert with a tradition of attentive guest care, exceptional amenities, in-depth local knowledge and preeminent loyalty programs – empowers Marriott's **global brands** to continually set industry standards around the world.
- Details in the following slides

# The Case of Marriott Hotel's Brand Proliferation

- 5 categories, 13+6 segments, multi-brands

LUXURY

BVLGARI  
LUXURY HOTELS



COLLECTIONS

AUTOGRAF  
HOTELS

LIFESTYLE / BOUTIQUE

EDITION  
HOTELS



SIGNATURE

Marriott  
SIGNATURE HOTELS

SELECT SERVICE / EXTENDED STAY

THE  
COURTNEY  
HOTEL



Marriott  
EXTENDED STAY

# The Case of Marriott Hotel's Brand Proliferation

- Illustration of each of the multi-brands

## Recall, Marriott Hotel's Branding

- Individually distinctive &
- Collectively powerful.
- Effectively used **STP** & ?
- **Brand Proliferation** Strategy!

