Salience of Corporate Brand among users of Product Brands in the Portfolio

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In recent years, customers are slowly started to become aware that there is a large conglomerate behind the offering (Aaker, 2004). The explicit and additional focus on corporate brand-level matters has provided new perspectives to firms and has opened a wide range of marketing opportunities for them. Implications of these have been most visible in the FMCG industry followed by the Consumer durables & Automobile firms. One of the key challenges for marketers is to measure the impact of investments on Corporate Brand. The aim of this paper is to develop a simple yet robust framework to measure the salience of Corporate Brand among the users of respective Product Brands. A survey was conducted among millennials users for real product Brands from a case organization in FMCG industry. The results delivered clarity on awareness of corporate brand but also the consumer behaviour for category as well as product Brand. The study results will facilitate the operational decisions on resource allocation with maximizing the return on investments. The random design of experiment will help is generalization of the inferences and development of a mathematical model to measure RoI for portfolio investments.

Keywords: Brand Portfolio, Brand Salience, Corporate Brand, House of Brands, Branded House, Endorsed Brand, Millennial Consumer

1. Introduction

Our research showed that consumers found it difficult to distinguish Dabur as a corporate brand and as a master brand. The positioning was unclear to the public. So, we decided to embark on a brand recast to identify brands based on their product properties. This essentially means that Dabur is shedding its age-old umbrella brand strategy, where its entire product portfolio was under one roof.
Sunil Duggal, Dabur CEO in 2004

A problem/dilemma faced by many CEOs across industry as most of the corporate Brands are family/founder names, often they are just referred as names. Rarely a corporate name (P&G; Unilever; Godrej, TATA) has been evolved to have meaningful relationship with the consumers they serve or want to serve. With virtually all firms seeking to grow their brands through new product development and the introduction of brand extensions (Aaker, 2004;Brexendorf et al., 2015).An acceptable truth in 1980s it triggered focus on building standalone Brands based on product properties, by the end of 20th century corporations were struggling with self-created problem of Brand proliferation impacting profitable growth. A trend mostly visible in the FMCG (Fast Moving Consumer Goods) categories, branding has traditionally been perceived as a way of identifying products, which has led to brands being managed in isolation and the single brand being the focus of attention (Saunders & Guoqun, 1997). Consequently, strong brands are operated within highly diversified brand portfolios of the big FMCG companies - with the corporate brand barely known by the average customer. Many companies had a long tail of Brands asking for resources but delivering little to the business growth.

The escalating cost of establishing brands in a competitive market, as consumers become immune to promotional activities creates greater pressure to leverage existing brands into new product categories. Increasing emphasis on category management and category-based measures of performance appears to place the greatest stress on the primacy of the brand and the role of the brand manager. As the product-based positioning tool has been questioned in terms of its ability to cope with the substantially changed environment hence attention was diverted to somewhat untapped resource, this power of corporate brand (Balmer & Gray, 2000; Knox & Bickerton, 2003). To customers, the corporate brand provides identity, trust, knowledge and expertise that is earned, cultivated and nurtured through the activities accrued in the past and present.

Both the structure and investments choices by the corporations are stated shifting from treating brands as stand-alone entities to managing the branding ecosystems. Brands are no longer considered as individual responses to consumer demands, but rather as part of a whole. Each brand becomes interdependent, linked, associated, or complementary to the other brands existing at the heart of the company. These developments are particularly exciting considering that these companies have traditionally focused on creating strong stand-alone product brands, typically described as a "house of brands" brand architecture (Laforet & Saunders, 1994).

These decision variables are the reason that the brand portfolio of many companies is becoming increasingly complex. Thus, many corporations are streamlining their Brand portfolio through carefully crafted architecture, broadly following any one of the philosophies as below

1. **Corporate/Umbrella/Family Brand** – examples include Virgin Group, Heinz and Hero, Godrej, Dabur in India. These are consumer-facing brands used across all the firm's activities, and this name is how they are known to all their

stakeholders – consumers, employees, shareholders, partners, suppliers and other parties. These brands may also be used in conjunction with product descriptions or sub-brands: for example, Virgin Trains or Hero motor Corp or Godrej No 1 or Dabur Honey

2. **Endorsed Brands, and Sub-Brands** – For example, Nestle KitKat, Cadbury Dairy Milk, Sony PlayStation or Polo by Ralph Lauren. These brands include a parent brand – which may be a corporate brand, an umbrella brand, or a family brand – as an endorsement to a sub-brand or an individual, product brand. The endorsement should add credibility to the endorsed sub-brand in the eyes of consumers.

3. **Product Brand** – For example, Procter & Gamble's Pampers or Unilever's Dove. The individual brands are presented to consumers, and the parent company name is given little or no prominence. Other stakeholders, like shareholders or partners, will know the producer by its company name.

Over the past decade, a critical marketing trend has emerged towards greater emphasis on corporate marketing (Balmer and Greyser, 2006; Balmer, 2009, 2011), corporate brands (Balmer 1995, 2001a, 2013; Keller, 2000) and corporate dominant branding structures (Balmer and Gray, 2003; Lei et al., 2008; Laforet, 2015). This trend has been widely discussed in academic circles, and leading journals and publication publish special issues devoted to this topic of corporate marketing and corporate branding. But worth noting, - research on branding has been based predominantly on lab experiments using hypothetical brand extensions and/or parent brands, which raises a concern about generalizability to real brands (e.g., Ahluwalia &Gùrhan-Canli, 2000; Carpenter, 2000; Mildberg, Park, & McCarthy, 1997; Winer, 1999).

In recent years there have been some attempts to expand the body of knowledge through survey method and brining real consumer perspective (Strebinger et al., 2014). Again, majority of these are based on Qualitative methodology which leaves the scope for observation and inference bias. Majority of these references are from North America and Europe market; however, the authors have quoted few evidences for transference of the knowledge to other geographies.

2. PROBLEM STATEMENT

When observing the companies today, it is noticed that their strong, well-established product brands serve as a source for building corporate brand equity. Only if a strong stand-alone brand has been built in the portfolio, it is advised that the corporation should focus on building strong association with the corporate brand in order to build distinctive brand associations (Kay, 2006). Thus, customers are slowly starting to become aware that there is a large conglomerate behind the offering (Aaker, 2004).

However, the high uncertainty context originating from frequent product quality scandals (Anderlini, 2011) and a relative inexperience with modern forms of branding (Tian & Dong, 2011) leaves consumers unsure of which brands to choose. As a result, consumers value signals like corporate image or reputation for guidance in their purchasing decisions (Ozkaya, HE and Taube, M 2018)

Hence, there is a case of deconstructing the relationship between Consumer-Product Brands-Corporate Brandso that fact-based decisions can be taken for resource allocation on Brand building. As a first step in this direction, t*he aim of this research paper is to measure the impact of salience for Corporate Brand among users of respective Product Brands across Brand Architecture*

To enhance the body of knowledge in this area, the researcher would prefer to undertake a quantitative study among the core consumers i.e. users of real product brands. It's imperative to take products brands from same portfolio so that we ignore the selection bias. The researcher proposes to use Dabur India as a case organization as it's among the few corporations that use hybrid Brand architecture successfully so far.

Thus, this paper aims at contributing to the discussion of the effects on Corporate brand in the consumers' minds if it is communicated across multiple distinct categories.

3. Dabur India Limited- a Journey to 4th biggest Consumer Products Company

Today Dabur is the world's largest Ayurvedic and Natural Health Care company, with over 135 years of heritage that has seen the journey from a small pharmacy to 4th largest consumer Product Company in India. Dabur has kept pace with the macro changes and have shown agility to leverage the foresights – it was one of the first corporation to expand footprints in international markets (1980s) and now have achieved >1/3rd of contribution from international markets.

The company operates across spectrum of Consumer products -- Healthcare to Homecare, with Brand portfolio designed around the strength in the category. It has successfully executed a Hybrid Brand Architecture to sustain the market leadership across 6 categories. In last 10 years while the Top line has grown by 6 times, the market capitalization has become 10 times

Key Milestone for Dabur India Limited
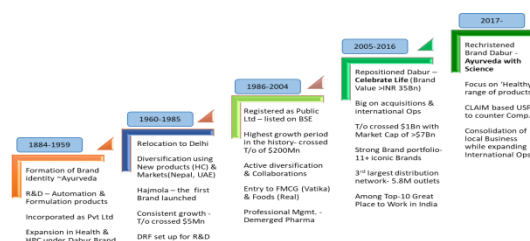
In 2004, the professional management decided to reposition Brand Dabur as an FMCG company with an herbal plank, moving away from its earlier image of an Ayurvedic medicine manufacturer. In order to convey a new vibrancy, the company has adopted new product offerings and new packaging.

Mr Sunil Duggal, CEO recalls 'Dabur figured out the requisites to get bigger in year 2000, and the company started a deep dive into innovation and strategic expansion which helped us grow in products and performance in India and internationally'

Dabur moved away from an umbrella branding strategy with a new logo designed to portray the new hybrid Brand architecture. The company tried to bring to its consumers its Ayurvedic legacy with a contemporary feel through the TAG line of "Celebrate Life". It pruned products which were not aligned with its brand architecture. "The organisation had demerged its pharmaceuticals business from the FMCG business (in 2003); into separate organisation as part of strategy to endow with bigger focus to both the business. The revamped portfolio highlighted the choices that made brand Dabur synonymous with Ayurvedic Healthcare products.

Post the repositioning they started investing behind Product Brands– both design and communication. This helped to build bigger Brands in the portfolio and mitigate the risk on corporate Brand. Even the acquisitions were integrated with intent to support the CORE belief without compromising on the individual identity. The Brand portfolio was mapped across 3 broad spaces Healthcare; Home & Personal Care & Foods. After a thorough pre-search and expert interactions, the researchers selected salient Brands from each type of Brand Architecture to study its salience and relation among the users. The product brands considered for this study were

Brand Architecture	Category	Representation	Rationale for selection as stimuli
Dabur – Branded House	Natural Healthcare products		• As a corporate Brand it represents all the Healthcare products range • Rechristened Brand positioning- **Ayurveda with Science** • The researcher proposes to select Dabur Honey
Real– House of Brands	Packaged Fruit Juices		• First Product Brand since its launch (in 1998) from house of Dabur • Market leader in its category with T/o of INR 10Bn (FY17) • Leveraged strong Brand equity with successful extensions in adjacent
Odomos – Endorsed Brand	Mosquito Repellent (Personal care)		• Dabur acquired Balsara in 2005 with Odomos as the lead Brand • Market leader &clinically proven brand of mosquito repellent available in multiple formats • Only Brand in Balsara portfolio to grow w/o any connect with corporate Brand Dabur

4. Study Design

4.1 Research Objectives

As the purpose of this paper is to measure the impact of salience for Corporate Brand among users of respective Product Brands (selected across Brand Architecture), the key objectives designed around it are:

1. Enumerate the salience for Corporate Brand among user groups of product brands
2. Measure the strength of relationship for Consumer – Product Brand -Corporate Brands
3. Evaluate the impact of consumer experience on familiarity & consideration across portfolio

These study objectives were synergized with the research questions and linked to the study hypothesis to facilitate the validation of each. Clarity on these linkages will help in designing the probing questionnaire and data analysis plans for this study. The table below has the detailed mapping of the element:

Research Questions	Hypothesis
Is the Product Brand portfolio usage similar across Brand architecture?	**H1.** Current users of BH (Dabur Honey) will have higher number of portfolio Brands than HB (Real) or EB (Odomos) users
Which type of Brand architecture has the strongest salience for Corporate Brand?	**H2a**. There is a significant association between current users of Product Brands and awareness of Corporate Brand
	H2b. There is a significant association between lapsers of Product Brand and awareness of Corporate Brand
Enumerate the association of Corporate Brand awareness with usage & disposition across Product Brands	**H3a.** There is a significant association between Corporate Brand awareness and consideration of a Product brands

	H3b. There is a significant association between active social media users & current users for Product Brand
Evaluate the impact of consumer experience on familiarity & consideration for the Product Brands	**H4a.** There is a significant association between consideration and satisfaction for a Product Brand
	H4b. There is a significant association between Satisfaction of Product Brand and familiarity of Brand Portfolio
Which of the Product Brands has the strongest connect with Corporate Brand?	**H5**. There is a significant association between similarity of Corporate Brand with Product Brand across Brand Architecture

4.2 Research Methodology

The chosen scientific approach for this study is of deductive nature, as the hypotheses have been deduced from existing theory and knowledge, to be tested empirically (Bryman & Bell, 2007). By measuring the effect of the independent variable (i.e. consideration) on the dependent variables (e.g. awareness, familiarity, image), there search aims to investigate a cause-and-effect relationship, which implies that the research design is of a causal nature (Malhotra, 2010). Furthermore, the design is conclusive, as it tests specific hypotheses and existing relationships among the selected variables.

A quantitative approach was adapted in order to analyse the data statistically and answer the hypotheses based on significant results. This set-up also entailed that respondents were aware that they are participating in an empirical study. The data collection has been carried out viaan online questionnaire in order to effectively obtain the required number of respondents to reach the purpose of this thesis. As an alternative, the study could have been conducted with a printout version of the questionnaire (paper vs. digital) or even by physically showing the participants the actual brands in the portfolio, which was unfortunately not possible due to the limited resources for this study. A Screener questionnaire was developed to identify target respondents and randomly select the Category and Product Brand used by each respondent.

4.3 Sampling

Considering the objectives, the researcher has met Millennials consumers (age group 20-40 years) as they are the pegged to be the most promising consumer group. Apart from age the only selection criteria was category user ship, considering the nature of consumption across categories of interest the criteria were fixed as 2 months i.e. the respondent should have used the category at least once in last 2 months.

The appropriate sample size for this study was determined by a formula used by Yamane (1967). A total of 304 respondents were interviewed across 3 Product Brands (Dabur Honey; Real; Odomos) for this study in Delhi, NCR (India) to deliver 4% Margin of Error at 95% confidence level and 5% standard deviation. The researcher has ensured soft equal quota for Gender (Male & Female) and Age group (Young Millennials & Gen Z) to ensure robustness and generalizations of findings.

Sample distribution

Variables	Levels	N	%
Users of Product Brands	Dabur Honey (BH)	104	34%
	Real (HB)	103	34%
	Odomos (EB)	97	32%
	Total	**304**	**100%**
Gender	Male	158	52%
	Female	146	48%
	Total	**304**	**100%**
Age group	20-30 Years (Young Millennials)	175	58%
	31-40 Years (GenZ)	129	42%
	Total	**304**	**100%**
Social Media	Active user (2-4 times or>6 times daily)	170	56%
	Passive User (Once daily or Alternate days)	134	44%
	Total	**304**	**100%**

5. Results aand Discussions

This section deals with various results and findings obtained out of the study. The results are divided among the areas of user ship (category and product brand), awareness of corporate brand, consideration and familiarity.

5.1 Usership

High overlap between categories with ~40% using Packaged juices along with Honey and >50% using Mosquito Repellents however similar trends are not visible for product brands both for current users and ever bought. There is a difference in user

profile across Portfolio Brands – while Dabur Honey & Odomos has majority current users that are active on social media, but majority of Real user group is passive on social media

Category used in last 2 months	Honey	Packaged Juices	Mosquito Repellents
Honey	100%	39%	47%
Packaged Juices	37%	100%	53%
Mosquito Repellents	64%	75%	100%

Current used Brands	Dabur Honey	Real	Odomos	Ever bought Brands	Dabur Honey	Real	Odomos
Dabur Honey	100%	15%	13%	Dabur Honey	100%	31%	30%
Real	13%	100%	15%	Real	28%	100%	68%
Odomos	3%	5%	100%	Odomos	22%	56%	100%

H1. Current users of Dabur Honey (BH) will have higher number of portfolio Brands than Real (HB) or Odomos (EB) users
Results   There is a strong evidence of uniformity in usage of portfolio Brands across the Brand Architecture (Chi-square 124, df =4; p value < 0.05)

5.2 Awareness
Salience of Corporate brand is nearly universal among Dabur Honey (BH) users across stages however similar connect is not visible for either Real (HB) or Odomos (EB). This might be the key reason for high lapsers for Real (HB) or Odomos (EB) – improvements in visible connect between corporate and product brands will enhance the salience as well as loyalty for these product brands.

Awareness of Corporate Brand among users	Last Bought	Ever Bought	Lapsers	Consider Buying
Dabur Honey (BH)	98%	97%	95%	96%
Real (HB)	70%	63%	55%	53%
Odomos (EB)	77%	62%	59%	41%

H2a. There is a significant association between current users of Product Brands and awareness of Corporate Brand
Results   There is a strong evidence of association between current usage and awareness of Corporate Brand across the Brand Architecture (Chi-square 28.3, df = 2; p value < 0.05)
H2b. There is a significant association between lapsers of Product Brand and awareness of Corporate Brand
Results   There is a strong evidence of association between lapsers and awareness of Corporate Brand across the Brand Architecture (Chi-square 45.9, df = 2; p value < 0.05)
H3a. There is a significant association between Corporate Brand awareness and consideration of a Product brands
Results   There is a strong evidence of association between consideration of Product Brands and awareness of Corporate Brand across the Brand Architecture (Chi-square 72, df = 2; p value < 0.05)

5.3 Experience & Perception
There is a high positive correlation between satisfaction and familiarity across product brand covered in the study. Same is not visible with Believability except Real brand where the correlation is moderately positive. It proves that experience (satisfaction) has higher impact than perception (believability) on salience of portfolio

Correlation coefficient experience variables	Satisfaction	Familiarity with Portfolio	Believability
Dabur Honey (BH)	0.65	0.15	0.02
Real (HB)	0.41	0.14	0.35
Odomos (EB)	0.55	0.08	0.18

significance >.05

Consumers see a high perceived fit between Product and Corporate Brand on 2 critical attributes of Brand equity – quality of products and Brand trust – higher relationship for Odomos (EB)

%respondent agreeing (4 &5) on a 5-pointLIKERT scale	Similar to Corporate Brand	
	Quality of Products	Brand Trust
Dabur Honey (BH)	62%	63%
Real (HB)	76%	77%
Odomos (EB)	77%	81%

6. Conclusion & Implication

Based on the study results and data analysis we can conclude that there is a high salience of corporate brand among users of product brands across hybrid brand architecture – Dabur Honey (BH – Branded House); Real (HB- House of Brands and Odomos (EB-Endorsed Brand). There is a strong association across portfolio which establishes the fact that salience of corporate brand is an important driver of consideration. We also observe that gamut of portfolio usage will drive higher association with corporate Brand, in turn the perception on product quality and brand trust. The more consumers will trust the brand the more successful portfolio a corporation will have. There are evidences of satisfaction driving the familiarity of portfolio, which establishes the transference of perception.

Nearly all marketers will agree that building strong brand needs sustained investment hence every brand manager spent substantial energy to collate facts so that they get the desired resources for their Brand. This is the most critical decision which takes disproportionate share of time of strategic planning – the fallacy is that everyone competes to establish the best RoI for their product Brand rather than debating on the coherence. This study results will aid in improving productivity of strategic meetings and add velocity to decision making. Since the design is simple and transparent, it's less likely to trigger debates on the linkages and implications. The study results will facilitate the operational decisions on resource allocation with maximizing the return on investments.

This study also offers contributions to academicians in several ways – the random design of experiment will help is generalization of the inferences and development of a mathematical model to measure RoI for portfolio investments. In addition, this study simultaneously considers the effects of product brand-specific associations and brand portfolio, which have received limited attention in prior studies. An examination of the fit between Product Brands & Corporate brand will advance marketers' understanding of the factors that may dilute or enhance product brand strength and provide insights into brand portfolio management.

This conceptual work and empirical investigation will also enhance the knowledge base on the intertwined relationship between the corporate level and the product/service level of brands. As rightly said:

The real strength of a portfolio is its weakest link – better visibility will drive faster and coherent actions

*Firms can have brand architectures with multiple identities and multiple facets where the corporate brand more or less embraces and contributes to the product brands (**Balmer, 2001b; Brexendorf and Kernstock, 2007; Keller,2014**).*

7. Limitations and Recommendations for Future Research

There are some limitations of the study. First, other variable needs to be studied, such as brand awareness, brand association, and consideration. Second, we should investigate this study in consumer durable industries which has been pursuing Branded House architecture since long. Third, the slightly more bigger sample framework both respondent profile and geography. We should track this design for use cases and try to develop a simple RoI model

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