

The importance of the brand and the special value of the brand in the current modern market

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ABSTRACT

The purpose of this research is to investigate the importance of brand equity, which was done using the descriptive-library method, and according to the current market environment, it was concluded that brands and brand equity are one of the most valuable assets of the organization that cause the product can remain in the customer's mind. The special value of the brand preserves the organization's customers and better respond to their needs, resulting in customer loyalty. It is worth mentioning that loyal customers act like strong marketers, which leads to adherence to the brand and organization.

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1- Introduction

Brand, special brand value and finally customer loyalty are concepts that have gained great importance in marketing today because the identity of a product can be recognized by its brand. In other words, products can be distinguished with the help of a brand. Also, the effective factors in knowing the value of the brand are first the recognition of the brand, then the things that are associated with the brand in the customer's mind and finally lead to their loyalty. When the product brand is engraved in the customer's mind, its power increases in the market and subsequently the purchase increases and as a result the profit margin increases. According to the mentioned cases, marketers are looking to create a special value for the product brand to achieve high productivity.

2-Brand

The brand is one of the most important elements of marketing and the success of an organization and it is an image that introduces the organization or company to all its dimensions. It also creates an image of what it is or wants to be in the mind of the viewer, customers, and consumers. The brand is a sign that distinguishes the company or

organization from competitors and also represents the goods and services created by the company [1] Customers who are familiar with your brand usually know how to do business with you and help them with certain things. need, and they act fully in using your resources, and they recommend to others, thus saving costs [2]. It is obtained [3]. Now the question arises as to why the brand has value. Brands are important because they provide a form of assurance of future cash flows. The assurance that all businesses need to properly plan, invest and develop. Therefore, brands play an important and strategic role in companies. Brands also have value from one point of view, and this point of view is put forward that high costs and high-risk tolerance are needed to develop and build a brand, it is estimated that 19 out of 20 brands have failed [4]. Organizations have come to believe that one of their most valuable assets is the brands of their products and services. One of the necessities of the senior management of any organization is to create strong brands that, while fulfilling their promises and commitments, improve their strength and capabilities over time. The definition of brand equity is expressed by the consumer's prioritization of a brand compared to other brands in the same class of product [5].

3- Brand value

Brand value is explained as the added value that a brand name gives to a product. It is considered that it is directly related to the concepts of marketing and is multidimensional [6] Brands should be managed as valuable and long-term assets of companies. In consumer marketing, brands are the primary points of differentiation between competitive offers and can be critical factors for companies' success. It also states that the effort to define the relationship between customers and brands led to the emergence of the concept of " The concept of brand equity has been discussed in both accounting and marketing disciplines and highlights the importance of a long-term focus on brand management [7]. Real value does not exist within the product or service. Rather, Value is created in the minds of customers, and it is the brand that creates real value in the minds of customers [8]. Brand value can be used to summarize all the different assets that are part of the brand, to measure the performance of a brand in the past and to predict the performance of a brand. The brand name will be used in the future [9]. To calculate the final value of future revenues, we use the growth rate of 13.17 and which is obtained by the following formula:

4- Brand valuation approaches and methods

However, marketing professionals still face the challenge of estimating brand value. Different forms of estimation are measured with different objectives. As a result, researchers suggest different ways to capture brand values. However, research in the field of marketing still does not have a single accepted theoretical basis for brand evaluation. Therefore, although the corporate world recognizes the estimation of brand equity as an important marketing activity, the estimation of brand equity and measuring the efficiency of marketing activities in financial terms is still a major challenge for marketing and brand managers [10].

models created for brand valuation use one of the following three valuation approaches:

Cost: According to this approach, a brand is valued based on the past costs spent to create it or the cost of re-creating a similar brand.

Bazar: Sometimes it is possible to determine the value of a brand by referring to the market values of the game, which has evidence of trading of similar brands.

Income: This approach is based on the assumption that the future cash flow of the brand will demonstrate its value to its owners or potential investors. Therefore, to reach the value of the brand, the estimated future cash flow related to the brand is discounted to its current value [1].

5- The special value of the brand

Most researchers believe that a brand is an important part of a business and an asset of an enterprise, and many businesses are interested in learning how to build a successful brand. One of the requirements for creating a strong brand is to know each of the factors that create a brand's special value [5]. In general, brand special value is the tool or value that a brand name gives to a product [11] Brands as a valuable and long-term asset. Companies must be managed. Brands are the primary points of differentiation between competitive offers and can be critical factors for the success of companies. One of the new issues that have been noticed in the field of brand and branding in recent years is the attribution of human characteristics to brands, which is referred to as brand personality. Matching the personality characteristics of the brand and the customer can create trust and a sense of belonging to the customer. become a brand, which itself leads to repeated purchases, and in other words, customer loyalty to the brand, and finally, the result of this loyalty and trust in the brand is the creation of special brand value. The special value of the brand comes from the high confidence that customers have in the brand and then in its competitors. This confidence appears in the form of customer loyalty and their willingness to pay for the brand. When the customer sees his personality and the brand as similar and observes high commonalities in it, then he shows a set of behaviours that are valuable for every brand owner [7]. It is a valuable (intangible) asset for organizations. Research examines brand equity on the part of consumers, companies, or other stakeholders. Consumer-driven brand equity focuses on consumers and demonstrates positive business results. Despite its importance, most of the existing literature focuses on brand equity as a construct, as a result of not recognizing the complexity of this phenomenon. Consumption-based brand value is a dynamic and sequential process consisting of three blocks: brand building, brand perception and brand relationships. This study provides insights into the process of establishing fair brand value and discusses the focus on brand value as a construct for It focuses on brand equity as a process [12] Although it is quite common to consider advertising as an important factor in raising brand equity, it is valuable to consider that consumers are not passive recipients of visual advertisements. In reality, brand values are subjective and it is consumers and their habits that cause the formation of tendencies that lead to branding that branding is inseparable from the ability to choose that advertising helps to control and acquire value and gives direction to it. If we don't advertise, our products will get their branding in the mind of the consumer, but this branding may be different from what we intend. At all levels of marketing, visual and imaginative advertisements have been identified as one of the main components of creating a brand image [13]. Research on the winner (brand name and brand) and the special value of the brand, for marketing activity and marketing theory, in recent years. It has become important. Brands can provide value and

power in the market beyond what is created by the inherent characteristics of the product. A strong brand can have more special value. A strong brand with positive equity has several benefits such as higher profit margins, brand extension opportunities, stronger communication effectiveness, and higher consumer preference and purchase intentions. Nowadays, creating a brand and more importantly, maintaining and promoting the special value of the brand, is considered one of the powerful methods of differentiation for various organizations and economic enterprises [8]. The dimensions of the special value of the brand also include brand awareness, brand association, perceived quality, and Brand loyalty. After reviewing the previous research, it is clear that brand image, advertising, price, product, quality and successful communication with the customer leads to the improvement of brand equity. Since brand equity has many benefits for companies and manufacturers, and if a brand has high equity value, the target consumer will have a positive attitude towards the brand and is willing to pay a high price for the product, repeat his purchase, and spread word-of-mouth advertising for product to do. Producers and suppliers should note that to achieve a better brand value, they should strive to create a better image for the brand, and in the field of up-to-date and effective advertising, and deliver the product to the customer with good quality and reasonable price and with good communication [5].

6- Loyalty to the brand

It is a situation that indicates the probability of a customer joining a competitor's brand, especially when that brand's price or product features change. This variable is measured by indicators such as the desire to repeat the purchase of the brand, recommend the brand to others, and commit to the brand. and ... is used. Brand loyalty can be defined as the extent to which a customer has a positive attitude towards a brand, the degree of his adherence to the said brand and the intention to continue purchasing in the future. Brand loyalty creates a commitment to repeat purchases.

The effect of brand loyalty is greater than other variables. Loyalty directly increases the equity value of the brand and directly and through the variable of loyalty are effective on the equity value of the brand. Loyalty is the only factor that directly affects brand equity. Loyalty is defined as creating a commitment in the customer to do business with a specific organization and purchase goods and services repeatedly [5]. Brand loyalty for consumer, industrial and service markets is defined according to the different characteristics of the market types in terms of buying habits, recession conditions, Satisfaction, attention to purchase, the share of product class, risk, etc. are different. Therefore, brand loyalty is classified into three groups based on the types of markets, including consumer goods market, durable goods market, and services, which markets are classified according to the value of transactions, and purchasing activity, final consumerism, and the levels of involvement of supply sources and the purchasing process [13]. Repeating a similar brand of goods can save time, so the possibility of risk will be reduced, and when customers are satisfied, their constant and continuous purchase level will be strong, and customer satisfaction can create continuous relationships. When continuous and stable relationships are formed and the customer buys a product again according to his habit and his buying behaviour continues and this shows his loyalty, and as a result, continuous relationships prove the customers' behaviour and have a positive effect on loyalty. Loyal customers have a high classification of the organization's brand in their minds and are aware of changes. They tend to advertise more than the ancillary benefits of your brand. Of course, loyal customers may show their loyalty in other ways as well. They may choose to stay with a manufacturer, whether continuity is defined as a relationship, or they may increase the number or

volume of their purchases.

7- Introducing the offered models

Some models have been presented in line with the empowered content, which you can see in Figures 1, 2 and 3. The following model is taken from the model of Wang et al. (2017) which deals with the different dimensions of the effects of customer value and brand equity.

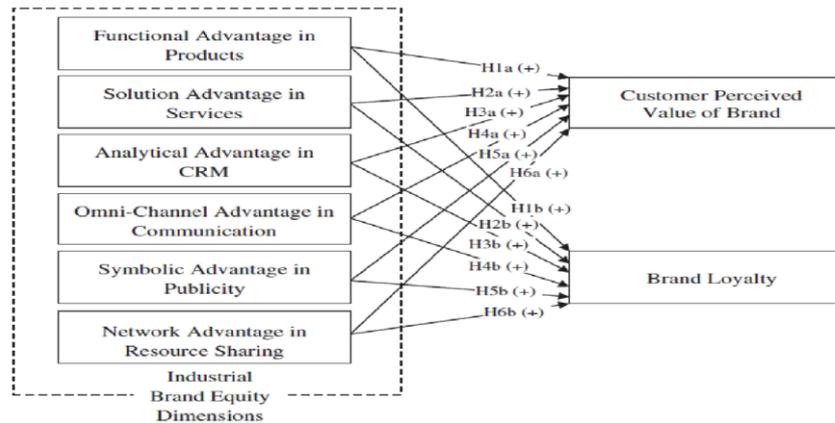


Figure 1: Wang et al.'s model (2019)

Liu et al.'s (2019) model, which examines the parameters affecting brand equity in the minds of customers by studying Mo Redi has paid the customers of luxury hotels.

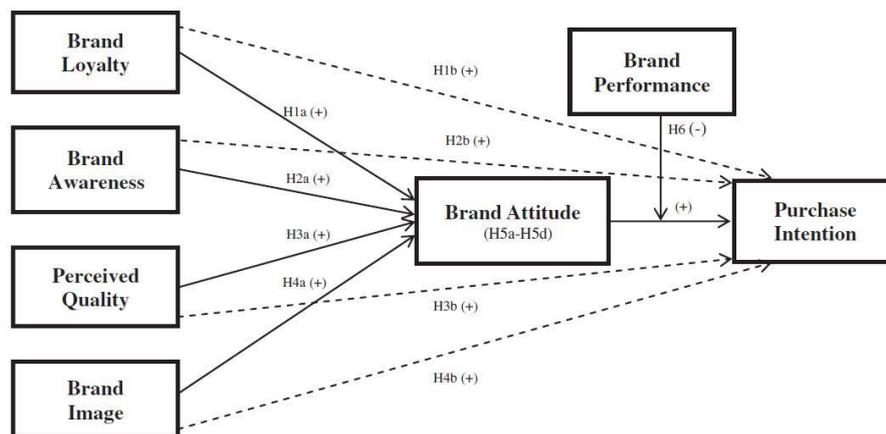


Figure 2: Li Yu et al.'s model (2019)

Faludi et al. (2019), which investigate the effect of brand perception on brand loyalty and brand purchase intention using the lens of complexity theory.

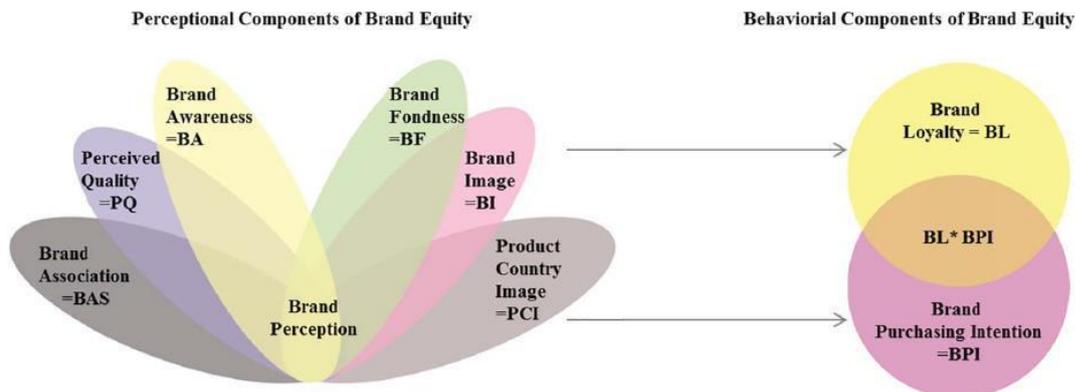


Figure 3: Farodi et al. (2019)

7- Conclusion

The higher the mental image of the customer and the special value of the brand, the longer the product will remain in the customer's mind. The special value of the brand keeps the customers of the organization and responds to their needs better and more, and as a result, it causes customer loyalty. Therefore, the task of the senior management of any organization is to create a good and stable image in the mind of the customer, and in order to achieve this, it must examine and implement various parameters that create brand value. It is worth mentioning that loyal customers act like strong marketers, which leads to adherence to the brand and organization, and they are willing to pay a higher price for the product. In developed countries, due to less study and implementation of the brand, they pay less attention to the image of the brand and do not pay attention to the special value of the brand as they should. The brand value in developed countries is sometimes equal to the GDP of a developing country. Therefore, the managers' lack of attention to this issue reduces the value of the brand.

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