

Moklyak Miroslava Vladimirovna

*Ph.D., Associated Professor
Poltava National Technical Yuri Kondratiuk University*

Popova Yulija Mihaylovna

*Ph.D., Associated Professor
Poltava National Technical Yuri Kondratiuk University*

Shinkarenko Raisa Vasilievna,

*Dean of the Faculty of Finance and Economics,
Ph.D., Associate Professor
Poltava National Technical Yuri Kondratiuk University*

Brand as the main marketing direction of enterprises activity

The article is devoted to a brand as the main marketing direction of activity of enterprises. The point and meaning of the brand are defined. The main approaches to brand formation are characterized. Kinds and models of a brand are examined. The basic approaches of brand formation are characterized, species of the brand are considered. The main models of brand creation was analised. The basic way of modern companies successful brands development was recommended on the basis of linear expansion, innovation, distribution, transformation, repositioning.

Key words: brand, branding, slogan, descriptor, multi-brand, line-brand.

Formulation of the problem generally. Today the market is enough saturated with goods and services of different spheres, kinds and price ranges. Creating a competitive brand is one of the main marketing activities of modern enterprises. Global companies are successful because of creation of a successful brand. In modern conditions of the market environment in relation to a wide range and differentiation of products it is practically impossible for the enterprises to compete without a strong brand, which could provide uniqueness, originality and differentiation of proposals.

The significance of the brand is concluded in it's ability to provide differentiation between competitive supplies. Sales and, consequently, the efficiency of the enterprise will largely depend on consumers' loyalty to the firm.

The aim of the article is research of the brand as a mainstream of marketing activity of the enterprise.

Analysis of recent publications. Brand research was held by such foreign and native scientists as D. Aaker [1], A.A. Vlasenko [3], O.V. Guseva [4], O.V. Kendyuhov [5], S. Davis, S. Cumber [6], A.F. Kraynyuchenko [7], SM. Mahnusha [8], O.V. Moroz [9], T. Nilson [10], Y.V. Prykhodchenko [11], I.Y. Rozhkov [12], etc. In these works studied the most urgent problems of formation and development of brands, brand essence and role in modern conditions, product branding companies and ways to ensure its effectiveness, the development of a new concept of branding, prescribe the nature of the positioning of the trade mark, brand and global communications.

Emphasizing of not determinative earlier components of the general problem, which the article is about. From the perspective of the formation of a strong company in the market conditions, it is evident the need to create a competitive brand. At the same time, despite the

significant amount of scientific research in this area, this perspective is seen in fragments. Requiring theoretical generalization and analysis of trends and in-depth directions of strong brands formation and development.

Basic material. Nowadays there is no clear definition of the brand. By definition of Philip Kotler, the brand is a name, term, symbol or design that represents a certain type of goods or services of a single manufacturer (or producer groups) and makes it stand out among the products and services of other manufacturers [2, p. 230].

Brand is a word, expression, sign, symbol or design solution, or a combination of the mentioned terms which have the aim to distinguish the goods and services of a particular seller or group of sellers to differentiate them from competitors (the notion is developed by American Marketing Associations (American Marketing Association)) [1, p. 65].

Brand is a name, term, symbol or picture, or a combination of these elements intended to identify the goods or services of a particular manufacturer and differentiating them from competitors' products (Carl Bondorff, professor of the College of Business Lindbi, "Marketing models and tools") [4, . 89].

There are two concepts of «brand» and «Branded product» ("the product promoted with the brand name") in Western literature, which are used as synonyms. Brand is a wider concept than trade mark. Differences of a brand from a trade mark are the following:

1. Branded product is able to win a larger market area than the same product under the trade mark which is not a brand.
2. Demand for branded product is growing more rapidly than the demand for the same product under the trade mark which is not a brand.
3. Branded product can be positioned in the higher price ranges than a similar product under the brand name which is not a brand.
4. Having brands makes it easier for sellers to work with marketing intermediaries, since the brands are more profitable counting a meter of retail space. Turning the trade mark into the brand happens at a time when the objective perception of the value of the product and the brand is replaced by a stable personal attitude towards them. The consumer gives his subjective mark of the quality of the product, it's reliability, safety, ergonomics, design, product name, he adds emotions.

To transfer trade mark into a brand it is necessary for it to become a symbol of reliability, guarantee the quality of goods or services, it is advantageous to characterize their specific properties.

The process of brand creation and management is called branding. It can include the creation, enhancement, update and change of the stage of the brand development, it's expansion and deepening. Branding is defined as a set of actions of the company aimed to implement a specific strategy to promotion of it's products and services. That means to create the brand. Such strategy should be formed from the first days of existence of the company and performed throughout it's further performance.

The basics of branding theory were laid and developed by a professor of the University of California D. Aaker [1, p. 64].

I. Rozhkov gives to a branding the following definition: "branding is the activity aimed to create a long-term commitment to product based on the combined effects of advertising on a consumer, brand image, packaging, advertising items, which are united by a certain idea and exclusive formalization of the product which distinguish the product among the competitors and create it's image" [12].

Branding combines creative efforts of an advertiser, advertising agency, trade companies and intermediaries in a large-scale impact on the consciousness of the consumer on the basis of science-based conclusions of the market researches.

With the help of branding you can:

1. Maintain the planned sales in a particular market and fulfill its long-term program to build and sustain an image of a product in minds of consumers;
2. To provide an increase of profitability as a result of expanding the range of products and information about their unique qualities, introduced with the help of the collective image;
3. Transmit in promotional materials and campaigns culture of a country, region, city, where goods are manufactured, take into consideration the needs of consumers, for whom it is intended, as well as the features of the territory where it is sold;
4. Use three very important factors in the relation to the advertising audience factors: the historical roots, the realities of today and projections for the future [5].

The brand has the following advantages for the consumer:

- brand allows you to identify the product and distinguish it from similar products;
- the consumer does not spend time for the selection of goods, as well as looks for products more effectively;
- brand for the consumer is the guarantor of quality;
- brand allows you to feel that you belong to a particular social group;
- buying of goods of a particular brand provides obtaining of a certain status by consumer;
- for many buyers symbolic of goods is more important than real benefits of the goods, and extra money are paid for the symbolic.

The main features of the brand are:

- functional and emotional associations of customers: the verbal part of the mark or the word mark, the visual image of the brand, generated in the perception of the buyer;
- the power of the brand (brand awareness level of the buyer), a generalized set of individual characteristics of the brand, cost estimates, performance, intensity of brand promotion;
- the level of brand loyalty in the target audience and its individual segments.

The main components of a brand [5]:

1. Name. The brand name is a key element of identification. This is what the consumer sees at the first place, it's something that affects the formation of attitude towards the brand. The brand name must match the company's marketing strategy, should be easy to pronounce, remember, must be individual, and create bright, emotional associations with the brand, distinguish it among competitors, provide legal protection.

2. Slogan. The slogan is a short phrase that expresses the essence of the philosophy of the brand, which makes it unique in the eyes of the consumer. Along with the name and logo it is the basis of a long-term communication. It is used to attract the attention of your target audience, to improve its brand loyalty, stimulate sales. The slogan can be used also for positioning a separate advertising campaign within the overall campaign in promoting the brand. The slogan should not cause rejection of the target audience, it must be easy to read, to be original, truthful, to create bright, emotional associations.

3. Descriptor. Descriptor is a signature of the trade mark, explanation of functionality of the brand owner. The descriptor reflects the position of the trade mark towards its field of activity and thus takes part in the creation of a unique but simple and clear image of the brand.

4. The system of visual and verbal identity. A required condition of successful existence and functioning of the brand is an effective system of visual and verbal identifications. It attracts the attention of potential customers, connects and secures all the primary brand associations.

The main purpose of branding:

1. Achieving of brand awareness.
2. Product promotion using packaging, advertising.
3. Creation of a “brand myth”.

The brand awareness has two dimensions: the “depth” (the levels of recognition and brand recall) and “width” (shopping and consumption indicators). Myth brand consists of associations:

- basic (describe goods);
- favorable (describe the desired and actual benefits);
- unique (describe and differentiate).

These associations are divided into impressions:

- the actual brand (brand image);
- experience related to brand users (consumer image);
- experience related to the situation of use of the brand (consumer image).

Marketers from the USA distinguish the following kinds of a brand:

- the parent brand with its subsequent expansion;
- multibrand;
- line-brand;
- a separate brand for each item of product [1, p. 69].

The specificity of the parent brand is that the basic, well-known brand for consumers becomes the basis for the market launch of new types of goods. From one side it provides the expansion of the range offered in the market, and from another side it contributes to increasing of the market part by attracting new customers.

Multibrand is used in the derivation of a new product on the market and the development of a new brand. The feature of the line-brand is that the species of already a known brand are displayed in the market. These species differ from each other just in a little change of characteristics.

The most successful is brand which was created for each type of goods. It makes it possible to allocate the product which should take a certain place on the market. The main difficulty in using of this type of brand is that the product has unique characteristics, and belongs to a particular product line or its range.

Brand helps to producers to recognize the product as soon as it was mentioned; as well as to be distinguished among the competitors, to distinguish the product from the general variety of goods; create an attractive image for consumers, which makes them trust it; focus different emotions relating to the goods; decide to buy the product and confirm the choice, to obtain satisfaction from the decision; to form a group of regular customers, who associate the brand with their life style [4, p. 140].

Branding specialist V.V. Gusev identifies two types of brand, two branding cultures. They are Anglo-American (Western) and Japanese (Asian) [4, p. 67].

West brand is the model which entrenched in the early twentieth century, was the name of the brand theory, a “free standing”. In practice it meant that if the company produces several products or product lines, they are positioned completely independently from each other and

from the manufacturer (the name of which was often even unknown for the customer). There are several kinds of brands in the Western model:

1. Related brands
2. Brand-“umbrella”
3. Individual brands
4. Brands of a separate product line.
5. Brands of the companies which work with fast consumer goods.

The main task in the Western model is construction of the image what differentiates one product from another. The main value of Asian companies is the high corporate image, not the image of the individual brands.

Each of these models has its own advantages and disadvantages that must be taken into account while choosing a strategy of the company. The most significant advantage of the system of western brands is insurance from mistakes. If defective or not fully tested product appears in the market, it does not affect the sale of other brands of the company, as they are not connected with each other in the minds of buyers. On the other hand the Japanese system of working with brands allows companies to more effectively deal with competitors and under the guise of “corporate” brand to bring new products to market faster and cheaper.

There are the following models of brand creating:

- the brand wheel;
- TTB technique;
- Unilever Brand Key;
- model by A.V. Zozulov;
- brand name development service.

1. The Brand Wheel. The essence of the model is that the brand is considered to be a set of five shells nested one inside other.

This technique allows to describes the feelings of consumers in relation to the brand more or less accurately, as wells as to find out what is the basis for those feelings. This allows to generate recommendations for increasing of the efforts in each area of the perception of the considered brand. The main drawback of the usage of this model is that it focuses on the individual emotional experience about the brand. And its functional characteristics are virtually leveled. The advantage is a detailed description and systematization of aspects of interaction between the product and the consumer.

2. TTB Model (Thompson Total Branding). According to this method the formation of impressions about the brand is influenced by many factors related to the marketing communications of different brands, as well as by the features of the consumer and market conditions.

The main features of the model:

- a product: quality, performance, capabilities, options, color, components, additional services. Everything mentioned is under control of the manufacturer and has the greatest impact on the brand while its creation.

- manufacturer: the reputation of the manufacturer or producer has an impact on the product.

- name, packaging: style, name performance, associations, type, content, equipment, design of the outer packaging.

- advertising and promotion: the significance, style, creativity and use of media.

- Price, spread across the country, accommodation in the places of sale: how and where the product is presented, next to which other products it is situated in the store, what is the price and how it relates to the prices of other products in this category.

- consumers and consumer context: who, how, where and when uses the product.

- competitors: everything that relates to a product which is under the consideration of the consumer in the light of competitive offerings. According to the model TTB the brand is divided into several levels, each of which is the center for the next layer.

The core of the brand is a product – it is exactly what the brand represents. The next layer includes the previous one - positioning - something for which the product is meant to be and how it differs from other brands. Target audience is those potential consumers for which the communication is meant to be; the last level is brand identity. It means the identity as the result of the positioning.

3. Model of A.V Zozulov. This model emphasizes that the establishment of a brand can not be a one-time act. It takes time and constant system marketing efforts to become a successful brand. Image and reputation can not be created in a single day, sometimes it takes years. In terms of funding the process of brand must be considered to be as a long-term investment and that is how it is evaluated. The main task during the brand formation is to achieve not just psychological, but also an economic differentiation. It means the possibility of creating and maximizing brand price premium. This allows the company to reduce the price elasticity of demand for brand-name products, and increase the profitability of sales of each item. The last one is particularly important in established markets.

4. Unilever Brand Key. This model is now one of the most common. Actually it combines factorial and procedural approaches to building a brand. The core of brand creation from one side is to identify and focus on the target audience, and the analysis of the competitive environment from another side.

The next step is to determine the dominant motives of targeted customers and which can be used due to competitive environment for brand creation. On this basis the essence of the brand is formed which is connected with such elements as: the definition of the brand, brand utility, value and personalization, and the answer to the question: why consumers should trust the brand.

The advantage of this model is that it provides a connection with motivation of the target audience and the specific nature of the competitive environment.

5. Brand name development service. The focus of this model is on the phasing of the brand creation. As it can be seen from the model, market positioning is the core of brand creation. The next step is the development of brand strategy followed by the development of creative ideas and check the legal purity of the future brand. The last step in this model is a linguistic testing and testing the brand in marketing research using qualitative and quantitative methods [3, p. 40].

As the result of professionally performing work related to the creation of the brand, reaching a high level of knowledge (80% recall), the necessary enabling associations, brand owner receives a product that is characterized by signs of a strong brand.

Signs of a strong brand [10]:

- expressed customer loyalty;
- weak vulnerable to marketing activities of competitors and crises;
- higher profits;
- a flexible response to the reduction in prices (increased sales);
- inelastic response (no reduction of sales at price increase);

- increase the profitability and efficiency of marketing communication;
- additional opportunities for the trade mark promotion.

Brand definition is a multi-faceted notion, which includes a set of ideas, associations, images, ideas and commitments, which are formed in the minds of people about a particular product or company. Brand is an intangible asset that generates emotions and enters the subconscious of consumers. Nowadays in business, when the production of any product is available for almost any company, competition moves into the information field. Here the brand as a tool has a very important competitive value.

Conclusions. Branding is a powerful mean of ensuring the competitiveness of the enterprise. For manufacturers branding becomes the main instrument of non-price competition, which is able to provide a steady demand for the entire product range of products offered to consumers under the brand name. The company that owns strong brands can take advantage of its benefits, and take measures that will help to increase its profits.

Thus, we offer the following main ways of successful modern companies brand development:

- linear expansion that will consider new short-term market trends and improve visualization of the brand;
- innovations that can increase brand value for customers and improve brand differentiation;
- transformation of distribution to make the brand more accessible to customers, wherever they may be;
- repositioning, updated advertising or communication aimed at adapting existing brand values to competitive conditions.

For many reasons both consumers and manufacturers are interested in the brand. Consumers prefer the brand which has a high value because it is easier to understand what the advantages of goods which have this brand are. At the same time the brand has value if consumer awareness of the brand contributes to the fact that many consumers are committed to a particular product.

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М. В. Мокляк, кандидат економічних наук, доцент, Полтавський національний технічний університет ім. Ю. Кондратюка

Ю. М. Попова, кандидат економічних наук, доцент, Полтавський національний технічний університет ім. Ю. Кондратюка

Р.В. Шинкаренко, декан фінансово-економічного факультету, Полтавський національний технічний університет ім. Ю. Кондратюка (м. Полтава, Україна)

Стаття присвячена бренду як основному напрямку маркетингової діяльності сучасних підприємств. Визначено сутність і значення бренду, його основні складові. Охарактеризовано основні підходи до формування бренду, розглянуті види бренду. Проведено аналіз основних моделей створення бренду. Запропоновано основні шляхи розвитку успішних брендів сучасних компаній на основі лінійного розширення, інновацій, трансформації дистрибуції, репозиціонування.

Бренд як основний напрямок маркетингової діяльності підприємств

Ключові слова: бренд, брендинг, слоган, дескриптор, мультибренд, лайн-бренд.

М. В. Мокляк, кандидат экономических наук, доцент, Полтавский национальный технический университет им. Ю. Кондратюка

Ю. М. Попова, кандидат экономических наук, доцент, Полтавский национальный технический университет им. Ю. Кондратюка

Р.В. Шинкаренко, декан финансово-экономического факультета, Полтавский национальный технический университет им. Ю. Кондратюка (г. Полтава, Украина)

Бренд как основное направление маркетинговой деятельности предприятий

Статья посвящена бренду как основному направлению маркетинговой деятельности современных предприятий. Определена сущность и значение бренда, его основные составляющие. Охарактеризованы основные подходы формирования бренда, рассмотрены виды бренда. Проведен анализ основных моделей создания бренда. Предложены основные пути развития успешных брендов современных компаний на основе линейного расширения, инноваций, трансформации дистрибуции, репозиционирования.

Ключевые слова: бренд, брендинг, слоган, дескриптор, мультибренд, лайн-бренд.