

**JOSEPH M. KATZ GRADUATE SCHOOL OF BUSINESS  
UNIVERSITY OF PITTSBURGH**

**Brand Management  
BMKT 2569**

**FALL 2010**

*Class Times:* Tuesdays 6:20 to 9:00 pm, Alumni Hall 532

*Professor:* John Hullahnd  
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*Office Hours:* Tuesdays Noon – 5 pm, and by appointment

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**Course Objectives**

The Brand Management course will have greatest value for future brand and product managers, but should also be of interest to other managers with an interest in marketing. The course explores the role played by brands in influencing consumers' choices, and investigates how to more effectively manage those brands. The course objectives are to:

1. Understand the relationship that exists between consumers and brands;
2. Develop and practice skills that relate to brand building, extension, maintenance, and repositioning;
3. Assess the value of a brand;
4. Investigate the international and retail roles played by brands; and
5. Evaluate the appropriate roles to be played by individual brands in a company's portfolio of brands.

**Required Course Materials**

1. Cases and readings, available online from study.net
2. Readings and other materials handed out in class.

**Course Evaluation**

<b>Class participation</b>	20 %
<b>Write-ups (2)</b>	40 %
<b>Brand project</b>	40%
<b><u>or</u></b>	
<b>Final (take-home) exam</b>	40%

### ***Class Participation/Preparation (20 %)***

Because a good deal of the class time in this course is dedicated to discussion, it is important that you come to class prepared to participate. Adequate case preparation starts with reading the case plus any assigned readings, but you should also try to answer the assignment questions I provide for each class session.

There are lots of ways to make a contribution in class, including presenting (and justifying) recommendations, providing contrary points of view, asking questions, and drawing on personal experience. I hope to keep the class sessions as up-to-date as possible, so I encourage all of you to look for current examples of brand management and to bring them to class.

### ***Write-ups (40 %)***

Choose any two of the cases listed below, and prepare an executive summary of no more than four pages in length (type-written) to be handed in at the start of the class in which we will discuss that case.

My preferred format is the following: Start with a one paragraph summary of the problem to be resolved or the decision to be made. The next paragraph states your recommended course of action. The remainder of the write-up then provides a more detailed justification for your recommendation.

Given the limited space available, you need to focus on stating conclusions that you draw from case information, and only briefly use case facts to support these conclusions.

You can do write-ups for any of the following cases. (Note: If you are unhappy with your write-up grades, you are welcome to submit additional write-ups. I will use the highest two grades you achieve.)

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|----|--|------------------------|
| 1. | “The Black & Decker Corporation (A): Power Tools Division” | Sept. 7 <sup>th</sup>  |
| 2. | “Shanghai Jahwa: Liushen Shower Cream (A)”                 | Sept. 14 <sup>th</sup> |
| 3. | “Mountain Dew”   | Sept. 21 <sup>st</sup> |
| 4. | “Dove: Evolution of a Brand”                               | Sept. 28 <sup>th</sup> |
| 5. | “Procter & Gamble: Facelle Division Facial Tissue”         | Oct. 5 <sup>th</sup>   |
| 6. | “Kingsford Charcoal”                                       | Oct. 12 <sup>th</sup>  |

### ***Final Project / Take-home Exam (40%)***

You can choose to either complete a Brand Project **or** write the final take-home exam. Both are described more fully on the next page.

### ***Take-home Final Exam (40%)***

The take-home exam will involve reading a case, analyzing the case situation, and then writing up a report that presents and justifies your recommendations. The exam will be handed out in the February 10<sup>th</sup> class, and will be due no later than 11:59 p.m. Friday, October 22<sup>nd</sup>.

### ***Brand Project (40%)***

Working either on your own or with one other person, evaluate a brand of your choosing and prepare a report consistent with the following guidelines:

- Choose a brand that is of interest to you professionally and that has undergone an interesting recent change. For example, it might be a brand that has just been launched, an existing brand that has been repositioned, a brand that is part of a portfolio of brands that has undergone expansion or contraction, or a brand that has just been taken international. (If you are at all in doubt about what is appropriate for this project, please feel free to meet with me.)
- Describe the chosen brand's current market situation, including a description of the segments it targets, its position, key competitors, and insights into how the market is changing. Try to identify the brand's culture, and how this relates to its brand strategy.
- If possible, provide a brand valuation. (If the brand is owned and managed by a privately held company, this may not be possible.)
- Discuss the future prospects for this brand, based on your assessment of the market.
- Make two or three key recommendations for managing this brand in the longer term. You should focus particularly on items that help ensure that the brand is either profitable or increasing in market share and revenue over the next five to seven years.

Your report should be no more than 12 pages in length, including exhibits. The report is due no later than 11:59 p.m. Friday, October 22<sup>nd</sup>

## DETAILED SCHEDULE

### **Session 1 (Tuesday, August 31<sup>st</sup>) – Brand Management Overview**

Case: “*Starbucks: Delivering Customer Service*”

*Assignment:*

1. What factors accounted for the extraordinary success of Starbucks in the early 1990s? What was so compelling about the Starbucks value proposition? What brand image did Starbucks develop during this period?
2. How does the Starbucks of 2002 differ from the Starbucks of 1992?
3. Why have Starbucks’ customer satisfaction scores declined? Has the company’s service declined, or is it simply measuring satisfaction the wrong way?
4. Describe the ideal Starbucks customer from a profitability standpoint. What would it take to ensure that this customer is highly satisfied? How valuable is a highly satisfied customer to Starbucks?
5. Should Starbucks make the \$40 million investment in labor in the stores? What’s the goal of this investment? Is it possible for a mega-brand to deliver customer intimacy?

### **Session 2 (Tuesday, September 7<sup>th</sup>) – Brand Relationships and Brand Strategy**

Case: “*Exploring Brand-Person Relationships: Three Life Histories*”

Reading: “*Getting Brand Communities Right*”

*Assignment:*

1. Think about the life stories of the three consumers described in the case, and the quotes regarding the brands they use.
  - (a) Is it appropriate to say that these consumers have formed relationships with the brands they know and use?
  - (b) What kinds of connections form between consumers and their closely-held brands?
  - (c) Are these connections specific to individual brands, or can patterns be identified across brands in a given consumer’s portfolio?

- (d) Are Jean's brand relationships different from Karen's or Vicki's? Whose brand relationships are strongest? Why?
2. Think about the pool of brand relationships available for study in the case.
    - (a) Can you think of ways to summarize and describe these relationships in ways that might be managerially useful?
    - (b) Which brand relationships in the case would you describe as especially strong and enduring? What makes you describe these as "strong"? If you wanted to measure strength or quality of a brand relationship, what questions would you ask the consumer?
    - (c) Why do some relationships decline and dissolve while others intensify and endure?
  3. How does a high quality brand relationship form and evolve over time?

Case: *"The Black & Decker Corporation (A): Power Tools Division"*

Reading: *"The Brand Relationship Spectrum: The Key to the Brand Architecture Challenge"* (separate distribution)

*Assignment:*

1. Why is Makita outselling Black and Decker (B&D) 8 to 1 in an account that gives them equal shelf space?
2. Why are B&D's shares of the two professional segments (industrial and tradesmen) so different? Wouldn't you expect them to be similar?
3. Joe Galli's goal is to "develop and gain corporate support for a viable program to challenge Makita for leadership in the tradesman segment" (page 1). This goal translates into a "minimal objective of doubling B&D's Professional-Tradesmen segment share from 10% to nearly 20% within three years, with major share 'take-away' from Makita" (page 12). How realistic is this?
4. Would you support the "build share" strategy? How would you recommend pursuing it? Evaluate the DeWalt and sub-branding options. Be specific about what you advocate, keeping in mind that you have three constituencies to convince: tradesmen, retailers, and Nolan Archibald.

### **Session 3 (Tuesday, September 14<sup>th</sup>) – Brand Extensions**

Case: “*Mountain Man Brewing Company: Bringing the Brand to Light*”  
(separate distribution)

Reading: “*Brand Extensions: The Good, the Bad, and the Ugly*” (separate distribution)

*Assignment:*

1. What has made MMBC successful? What distinguishes it from competitors?
2. Should MMBC introduce a light beer? What are the pros and cons of doing so?
3. Should MMBC launch *Mountain Man Light*? What is required for this brand to break even in two years?

Case: “*Shanghai Jahwa: Liushen Shower Cream (A)*”

Reading: “*How Global Brands Compete*”  
“*Competing With Giants: Survival Strategies for Local Companies in Emerging Markets*”

*Assignment:*

1. Should Jahwa enter the shower cream market?
2. If is launched, should the new shower cream product be distributed and sold using the Liushen brand?
3. How should Jahwa position its shower cream relative to Lux and other potential entrants?

### **Session 4 (Tuesday, September 21<sup>st</sup>) – Brand Communication and Brand Building**

Case: “*Mountain Dew: Selecting New Creative*”

Reading: “*Brands and Branding*”

*Assignment:*

1. Review the CD-ROM case. Before looking at the proposed brand advertisements, you should review the brand’s history and understand what the advertising needs to accomplish.

2. Which of the five proposed Mountain Dew ads do you think is best, and why?
3. As Scott Moffitt, which three ads would you recommend producing?
4. Which two Mountain Dew ads should be aired on the Super Bowl?

Case: “*Capital One: Launching a Mass Media Campaign*”

*Assignment:*

1. Why is a new advertising campaign needed?
2. Identify specific marketing objectives for the advertising campaign. In particular, is the advertising to drive sales, share, profit, or something else?
3. Who is the target consumer? How do they make decisions?
4. How will advertising affect consumer behavior? Through awareness? Information presentation? Changing brand perceptions?
5. What creative strategy do you recommend? What is the key benefit to be communicated? What should be included in the ad to reinforce this benefit? What should the tone and manner of the advertising be?

### **Session 5 (Tuesday, September 28<sup>th</sup>) – Brand Equity and Brand Valuation**

Case: “*Dove: Evolution of a Brand*”

Reading: “*Three Questions You Need to Ask About Your Brand*”

*Assignment:*

1. Why does Unilever want fewer brands?
2. What was Dove’s market positioning in the 1950s? What is its positioning in 2007?
3. How did Unilever organize its product category and brand management activities before 2000? What is the corresponding

structure post-2000? How was brand meaning controlled prior to 2000, and how is it controlled at the time of the case?

4. What are people saying about Dove today? (You will need to go online and search blogs to answer this question.)
5. Do you see risks for the Dove brand today?

Readings: “*Strategic Brand Valuation: A Cross-Functional Perspective*” (separate distribution)  
“*Brand Valuation Exercise*”

### **Session 6 (Tuesday, October 5<sup>th</sup>) – Retail / Private Label Brands and Brand Portfolios**

Case: “*Cafes Ferrachat*”

Reading: “*The New Appeal of Private Labels*”

*Assignment:*

1. What are the pros and cons of Café Ferrachat producing a private label product for Pyrenees?
2. Should Jacques Ferrachat agree to the Pyrenees request?

Case: “*Procter & Gamble: Facelle Division Facial Tissue*”

Reading: “*Kill a Brand, Keep a Customer*”

*Assignment:*

1. What are the market positions for P&G’s Facelle Division brands? To what extent do they compete with one another for the same business?
2. Should Randall Beard drop any existing brands and/or add the new Puff brand? Should P&G merge, sell, milk, or eliminate the dropped brands?
3. How should all of the surviving brands be positioned for the future?
4. Do you recommend changes in product formulation? Changes in pricing?



## **Session 7 (Tuesday, October 12<sup>th</sup>) –Brand Evolution**

Case: “Kingsford Charcoal”

Reading: “If Brands Are Built Over Years, Why Are They Managed Over Quarters?”

*Assignment:*

1. How did Clorox get itself into its present position? Of what relevant trends should the Kingsford brand managers be aware?
2. Why do people grill? Profile a frequent griller. Why do people use charcoal versus gas when grilling?
3. How does your action plan affect Kingsford’s business objectives (including market share, profitability, and brand equity)?
4. What is the relevant category definition here? What marketing objectives do you recommend for the Kingsford brand?
5. Propose an action plan for the Kingsford brand for the coming year. Be specific

Case: “Pledge”

Reading: “The Brand Report Card”

*Assignment:*

Johnson & Johnson are experiencing significant profit erosion on the company’s Pledge product. Pledge has declined in terms of both sales volume and contribution margin over the past ten years.

1. What factors have led to this decline?
2. What are the major segments in the market in 1989? What is each segment looking for? How are Johnson & Johnson’s brands currently positioned in these segments?
3. Make specific recommendations for marketing both the Pledge and Duster Plus brands in 1990, in terms of positioning, pricing, and advertising and promotion.