12 ESSENTIAL CONSIDERATIONS TO UNDERSTANDING BRAND MANAGEMENT

New Edition

Brand Management in Canadian Law, 4th Edition

John S. McKeown

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Extracted from Chapter 1 of John S. McKeown's **Brand Management in Canadian Law, 4th Edition**

1. A "brand" is made up of the brand name, the product and its shape, the packaging, and the image and positive associations associated with these elements. A brand is also an aggregation of both tangible and intangible values which exist in the minds of consumers.
2. A brand can be managed to influence consumer decisions and generate value for consumers and the brand owner.
3. The management of the components which make up the brand is vital in a competitive marketplace.
4. There are a number of legal considerations relevant to managing a brand. In Canada there is no single legislative framework dealing with brands but there are a number of specific acts and common law doctrines which apply to the components which make up the brand.
5. Internal branding must be implemented through co-ordinated planning and execution to ensure that all organizational levels of the business and all employees carry out their obligations in a fashion which is consistent with the brand strategy.
6. If a brand owner is going to invest in its brand on a long term basis, it must give adequate legal protection to the tangible attributes which make up the brand and vigorously enforce the rights it obtains to avoid loss of brand equity.
7. The brand must deliver the image consumers associate with it and the values it symbolizes. If the brand does not deliver it will become diluted and brand equity will be diminished. A brand owner must strive to build brand value not just trade on it.
8. Brand equity serves as an estimate of the value of a brand. Brand owners must create brand equity and justify investments relating to marketing strategies by reference to increased brand equity.
9. The equity of the brand may be leveraged by extending the brand to additional wares and services or expanding it into new geographical markets.
10. Brand equity must be protected from the activities of competitors.
11. If there is a portfolio of brands, an appropriate balance must be maintained between each of the brands. Each brand should be managed to maximize the discounted value of its future cash flows.
12. Co-branding allows the participants to leverage their respective brands but there are concerns that co-branding may result in mixed consumer perceptions, leading to possible confusion and diminution of the value of the participating brands. If co-branding is carried out, specific steps must be followed to maintain the distinctiveness of each brand name.