

# SMEs: The Path to Strong Brands

## Seminar (4): Concluding Remarks

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# Structure

## I. Research Methods

## II. Summary of Findings

1. What Will be Reported
2. Evolution of Brand Management and Strategic Focus
3. Brand Creation and Development Process
4. Brand Life Cycle and Implications for Effective Brand Management



# I. Research Methods

Theoretical sampling

Data collection methods

- In-depth interviews with business owners
- Longitudinal study: Follow-up interviews with selected firms
- Focus groups with senior brand management executives
- Observation at selected sites
- Desk research + company web sites
- Feedback from workshops
- Benchmark studies



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# II. Summary of Findings

## 1. What Will be Reported

- Characteristics of SMEs' brand building and management behavior
- Brand development and management process: Description and analysis
- Analysis of the brand strategy
- Business model and brand strategy
- Identification of key success factors
- Level of match between requirements for success and brand management capabilities
- Experience for benchmarking









創建品牌所需關鍵成功要素		高	中	低	不適用
品牌表現評核標準	利潤				
	顧客滿足度				
	銷售量				
	市場佔有率				
	品牌知名度				
	現金流				
	品牌形象提升度				
	品牌忠誠度				
	品牌延伸可能性				
最值得借鏡的經驗					

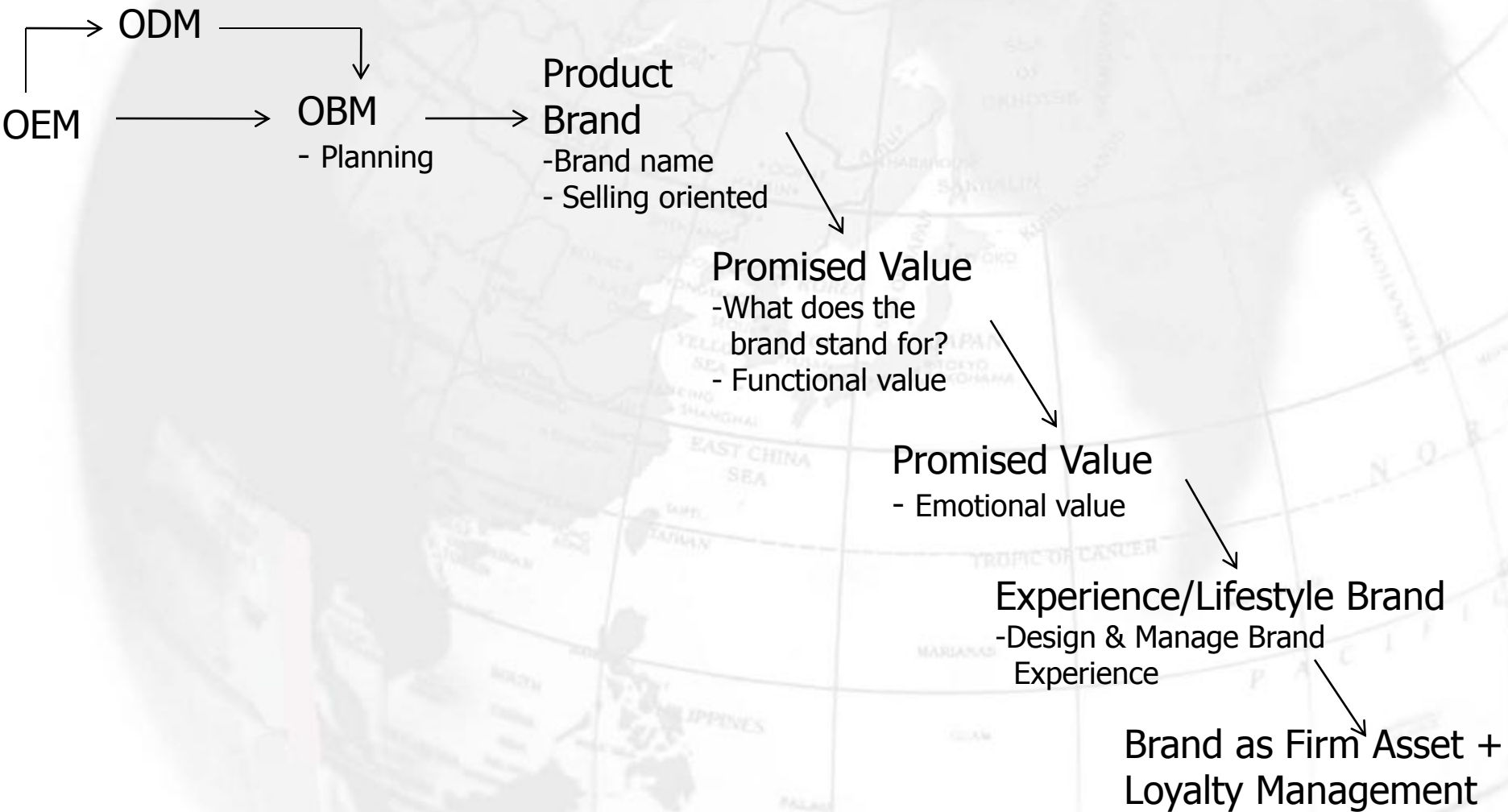


# 創建品牌所需關鍵成功要素

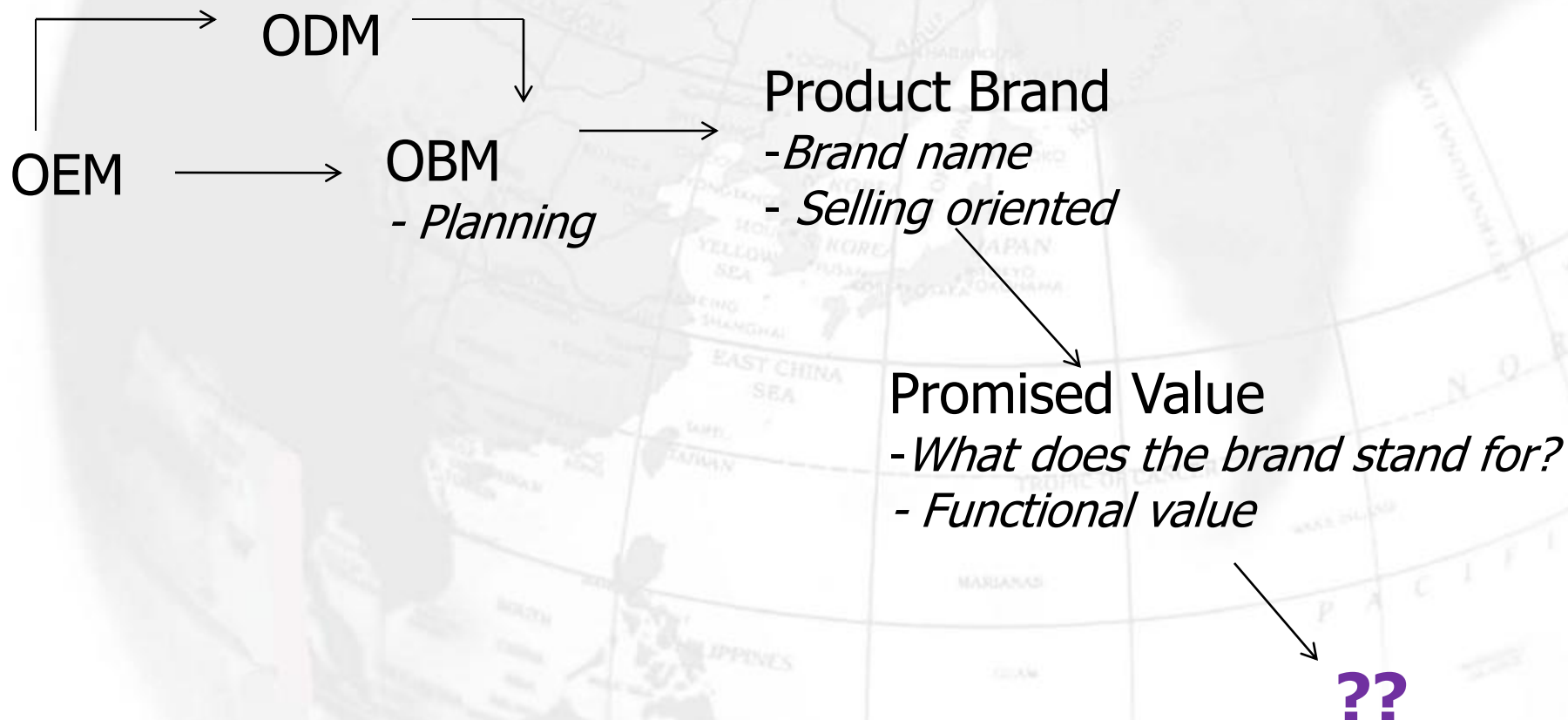




# 2. Evolution of Brand Management and Strategic Focus



# Our findings indicate many HK SMEs are trapped in the “functional value” stage



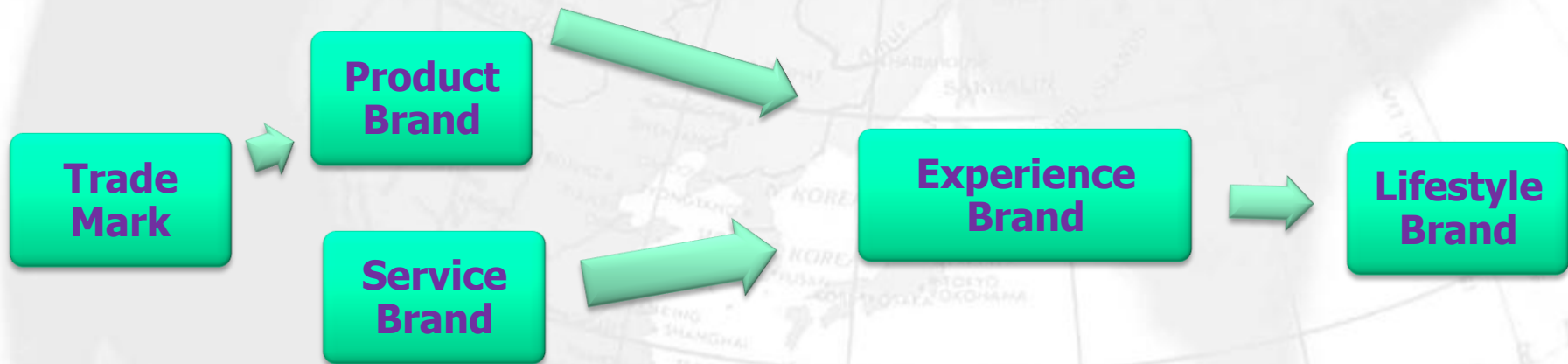
## Our findings indicate:

Firms have no “OBM” experience will be less likely to develop strong brands

### Reasons:

- Product is the core element
- Innovation is a key success factor
- More sensitive to market needs and changes:
- New design is a response to customers' emerging needs
- Mindset/management approaches: More flexible and adaptive



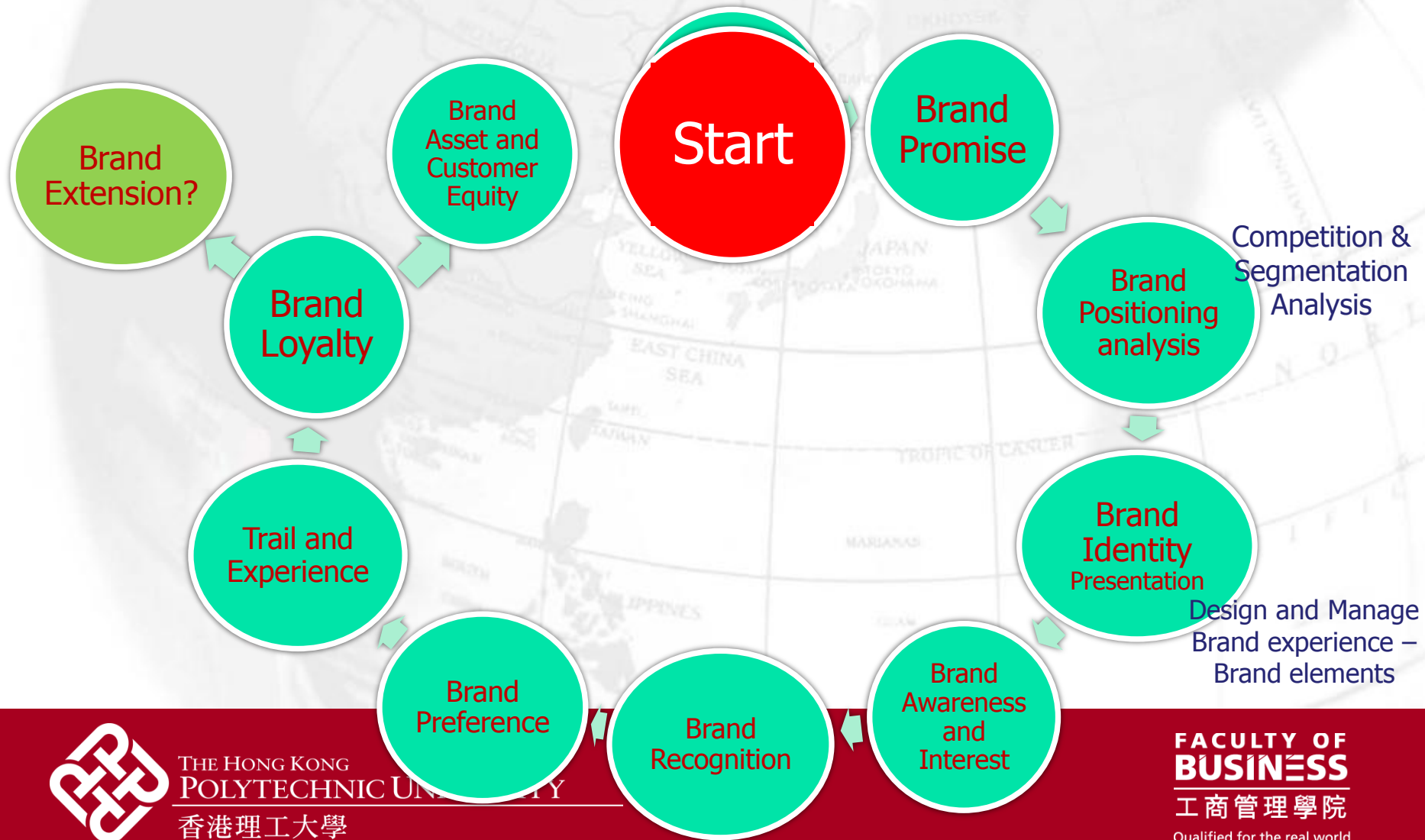


### 3. Brand Creation and Development Process



# “Brand Creation and Development Process” -

Sherriff Luk 2010



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## Our findings indicate:

- Planning:
  - ✓ No plan or incremental planning
  - ✓ Piecemeal, lack of integration
- Dominated by selling orientation
- A “product brand” approach, only a few defined the promised value of the brand
- Inadequate brand management know-how: Key personnel/owner
- Trial and error: Ignore/under-estimate the importance of market research
- Have to invest to improve their knowledge of the China market



- Think more of product and advertising, but little of the role of employees in brand building and delivery of brand experience
- The measures for success
- Don't understand the implications of Brand Life Cycle for effective management of brand building and development activities

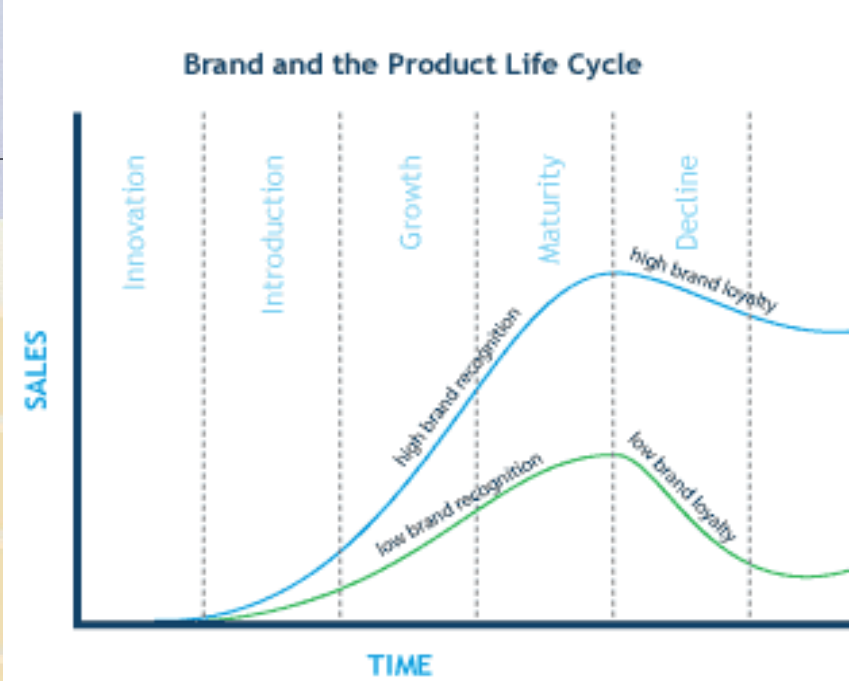
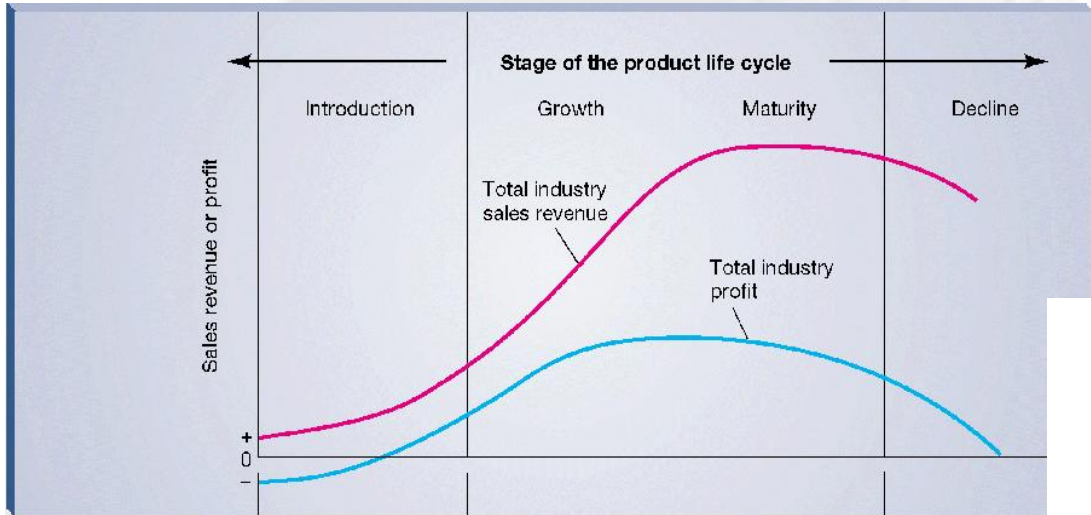




# 4. Brand Life Cycle and Implications for Effective Brand Management



# Brand Life Cycle



MARKETING OBJECTIVE	GAIN AWARENESS	STRESS DIFFERENTIATION	MAINTAIN BRAND LOYALTY	HARVESTING, DELETION
Competition	Few	More	Many	Reduced
Product	One	More versions	Full product line	Best sellers
Price	Skimming or penetration	Gain market share, deal	Defend market share, profit	Stay profitable
Promotion	Inform, educate	Stress competitive differences	Reminder oriented	Minimal promotion
Place (distribution)	Limited	More outlets	Maximum outlets	Fewer outlets



# Brand Life Cycle

Customer  
Value  
Behavior  
Attitude  
Recognition  
Interest  
Awareness

Introduction      Growth      Maturity      Decline

***Characteristics of Customers' Brand Buyer Behavior and Attitudes at Different Phases of Brand Life Cycle***





# Focus of Brand Management Activities

## At Different Phases of Brand Life Cycle (Sherriff Luk, 2010)

		Introduction	Growth	Maturity	Decline
Brand Extension				✓	
Revitalization					✓
Loyalty	Word of Mouth			✓ ✓	✓
	Coherence			✓ ✓	✓
	Relationship		✓	✓ ✓	✓
Brand Identity	Preference		✓ ✓	✓ ✓	✓
	Liking		✓ ✓	✓ ✓	✓
	Recall		✓	✓ ✓	✓
	Recognition	✓ ✓	✓ ✓	✓	
	Interest	✓ ✓	✓ ✓		
	Awareness	✓ ✓	✓ ✓		





**Q & A**

**- Thank You -**



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