



BRANDING 15.846

Professor: Renée Richardson Gosline (rgosline@mit.edu)
Administrative Assistant: Tina Sherman (tsherm@mit.edu)
Teaching Assistants: Nell Putnam-Farr (elpf@mit.edu) (Morning section)
Tatiana Mendoza (tmendoza@mit.edu) (Afternoon section)

Schedule: H2, Tuesdays and Thursdays

- Section A: T, TH 10-11:30, in E51-325 (Nell)
- Section B: T, TH 1-2:30, in E51-325 (Tatiana)

Please note: This class is full, so please attend only the section to which you have been admitted. Should you need to make a change, it is imperative that you contact the TA for your section at least 24 hours in advance, as we will be taking attendance.

Welcome to Branding!

Nature and Purpose of this course:

Everyone is a consumer, and everyone is aware of brands. Despite this apparent ubiquity of experience, relatively few companies are successful at building strong, resilient brands. Some of a firm's most valuable assets are its brands. Although manufacturing processes can often be duplicated, beliefs and attitudes established in consumers' minds cannot. This class is meant to introduce you to the fundamentals of branding, and to prepare you to build and protect brands yourselves. Along the way, you will tackle some of the strategic issues that affect brands at various stages of the "life course." We will also dig into the challenges that come along with success, including imitation, second-mover advantage, and the illusion of Marketer control over brands in the face of consumer co-creation.

Classroom Policies:

A copy of the MIT Sloan Policy on Classroom Behavior is on the Stellar website. In addition, here are the policies for my class:

- Do the reading and speak up, thoughtfully. This is imperative. I will employ the Socratic method, so please be ready to engage in lively discussion.
- Arrive promptly and do not go in and out. Please do not leave midway unless in case of physical emergency. It is distracting and unnecessary.
- Turn off electronics. This is Sloan policy. Laptops, tablets and phones are not to be open in the classroom except with explicit permission from me. Please silence your phones (not just vibrating mode) before class.
- Show up and participate. Interviews, recruiting and the like will not be accepted as excuses. You will be docked for absence from class. To help you juggle the constraints of job search, I will allow section swapping, provided that you inform the section TAs and me 24 hours before class time.

Grading:

This class cannot be taken for P/F, nor will we be able to accommodate listeners, due to capacity constraints. Your grade will be determined based on four criteria:

1. Class participation and involvement (30%).
2. Individual Tumblr Blogs (25%): Create a Tumblr account for this class. Please note that this content will be made public. If you already have a Tumblr, you may create a new blog under your account. *Each student must make a minimum of 1 post before each session, related to the research topic and class in general – you must post commentary along with your post.* Your post is due by the beginning of the class session. Each post must have the following hashtags (though you can add others): #mitbranding and #mitsloanbranding. This will allow your TAs to track your post completion. I will also use hashtag #professorgosline. Leadership Branding assignment (5%): Please see description – it's due by the beginning of the 5/7 class, in Module 4.
3. Final Group Project (40%). Proposal due on 4/17. Project due 5/13. More details provided under separate cover. Each team member must provide a grade for each other team member.
4. Experiment participation (5%): This will most often entail the completion of brief surveys. More details under separate cover.

A progress report will be emailed to you mid-semester so that you have a heads-up on how you're doing. This will be your opportunity to "right the ship," so to speak, if needed.

A Bit About Me:

I'm an Assistant Professor of Marketing, and my research focuses on Consumer Behavior (Branding, Social Networks, and Status). I have also been a visiting scholar at Tuck. Prior to my doctoral studies at Harvard Business School, I was a Marketing practitioner, at Moët Hennessy (part of LVMH), and Leo Burnett. I look forward to sharing this educational journey with you.

Course Roadmap:

We don't have much time together, so we need to make every session count. The course will be broken up into four modules:

1. Building Brands
2. Managing Brands
3. Defending and Sustaining Brands
4. Leadership Branding

Module 1: Building Brands

1. Tuesday April 1: THE POWER OF A BRAND

Cases:

- Black & Decker Corp. (A): Power Tools Division, by Robert J. Dolan

This case describes the challenges, strategy, and results of Black and Decker's (B&D) brand-building attempts in the tradesman segment of the US power tools market. Some questions to consider as you prepare this case:

- Why is Makita outselling B&D 8 to 1 in an account that gives them equal shelf space?
- Why are Black and Decker's shares of the two professional segments – Industrial and Tradesmen – so different? Wouldn't you expect them to be similar?
- What action alternative should B&D pursue (please do more than "Monday Morning Quarterback"... consider the decision in situ)? Be specific about what you would do and remember you have at least three audiences to please:
 1. Tradesman
 2. Retailer
 3. Nolan Archibald and Gary DiCamillo

2. Thursday April 3: BUILDING BRANDS

Case: Corona Beer (A)

Some questions to consider as you prepare this case:

- What are Heineken's vulnerabilities and how could they be protected?
- What do the Heineken and Corona brands mean in the minds of consumers, and how do these meanings differ in the minds of consumers?
- How do the advertising campaigns contribute to these meanings?

3. Tuesday April 8: DIFFUSION

- Case: "Four Products: Predicting Diffusion" (508-103)
- "Note on Innovation Diffusion: Rogers' Five Factors"
- Skim: "Forecasting the Adoption of A New Product"

These readings address important aspects of building brands – diffusion and adoption. Although you would not have a crystal ball as a Marketer, *please use the data in the cases to move beyond your gut reactions and impressions*. In this case, you are asked to compare and contrast the likely diffusion for four very different products. The goal is to establish a small set of criteria that you think most influence the process of diffusion.

Some questions to consider as you prepare for class:

- What is the market potential for each of the products?
- Which products will reach this market potential rapidly, and why? Which products will reach this market potential slowly (if at all), and why?
- How do Rogers' five factors apply to the four products?

Module 2: Managing Brands

You should begin identifying group members and a project idea for the final assignment. The proposal is due by the start of the 4/17 class session.

4. Thursday April 10

- Case: Concha y Toro
- Article: "Fine as North Dakota Wine: Sensory Expectations and the intake of companion foods," Physiology and Behavior 90 (2007) 712-716.

Please consider the following questions as you prepare for class discussion:

- Does a "bottom-up" or "top-down" strategy make more sense for Concha Y Toro? Why does "Made in Chile" matter?
- How much of wine consumption is perception versus actual quality?

5. Thursday April 15

Case: Singapore Airlines (A)

Please consider the following as you prepare the case:

- How does SIA deal with an industry crisis?
- How do you sustain customer-centric value?
- How does this airline make money when their competitors do not?

6. Tuesday April 17

Articles:

- "Viewing brands on Multiple Dimensions" (SMR233-PDF-ENG)
- "The Brand Relationship Spectrum: The key to the brand architecture challenge" (CMR177-PDF-ENG)

As you prepare for class, please consider the following questions:

- What is a brand manifold, and how does help us to understand the meanings that consumers give to brands?

Note: **FINAL GROUP PROJECT PROPOSALS DUE BY START OF CLASS UPLOADED TO THE STELLAR WEBSITE UNDER HOMEWORK.** Please include the group members' names and contact information, project topic, and project component assignments.

MID-TERM PROGRESS REPORTS EMAILED TO STUDENTS

Module 3: Defending and Sustaining Brands

[NO CLASS TUESDAY APRIL 22 DUE TO PATRIOT'S DAY]

7. Thursday April 24: LUXURY BRANDING

Case: Burberry

Today we move into the module that examines the ways in which brands defend against competitive encroachment and an ever-changing consumer landscape. Please consider the following as you prepare the case and article:

- Compare Burberry's market position relative to that of its competitors, including Polo, Coach, Armani and Gucci. Is Burberry's competitive position sustainable over the long-term? Why or why not?
- To what extent have the changes that Bravo made exacerbated or mitigated Burberry's risk profile in the unpredictable world of fashion?
- Who is Burberry's target audience?
- Should Burberry launch Brit?
- How have Burberry's strategic decisions affected expectancies about its products?

8. Tuesday April 29

Case:

- Inside Intel Inside: 502083-PDF-ENG

As you prepare this case, please consider the following questions:

- What was the original motivation behind Intel's decision to launch the Intel Inside branding campaign?
- What factors have accounted for the success of the campaign?
- What are the current problems Intel is facing in the PC market?
- Should the company extend the "Intel Inside" branding campaign to other non-PC categories such as cell phones and PDAs?

9. Thursday May 1: THE NEW FRONTIER OF BRANDING

Articles:

- "*Ignore the Human Element of Marketing at Your Own Peril*," by Bob Garfield and Don Levy, Advertising Age, January 2, 2012.
- [Why #McDStories Didn't Have a Happy Ending](#), thenextweb.com, Stefan Meeuws, January 24, 2012.

As you prepare for class, please consider the following questions:

- Is the sun setting on the consumer era?
- What is enduring? What has fundamentally changed?

Module 4: Leadership Branding

10. Tuesday May 6

Leadership Branding I

In advance of today's class, please submit the following on the Stellar website (will only be read by me):

Consider your career after graduation. Answer the following two questions concerning leadership strategy:

- Define the **2-3** desirable, deliverable and differentiating points-of-difference you would like to establish for yourself in your business career in the **long-run**. In other words, what ways can you be unique to other top-tier MBAs as your career progresses? What are the **1-2** key points-of-parity you will also need to negate any possible weaknesses? (50-100 words)

11. Thursday May 8

Leadership Branding II

12. Tuesday May 13

**** ALL FINAL PROJECT PAPERS DUE**

All papers (Stellar uploads, please) must be submitted by the start of 5/13 class.

FINAL PRESENTATIONS IN CLASS FOR GROUP A

13. Thursday May 15:

FINAL PRESENTATIONS IN CLASS FOR GROUP B