

CHAPTER II

LITERATURE OVERVIEW

2.1. Brand

At the core of modern marketing is the notion of a brand, an ethereal yet powerfully influential entity that exists in the minds of customers. A brand is more than just a logo or a product; it is the combination of thoughts, emotions, and experiences that a customer links with a certain company, product, or service.

According to (Aaker, 1991) "A brand is a distinguishing name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors." Aaker's definition of "Brand" emphasizes the idea of a set of distinguishing features that differentiate goods or services provided by a seller from competitors. The American Marketing Association also puts forward a definition of a brand; "A brand is a name, term, design, symbol or any other feature that identifies one seller's goods or service as distinct from those of other sellers." The American Marketing Association defines what is a brand by emphasizing identifying features of a seller's goods or services that make it distinct from other sellers.

2.2. Brand Elements

Following the definitions of a brand, the core concept of a brand is the different components that identify and differentiate a brand from another. According to (Keller & Swaminathan, 2019) the components that build a brand are called brand elements. (Keller & Swaminathan, 2019) defines brand elements or brand identities as "Those trademarkable devices express that the main brand elements consist of brand names, URLs, logos, symbols, characters, spokespeople, slogans, jingles, packages, and signage."

2.2.1 Brand Name

(Aaker, 1991) expresses that a brand name is the foundation upon which brand equity is built, being the basis for brand awareness and communication efforts. (Farhana, 2012) proposes that a brand name forms an anchoring point for the identity of a product. (Keller & Swaminathan, 2019) emphasizes that brand names often capture the central theme or key associations of a product in a very compact and economical way. An advertisement for example, lasts thirty seconds, and a sales call could last hours, but customers can notice and recognize

the meaning of a brand name in seconds. Consumers associate brand names closely with the product. Therefore, brand names are the most difficult element of a brand to change. Changing brand names risks losing all the equity that a brand has, and it should be seen as a long-term commitment.

2.2.2. Uniform Resource Locators (URLs)

(Keller & Swaminathan, 2019) defines URLs as something that specify locations on the internet and are also commonly referred to as domain names. For someone wanting to own a specific URL address, they must register said URL and pay for the name with a service. Because of the overwhelming number of registered URLs, businesses sometimes must utilize newly invented terms for their new branding. One of the issues that companies must face regarding URLs is protecting their brand names from unauthorized use in other domain names. Therefore, URLs are a vital element for a brand, not only limited to communication purposes but also to protect the brand itself.

2.2.3. Logos and Symbols

(Keller & Swaminathan, 2019) proposes that visual elements play a critical role in building brand equity and brand awareness especially. A brand's visual identity contributes to establishing and maintaining the presence of a brand in the market. (Farhana, 2012) puts forward the idea that a visual representation of a brand promises the possibility of memorable and recognizable elements that build the brand association between the brand and its intended position. According to (Keller & Swaminathan, 2019), logos can range from corporate names or trademarks written in a distinctive form (word marks with text only) to an entirely abstract design that is not necessarily related to the word mark, corporate name, or corporate activities. The nonword mark logos are also often called symbols. (Aaker, 1995) wrote that a symbol can by itself create awareness, associations, and liking or feelings that can affect loyalty and perceived quality. A symbol that is rich in associations will contribute more as an asset to the brand.

2.2.4. Characters

(Keller & Swaminathan, 2019) puts forward that characters are defined as a specific form of trademark sign. Characters adopt human or real-life qualities. Brand characters that are colourful and rich in imagery are more likely to catch the attention of consumers and help raise

brand recognition. Brand characters may help firms stand out in the marketplace while also expressing essential product benefits.

2.2.5. Slogan

According to (Keller & Swaminathan, 2019), slogans are succinct statements that offer appealing or descriptive details about a company. Slogans frequently occur in advertising, but they may also play an essential part in packaging and other areas of marketing campaigns. Slogans are regarded as a great branding tool because, like brand names, they are a very effective, shorthand method of building brand equity.

(Aaker, 1995) puts forward that a slogan might serve as an extra association for the brand. It may be adjusted to promote a positioning strategy and incorporated into a brand name or symbol. A slogan can also help to clarify a brand's name and emblem. A slogan may enhance a name or emblem by using the brand name.

2.2.6. Jingles

(Keller & Swaminathan, 2019) defines jingles as musical messaging centred around a brand. Jingles frequently have captivating hooks and choruses that become virtually permanently imprinted in the brains of listeners. Jingles may be regarded a prolonged musical message, which identifies them as a brand aspect. Jingles, being musical in nature, are less transportable than other brand aspects. Jingles can convey the advantages of a brand, but they frequently convey the message of a product in an indirect and ethereal way. Jingles are seen to be the best approach to improve brand identification since they cleverly and humorously repeat company names many times, providing consumers with different ways to capture the message.

Consumers are also likely to repeat catchy jingles or mentally rehearse them even after the advertisement is over, providing even more opportunities to encode and increase memorability.

2.2.7. Packaging

(Kotler & Keller, 2012) defines packaging as all the activities of designing and producing the container for a product. The package is the first element that the consumer encounters with a product. (Keller & Swaminathan, 2019) proposes that packaging must fulfil numerous goals from the standpoints of both the company and the consumer: (1) identifying the brand, (2) conveying descriptive and compelling information, (3) facilitating product transit and protection, (4) assisting in at-home storage, and (5) promoting product use. To fulfil

marketing objectives and suit customer demands, packaging's aesthetic and functional components must be carefully selected. Aesthetic concerns control package design and size, material, colour, typography, and graphics.

. Functional considerations of packaging govern the structural design of the package.

The elements of a brand can be applied to many different forms of products. (Keller & Swaminathan, 2019) expresses that to brand a product, consumers must be taught about "who" the product is by using brand elements to identify it, what the product does, and why the consumers should care about the product. (Keller & Swaminathan, 2019) also says that one can brand many forms of products such as physical goods (Coca-Cola, Apple, Toyota), services (Garuda Indonesia, FedEx, Goldman Sachs), retailers & distributors (Tesco, Walmart, 7-Eleven), digital brands (Spotify, YouTube, Netflix), peoples & organizations (Gordon Ramsay, WHO, UNICEF), sports, arts, & entertainments (Formula 1, Star Wars, Marvel Cinematic Universe), geographic locations (Wonderful Indonesia, I Love New York, Cool Japan), and ideas & causes (Awareness Ribbons, Project Semicolon, Remembrance Poppy).

2.3. Marketing Communication

The core idea behind every successful brand's journey exists in the intricate art of conveying messages that resonate, inspire, and drive action. It is a dynamic field that orchestrates the interplay of strategy, creativity, and consumer engagement. It also finds its essence in the creation, delivery, and exchange of value. This field is embodied in marketing communication, a multifaceted discipline that bridges the gap between brands and their audiences. (Keller & Swaminathan, 2019) defines it as "Marketing communications are how companies attempt to inform, persuade, and remind consumers—directly or indirectly—about the brands they sell". That definition stresses the significance of a cohesive and synchronized approach to communication to influence consumer perceptions, attitudes, and behaviors, ultimately contributing to the development of strong brand equity.

In Keller's framework, Marketing Communication goes beyond mere promotion; it becomes a strategic effort that weaves together various elements, including advertising, public relations, personal selling, and digital communication. The goal is not just to convey information but to craft compelling narratives that resonate with the target audience, fostering a deep and enduring connection between the brand and consumers.

2.4. Digital Marketing

As defined by (Chaffey & Ellis-Chadwick, 2022), the application of the internet and other digital technologies alongside conventional forms of communication in achieving marketing goals is known as digital marketing.

The activities of digital marketing include the managing of online company presence in many forms, such as websites and social media pages. The management of search engine marketing, social media marketing, online advertising, email marketing, and partnership arrangements with other websites is also part of digital marketing.

2.5. Marketing Mix

In 1960, (McCarthy, 1968) introduced the concept of marketing mix, which comprises four key elements, often referred to as the 4Ps: Product, Price, Place, and Promotion. Each P represents a crucial aspect of the marketing strategy, collectively forming a comprehensive approach to meet consumer needs and achieve organizational objectives.

2.5.1. Product

The "Product" element is the foundation of the marketing mix. It encompasses the tangible or intangible offerings a company provides to satisfy the needs and wants of its target market. In the context of the 4Ps, product decisions involve considerations such as product design, features, quality, branding, and packaging. Successful product strategies align closely with customer needs, delivering value and differentiation in the marketplace.

2.5.2. Price

Determining the right "Price" is a critical aspect of the marketing mix. This involves setting a price that customers are willing to pay while ensuring profitability for the organization. Price decisions consider factors such as production costs, competitor pricing, perceived value, and pricing strategies. The chosen pricing strategy, whether it be penetration pricing, skimming pricing, or others, directly influences consumer perceptions and purchasing behavior.

2.5.3. Place

The "Place" element focuses on distribution channels and the strategic placement of products to make them accessible to the target audience. Decisions regarding where and how products are made available to customers significantly impact convenience and availability. Distribution channels may include physical stores, online platforms, wholesalers, and retailers.

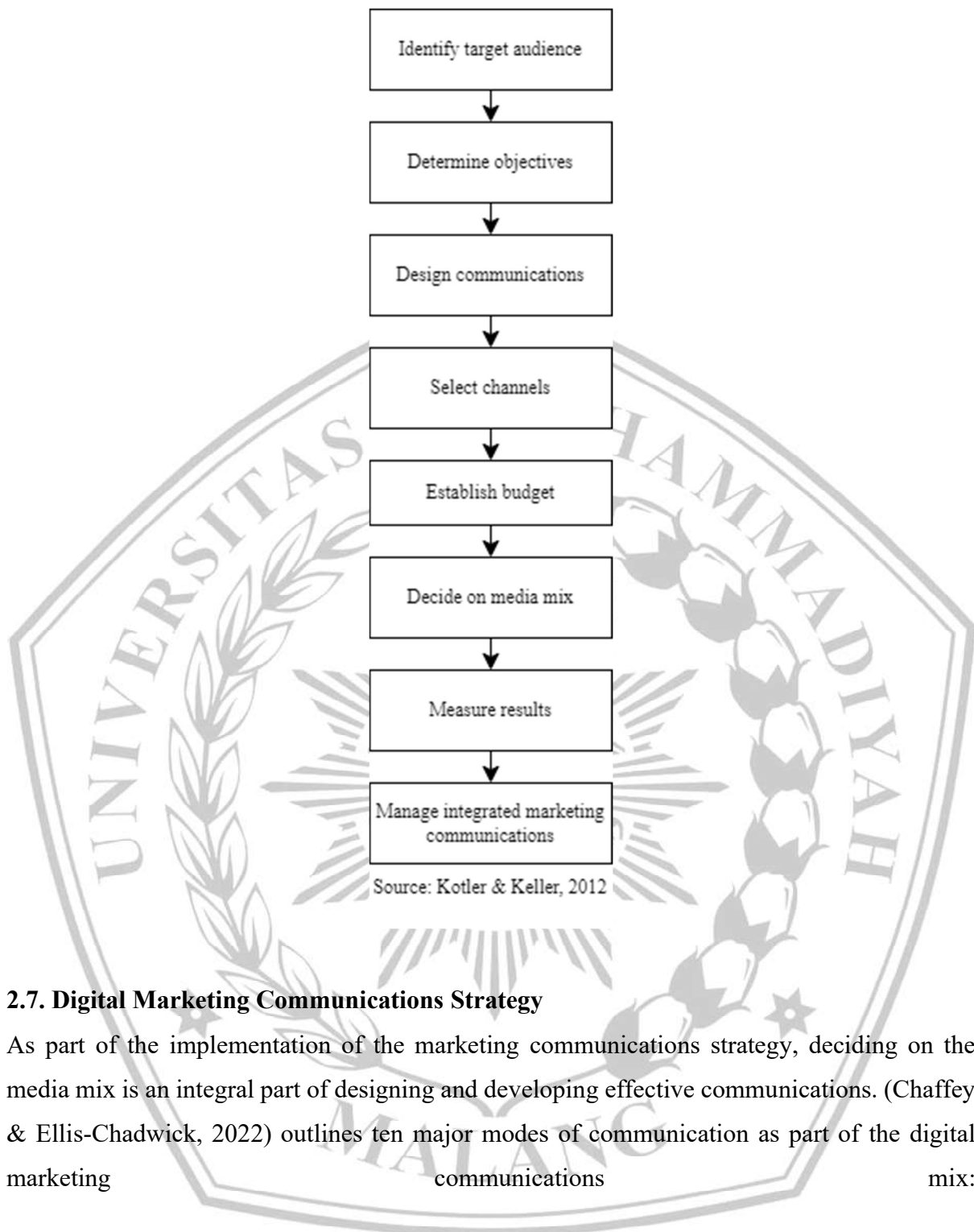
An effective "Place" strategy ensures that the product reaches the right customers at the right time.

2.5.4 Promotion

"Promotion" involves the methods used to communicate and persuade the target audience to buy the product. This element is about creating awareness, generating interest, and stimulating demand for the product. Promotion strategies include advertising, public relations, personal selling, sales promotion, and other promotional activities. The goal is to craft compelling messages that effectively communicate the product's benefits and differentiate it in a crowded marketplace.

2.6. Marketing Communications Strategy

Marketing communications strategy as defined by (Smith, et al, 1997) is the strategy that determines the message or the sequence of messages which should be shared with specific target audiences through the optimal communications mix. This strategy encompasses the integration of various communication tools and channels to convey a consistent and compelling message that resonates with the audience. (Hadawiah, 2022) puts forward that the definition of marketing communications strategy is the tool to achieve the objectives of informing, persuading, and promoting a marketing activity to achieve company success. In designing a marketing communications strategy, (Kotler & Keller, 2012) put forward eight steps in developing effective communications. The steps are: identify the target audience, determine communications objectives, design the communications, select the communications channels, establish the budget, decide the marketing communications mix, measure the results, and manage the integrated marketing communications.



2.7. Digital Marketing Communications Strategy

As part of the implementation of the marketing communications strategy, deciding on the media mix is an integral part of designing and developing effective communications. (Chaffey & Ellis-Chadwick, 2022) outlines ten major modes of communication as part of the digital marketing communications mix:

2.7.1 Advertising

Any form of paid nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor. In digital marketing, display ads, pay-per-click, and targeted advertising are the online implementation of the advertising mix.

2.7.2 Selling

Communications tool that involves selling the product directly to the customer. The online implementation of the selling element is a virtual sales staff, site merchandising, and assisted selling that includes live chats, and affiliate marketing.

2.7.3. Sales Promotion

Short-term incentives to encourage trial or purchase of a specific product or service. The online implementation is generally the same with coupons, rewards, and online loyalty schemes.

2.7.4. Public Relations

A wide range of actions and initiatives aimed at promoting or protecting a company's or its product, either internally to workers or externally to customers, other businesses, the government, and the media.

The online implementation includes influencer outreach, blogs, newsletters, social networks, links, and viral campaigns.

2.7.5. Sponsorship

The sponsoring of an event, site, or service. The online implementation is generally the same, focusing on online events and online services instead of physical ones.

2.7.6. Direct Mail

The use of mail, telephone, fax, e-mail, or Internet to communicate directly with, or solicit response or dialogue from specific customers and prospects. The online implementation includes opt-in email lists of e-newsletters.

2.7.7. Exhibitions

Activities and programs sponsored by a company designed to create daily or special brand-related interactions with consumers. The online implementation includes webinars, virtual exhibitions, and white-paper distributions.

2.7.8. Merchandising

Personalized recommendations and email alerts, and promoting ad-serving on retail sites are part of the merchandising element of the promotional mix.

2.7.9. Packaging

Showing packaging is part of the promotional mix. The online implementation of packaging is conducting virtual tours and showing the real packaging online.

2.7.10 Word-of-Mouth Marketing

Spoken, written, or electronic discussions between people about the benefits or experiences of acquiring or utilizing goods or services. Social, viral, affiliate, email, and the use of links are the online implementation of word of mouth digital marketing.

2.8. Brand Awareness

Name or brand awareness, as defined by (Aaker, 1995), refers to the strength of a brand's presence in the customer's mind. Awareness is measured in different ways in which a customer can remember a brand. The continuum of brand awareness ranges from an uncertainty that a brand is recognized, to a belief that in its product class, the brand is the only one that exists. The figure below shows that there are three distinct levels of brand awareness. The way to measure brand awareness ranges from recognition, which asks the question "Have you been exposed to this brand before?", to recall, which asks "What brands of this product category can you recall?", to top of mind, which is indicated by the brand being the first mentioned, and dominant, which is indicated by the brand being the only one that is recalled.



Source: Aaker, 1991

According to (Aaker, 1991), the lowest level of brand awareness is called brand recognition, where the audience can identify the brand names that they had heard of when given

a set of brand names. Brand recognition requires a link between the brand itself and the product class, and it is vital when a potential buyer chooses a brand at the point of purchase. The next level of brand awareness is called brand recall, where the audience can recall a brand name without being given any brand names. Unaided brand recall is significantly more difficult than brand recognition and requires a strong brand position and link between the brand and the product class. The first-named brand in an unaided recall has achieved the status of top-of-mind awareness. Top-of-mind awareness is a very special position since it is ahead of other brands in an audience's mind.

The link between the brand and product class in the customer's mind can be defined as brand association. (Aaker, 1995), puts forward that brand association or brand image is the association customers make with a brand. Product qualities, a spokesperson, or a symbol may all be associated. Brand associations are driven by brand components, which are the values the business wants the brand to represent in the minds of its customers.

2.9. Driving Brand Awareness

Establishing brand awareness, (Keller & Swaminathan, 2019) put forward that it means increasing the familiarity of the brand through repeated exposure. The more a consumer experiences a brand's element, including advertising, sponsorship, event marketing, publicity and public relations, and outdoor advertising by seeing, hearing, or thinking about said brand, the more likely they will register the brand strongly in their memory. To achieve awareness, (Aaker, 1991) defines that it requires two key tasks; gaining a brand name identity and linking it to the product class. Several steps can be taken to achieve, maintain, or improve brand awareness.

2.9.1. Be Different, Memorable

To design a message that drives awareness, (Aaker, 1991) puts forward that the message should create a cause to be recognized and remembered, with the key being to simply be distinctive and interesting. Even with distinctive and unconventional marketing strategies, it is vital to establish a connection between the brand and the product category.

2.9.2. Involve a Slogan or Jingle

(Aaker, 1991) emphasize the importance of a slogan or a jingle to help in brand recall. A slogan's connecting potential is greater since it incorporates a recognizable product feature.

2.9.3. Symbol Exposure

According to (Aaker, 1991), A symbol involves a visual image that is easier to learn and to recall than a word or a phrase. If a symbol is closely linked to a brand, it has the potential to take part in a significant way in creating and maintaining awareness.

2.9.4 Publicity

In utilizing publicity to drive brand awareness, (Aaker, 1991) highlights how individuals are more likely to read a news item than an advertising. The ideal circumstance occurs when the product is intrinsically intriguing; if the product is not noteworthy, an event, symbol, or other device must be established for exposure.

2.9.5. Event Sponsorship

(Aaker, 1991) highlights that the fundamental purpose of most event sponsorship is to raise or retain awareness. Having events linked with a brand increases exposure from spectators, including those who watch them live or on TV, as well as those who read about them before or after they occur.

2.9.6. Consider Brand Extensions

To gain brand recall, (Aaker, 1991) proposes utilizing brand extensions by putting the brand name on other products. By attaching a brand name to additional products, a brand gets brand exposure when said products are advertised, displayed, and used. (Aaker, 2014) also highlights how an established brand name can help a newer brand name by providing credibility and even access to a customer. The greatest value is to create awareness and associations with the new brand.

2.9.7. Using Cues

(Aaker, 1991) emphasizes how messages and cues from the product class, brand, or both may help with an awareness campaign. Packaging is an example of a brand cue with inherent value since it is the real stimulus that the customer is exposed to.

2.9.8. Recall Requires Repetition

To drive brand awareness, (Aaker, 1991) also emphasizes how creating brand recall is more challenging than creating recognition. It is necessary to increase the prominence of the brand name and establish a strong relationship between the brand and the product category. The essence of brand awareness remains constant, while brand recall declines with time.

2.9.9. The Recall Bonus

Constant exposure helps sustain a high top-of-mind awareness. (Aaker, 1991) opines that it can create more than just brand awareness, but also brand salience, that can hinder the recall of other brands.

2.10 Co-branding

In the dynamic landscape of contemporary marketing, co-branding emerges as a strategic symphony where two or more distinct brands harmoniously unite to compose a new narrative. (Keller & Swaminathan, 2019) wrote that "Co-branding—also called brand bundling or brand alliances—occurs when two or more existing brands are combined into a joint product or are marketed together in some fashion." Keller defines co-branding as a collaboration between two or more brands to create a unique offering that capitalizes on the strengths and equity of each brand. It allows brands to combine their resources, customer bases, and expertise to create a more compelling and differentiated product or service. Co-branding also enables brands to communicate their shared value proposition to a wider audience, benefiting from the positive associations of each brand partner. Effective co-branding requires a strong alignment of brand values, audience relevance, and a consistent narrative that resonates with consumers. The goal of co-branding, according to Keller, is to enhance brand perceptions, reach new markets, and generate additional value for both collaborating brands. It is a strategic alliance that leverages the unique strengths of each brand to create a compelling and differentiated offering in the market.