

Hello students.

Will be discussing the module number 19,

that is, factors influencing

decision for brand extension.

Rebranding and relaunching.

So this is the title of the

unit and the model name.

This is the outline of the unit.

After watching the video,

the student will be able to

identify the different factors

that influence brand extension.

Explain the meaning of

rebranding and relaunching.

Outline the two types of rebranding.

So first we will start with factors

influencing decision for extension.

We all know that the cost involved in

establishing a new brand is very high.

It is also known to each of us that the

new product failure rate is also very high.

Launching a new brand is pretty risky.

That is why marketers want to place

stay safe by extending the brand to

either in the same category or in a

different category which falls in

line with the parent brands promise.

Now the extension depends

upon various factors.

We look at some of these factors.

One such factor is perceived risk.

It is the evaluation of uncertainty

about the type and degree of expected

loss after the consumer makes a choice.

Another factor is the consumers

innovativeness, consumers.

Innovativeness is a personality

trait related to an individual's

receptivity to new ideas and willingness

to try new practices and brands.

A common observation is that

individuals with high innovativeness

are more venturesome and more willing to try new brands.

The response differences between highly innovative and less innovative consumers reflects to some extent differences in risk taking.

Propensity innovators tend to be less risk averse than other consumers.

The next factor that influences product brand extension is product similarity.

Greater the degree of the similarity of the extended product with the original product more is the chance of transferring the positive effect.

Several studies reported that the greater the similarity between the original and the extended category, the greater the transfer of the positive or negative.

Effect to the extended brand.

And the final factor is the parent

brand reputation in strength.

Brand's reputation is associated with the consumers perception of the quality of the brand.

Strong and reputed brands lever

is extension then weak brands.

A basic premise underlying the use of brand extension is that stronger brands provide greater leverage for extension then weaker brands.

So with that we have finished with the factors influencing decision for extension.

The next thing that we are going to be learning is.

The concept of rebranding.

Rebranding is the process of changing the image of a company or product.

Re branding is conducted within existing brand.

It involves changing the brand name, logo, visuals, packaging, marketing,

materials and any other defining aspect

of a brand consumer connectivity.

Re branding is the process of changing

the image of a company or product.

The aim is to make the new image

more attractive to consumers.

We brand to raise awareness

of companies or products.

New identity.

A company or product brand is

what gives its look and feel.

Therefore,

when we re brand we want to give the

company or a product a new look and feel.

There are two main types of free branding,

reactive and proactive.

Reactive is when the company responds

that is reacts to something.

It could be responding to a

series of events that have altered

the company's product image,

or it could also be due to legal problems or negative publicity.

It could also be due to a merger or acquisition.

Reactive occurs when the aim is to completely change or discontinue the company's image.

The other kind of rebranding is proactive.

If you do something proactively, it means you are taking action in advance rather than responding.

Proactive rebranding occurs when company executives are thinking ahead or see a growth opportunity.

Possible reasons include targeting a new market, changing focus or reconnecting with the customers.

Sometimes it may simply be a desire to innovate.

Now that we have seen what is rebranding?

We look at some of the reasons why
a brand should go for re branding.

There are a number of circumstances
that make re branding an option for
improvement in brand performance.

Here are some of the most common ones.

To change perceptions,
as we all know, a brand isn't
what always its owner says it is.

It is what the consuming public says it is.

Sometimes a brand does not end up
being perceived in the manner that
the owner would wish in this case
re branding is needed to cause
shifts in the brand perception.

The logo looks dated if a logo was
designed to follow a trend years ago,
it may now alienate consumers and potential
employees with its antiquated look.

If the brand is a vintage centered one,
this may be intentional and

contribute towards brand building.

If it's not, then the brands

market share will suffer.

This is mostly seen in many companies

which have moved on from detailed and

pronounced logos towards more minimalistic

and simplistic logos in recent years.

A product line change when products

are added, removed or changed.

The brand name or look may no longer be

representative of that new line of product.

Therefore, a rebranding may be in order.

Another reason is mistakes

in the original branding.

Maybe a brand was built without

proper target audience research.

Or maybe it was focused on

the wrong target audience.

Or perhaps the owner did not.

Or assign enough budget

to the graphic design,

no matter the reason.

Sometimes brands just aren't representative

of the needs of their ideal clients.

In this case,

rebranding with extensive research

and attention to the problem and

needs of the client should be enacted.

The customer's needs may also change,

people change and so to their problems

and their plans and their needs.

When this occurs, usually due to cultural,

technological or lifestyle

shifts within a focused group,

then re branding may be necessary

to reach those people meaningfully.

And finally, bankruptcy may also

be another reason for going for re

branding some forms of financial

restructuring will benefit or

require re branding as well.

Now we will look at relaunching of a brand.

Re launching a brand means thinking

beyond a new design or a new name.

It means going deeper.

This happens only from this happens not only

for brands which may not be doing well,

but also for brands that are doing

well but would like to do better.

Brands go through various stages of

evolution in their life and often may

need to be restructured and repositioned,

revitalized or rejuvenated,

to improve their sales and

market share as well as profits.

The term brand relaunch describes the

restart or repositioning of a brand.

It's purpose is the brand.

Strategic realignment.

Relaunch serves to change or charge

a brand with fresh energy by means

of a revised brand strategy.

The brand is positioned in the

market with more focus and addresses

more specific target group.

The relaunch is based on peak performances
of the company and a sustainable positioning.

A brand relaunch is necessary,
particularly when brand attractiveness
is declining.

This can have serious consequences,
such as slumping sales figures
and shrinking competitiveness.

A brand relaunch helps to extend
the cycle of a brand.

However,
it offers not only opportunities
but risks as well.

This effect must be considered.

This is why it is enormously important
from a strategic viewpoint that
the brand core and with it the
unmistakable identity of the brand,
takes a central role during

the relaunch process.

A strategically developed
positioning is also essential.

It has to be credible,
attractive,
superior and therefore sustainable.

Now that we have an idea
about what is relaunching,
we look at the considerations that
a brand manager needs to look
into while going for re launching.

When a company relaunches a brand,
it hopes to avoid the mistakes
from the past experience and
wants to set foot in the market.

A brand manager needs to consider the
following while re launching a brand.

Analyzing the marketplace
and target market segment.

Knowing about the competitor
brands conducting a SWOT analysis.

Positioning the brand in
an appropriate new form.

Avoiding too many changes into
short time and communicating
clearly the brand relaunch.

In this manner,
creating awareness among people
about new objectives and distinct
offers and making the changes
gradually and noticeably,
a brand manager can successfully
carry out a re launching process.

So with that we have come to
the end of this module.

And these are my references.