

Unleashing the power of brands
Strategic Brand Management by Roland Berger

Sneak Preview

Roland Berger
Strategic Brand Development Group

Beijing, New York, Munich, July 2004

A brand strategy must result in a conclusive, focused and efficient marketing mix – and must be economically viable

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What is the "actual" position of a brand from the people's perspective?

i.e. what are the brand's Actual Value Perception, Projection, Delimiter in the competitive environment

What "ideal" target position should the brand take in the competitive environment?

i.e. the optimal Target Value Proposition and Target Segment that is strategically differentiated from the competition

What is the most effective brand strategy to reach the "ideal" brand position?

i.e. the Road Map to Target Value Proposition, including mile stones from actual to target position of a brand

What are corresponding measurements for the entire marketing mix?

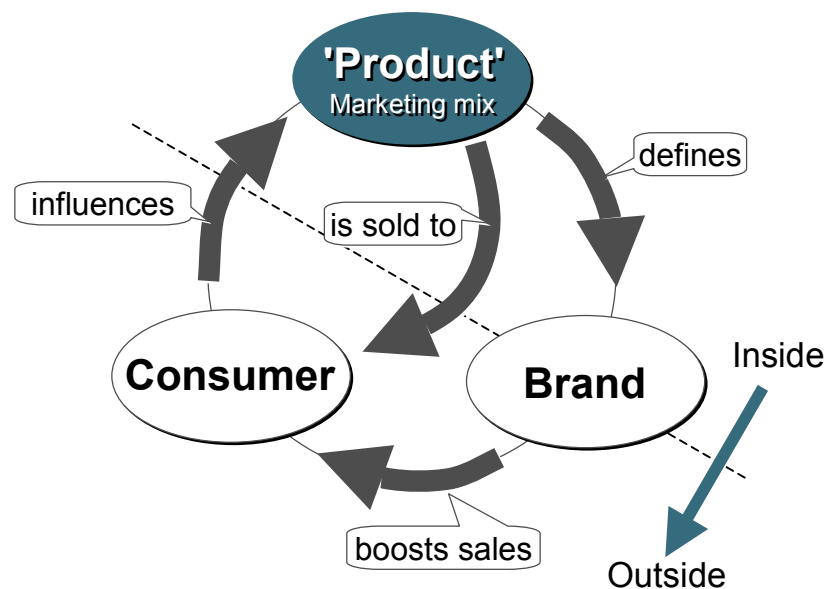
i.e. the detailed action plan for a consistent adaptation of the entire marketing mix

What are the costs involved and what is the impact on the business plan?

i.e. the cost of re-positioning and effect of brand strategy on revenues, margin and profitability

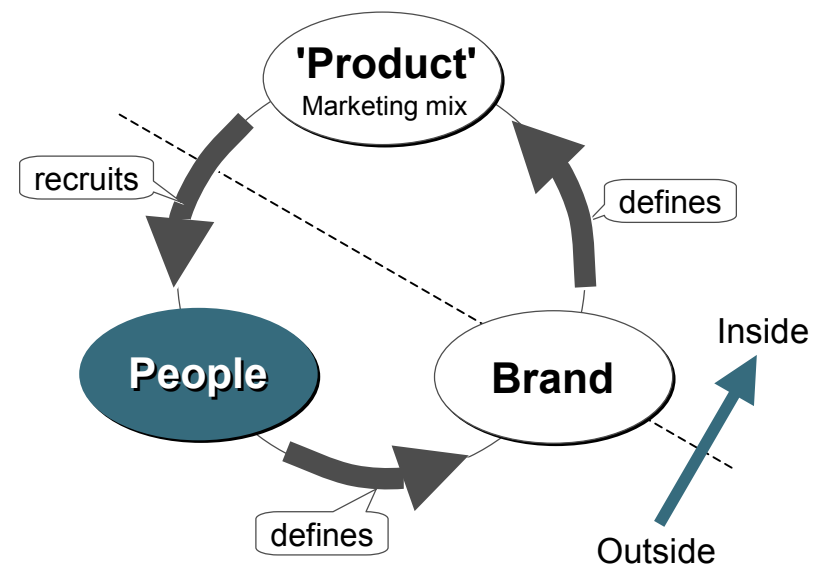
The Roland Berger philosophy of brands reverses conventional wisdom

Conventional wisdom



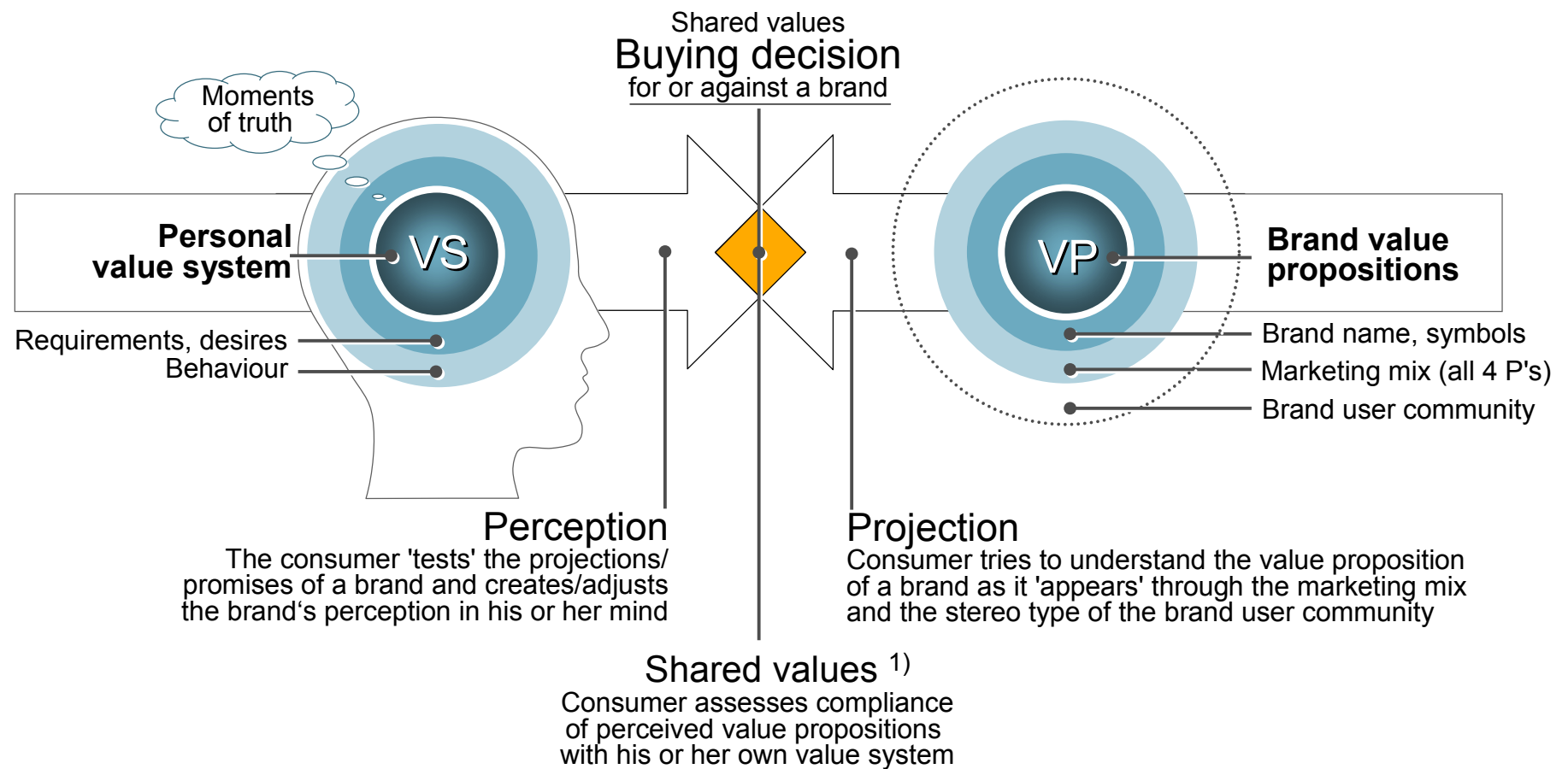
Product-driven brand philosophy
Companies produce products ...

Roland Berger philosophy



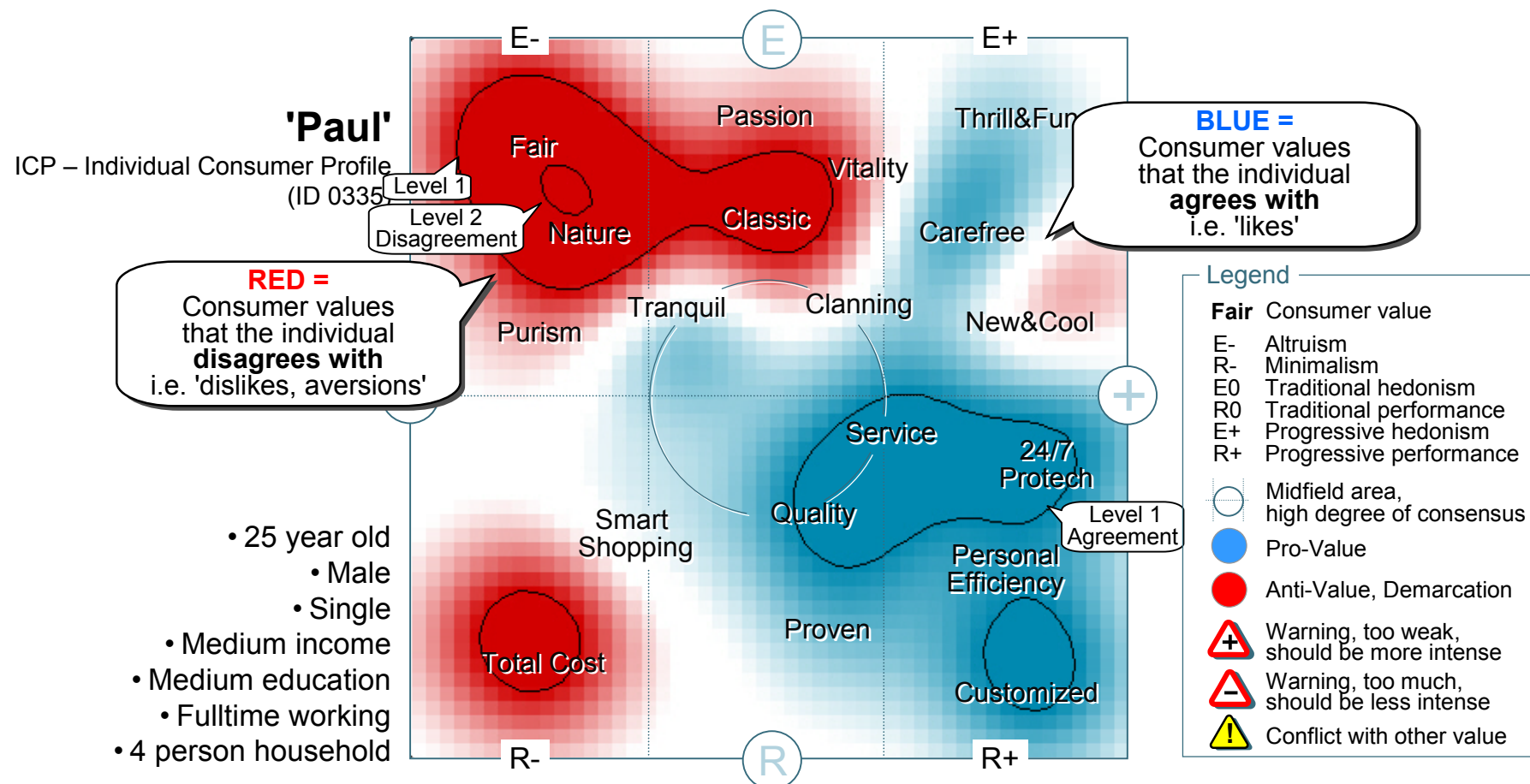
People-driven brand philosophy
People buy brands ...

The more a person's value system matches a brand's perceived value system, the more likely a decision to consume will be made

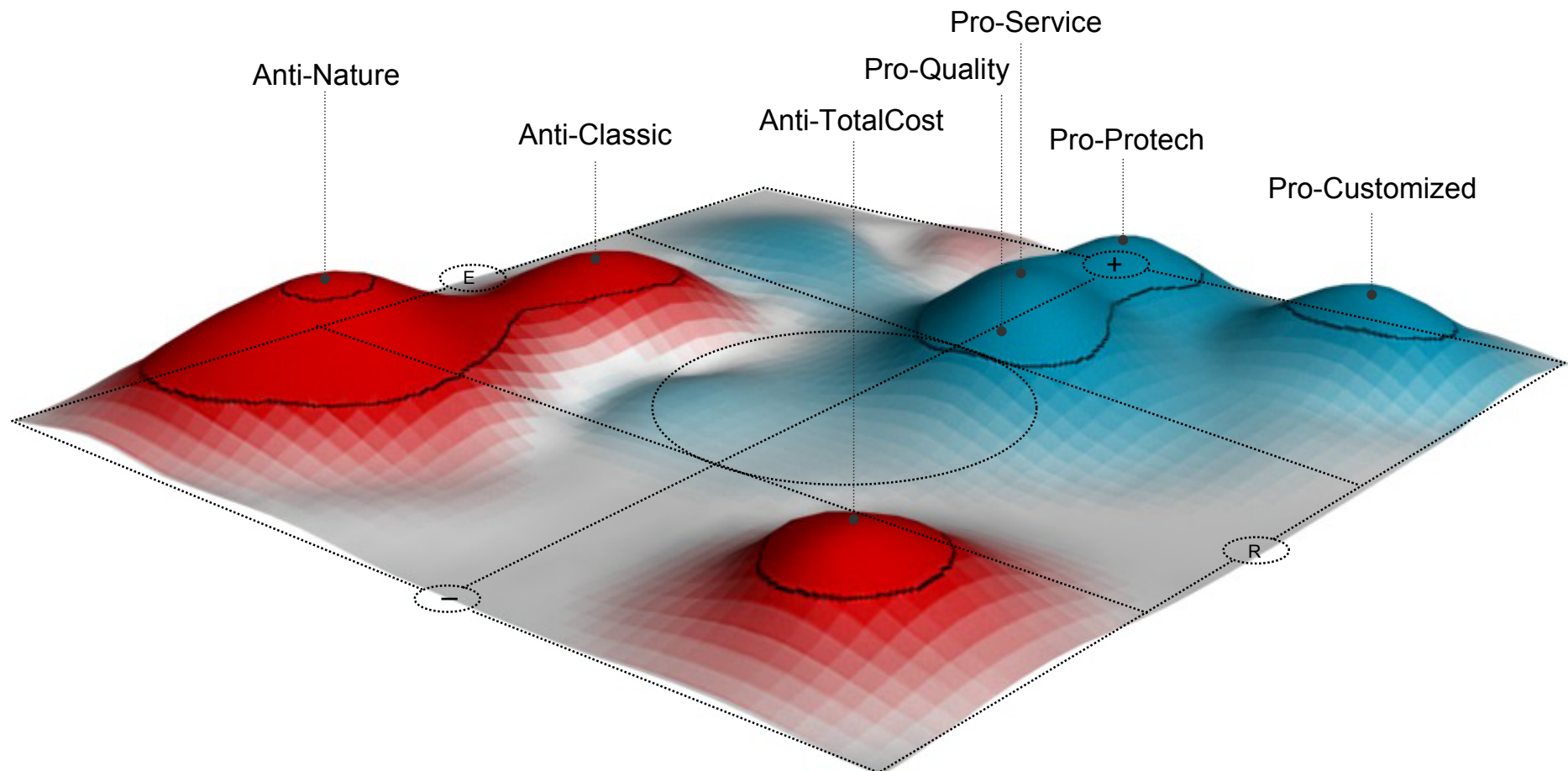


1) the more perceived value propositions of a brand match with a consumer's value system, the more likely is his or her buying of the brand

Paul's value system includes progressive performance orientations, is not hedonistic, rejects altruism and shows some luxury tendencies

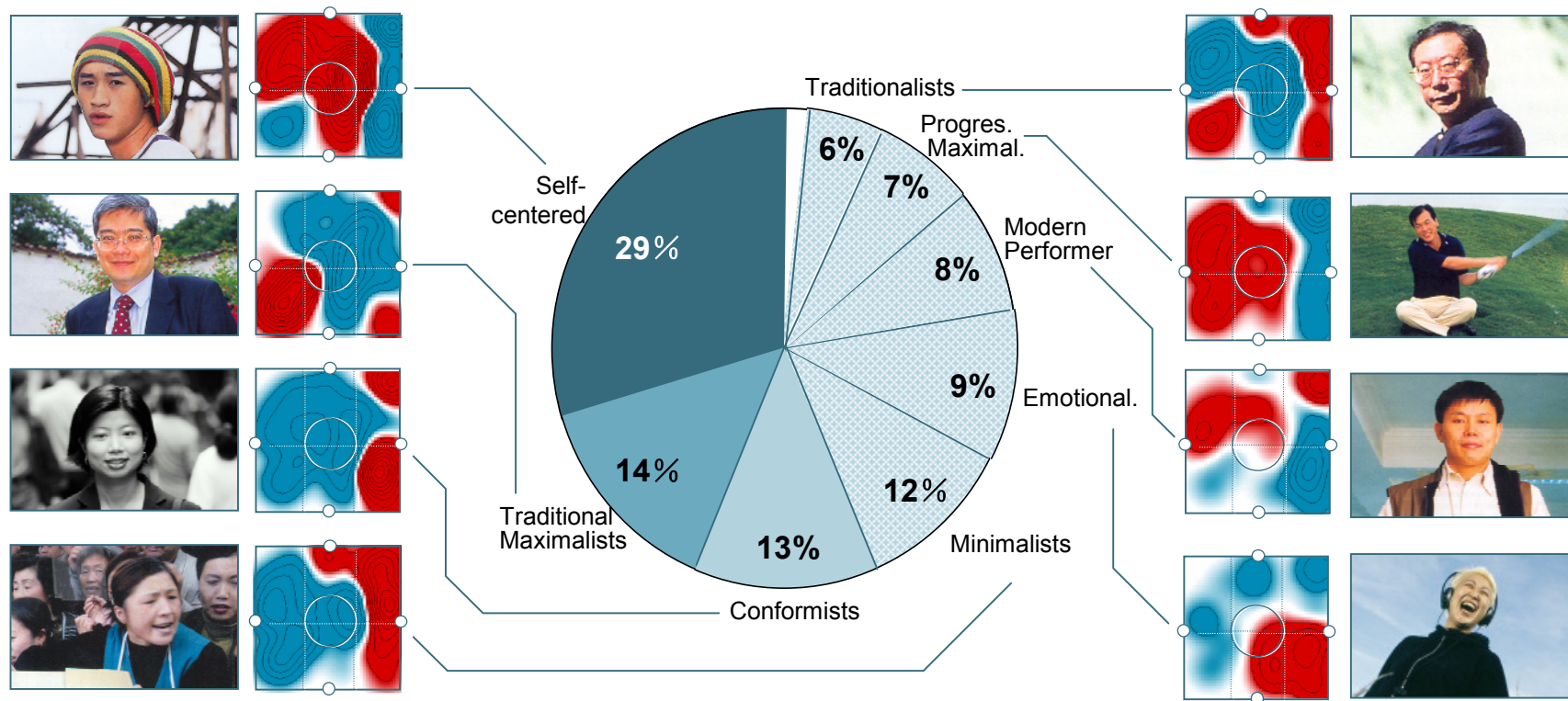


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Roland Berger has identified a number of typical value-demographic[®] consumer segments in China – the Archetypes

Chinese Archetypes (Big City Metropolitan Area)



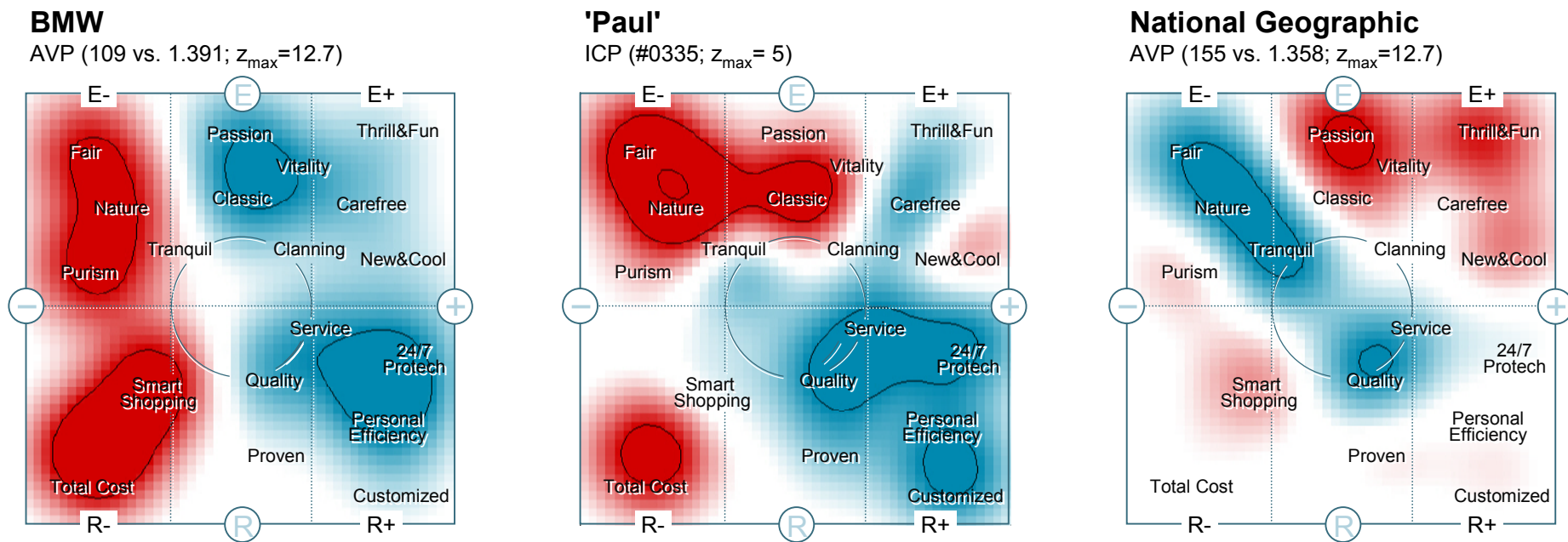
Maximalists and Modern Performer are the economically most relevant segments for luxury goods in China

Chinese Archetypes	Progressive Maximalists	Traditional Maximalists	Modern Performer	Self-centered	Traditional	Conformists	Emotional	Minimalists
Values								
Size	7% 8%	14% 10%	8% 13%	29% 9%	6% 21%	13% 11%	9% -	12% 8%
Consumption	Very High Very Low	Very High Medium	Medium High	Medium Very Low	High Very High	Low High	Medium Low	Very Low Very High
Affinity ¹⁾	Very high 110 46	High 162 63	Very high 43 90	Medium 64 43	High 11 -	Low 1 -	Low 7 -	Very Low 6 -
Economic Relevance ¹⁾	1.	2.	3.	4.	5.	6.	7.	8.

Decreasing Economic Relevance →

1.) for luxury goods in China

While 'Paul' drives a BMW – he would probably not read the National Geographic magazine

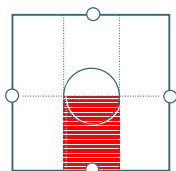


The value projection of the Deutsche Bank combines progressive performance and traditional hedonism in a maximalistic way

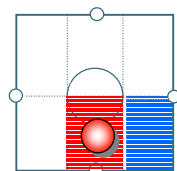
Deutsche Bank – A Passion to perform



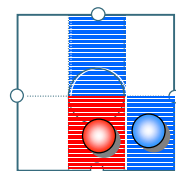
- **Everyday you challenge the status quo ...**
- A person with his jacket over his shoulder is looking to the event horizon while traffic is passing in the background in fast motion suggesting time stands still while he is looking into the future



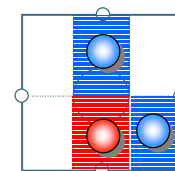
- **Aiming higher ...**
- A capable person writes advanced math on a glass board
- A person with grey hair in a business suit and sunglasses is dancing expressively on a terrace



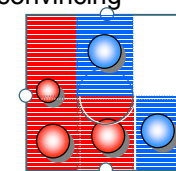
- **Breaking new ground ...**
- A cinematographer gets an imagination of her next shooting
- An engineer is looking at a miniature model of a new car



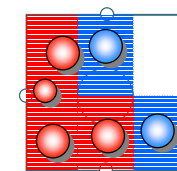
- **You demand more ...**
- A person is passionately playing an invisible violin in his messy office



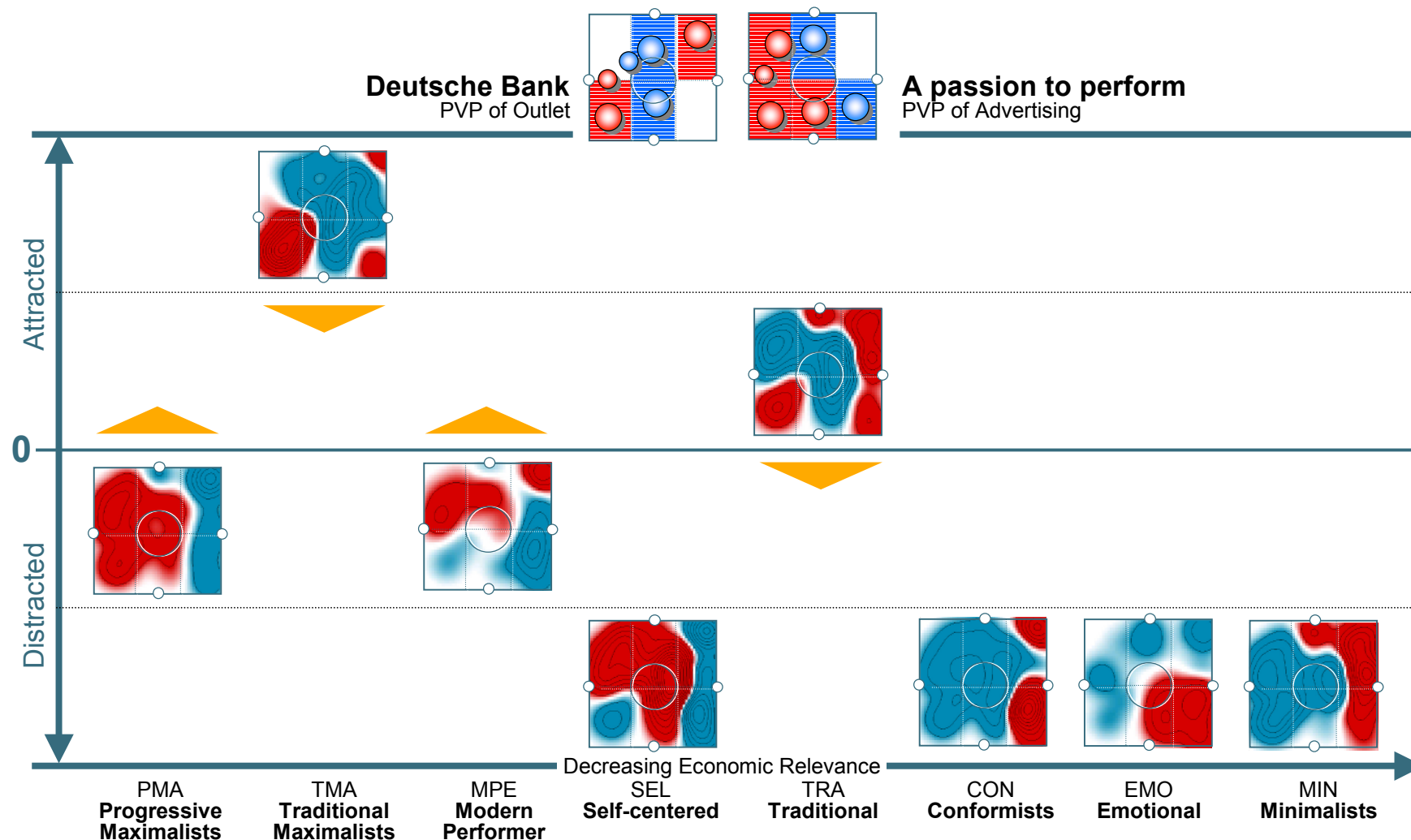
- **And Deutsche Bank shares your passion, aiming higher ... pushing harder**
- Airborne view to the Hi-tech building of the Deutsche Bank in Frankfurt, Germany
- People are engaged in an thorough discussion, one appears to be very convincing



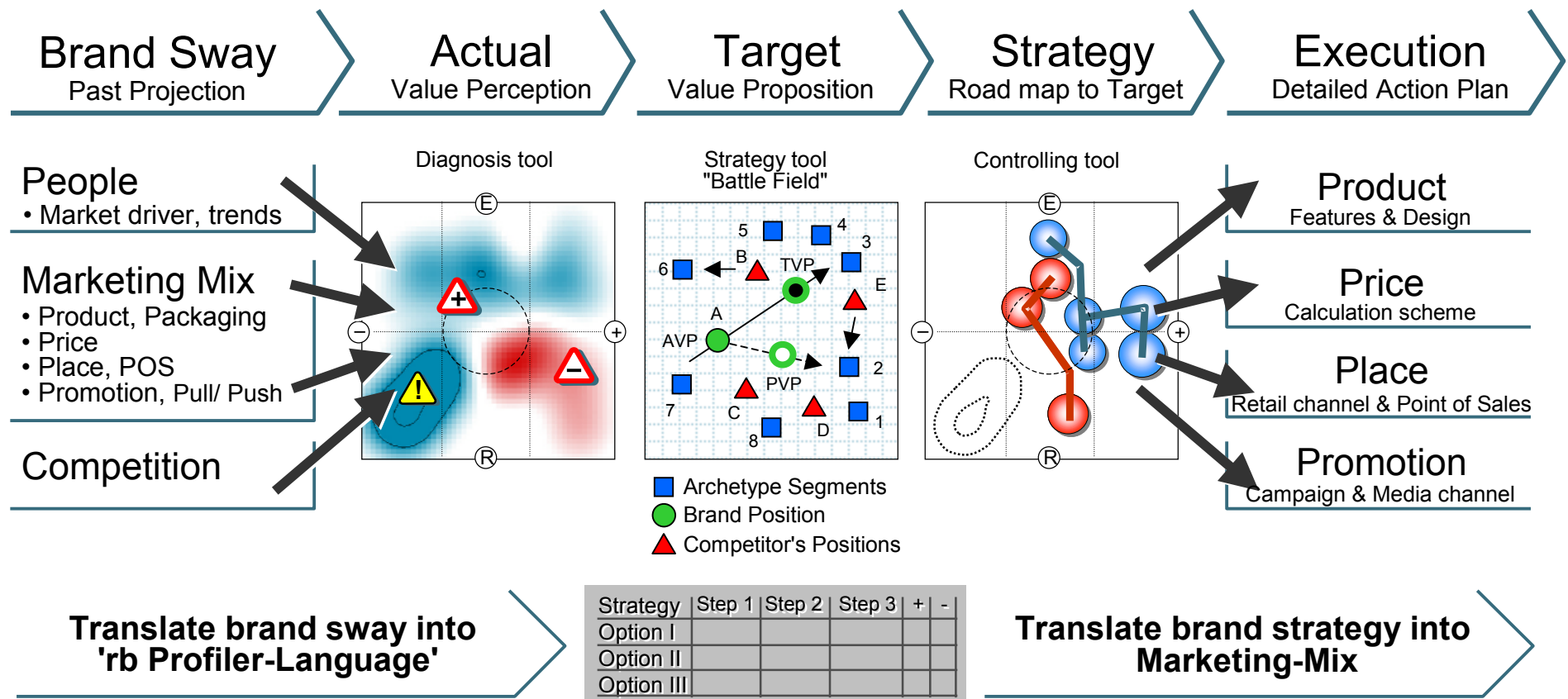
- **That is why the world's most demanding clients trust Deutsche Bank ...**
- Deutsche Bank, a passion to perform!
- A person runs fast through offices, takes two stairs at once
- People celebrating success



The Deutsche Bank tries to reverse it's traditional performance image by actively addressing Progressive Maximalists and Modern Performer



Roland Berger has developed a unique 'platform' – the rb Profiler – for the entire strategic brand development process



Roland Berger's Strategic Brand Development Group consists of highly skilled professionals striving to solve branding issues around the globe

- An **interdisciplinary team** of 25 seasoned experts dedicated to Strategic Brand Management and Advanced Consumer Research; extended team accounts for 55 strategists
- A team of rich diversity and capability, ranging from philosophy and psychology to statistical science and strategic planning ... combining, bridging and integrating **qualitative and quantitative** aspects of the same matter
- A full scale **statistical science & processing center**
- Spending considerable amount of revenues on ongoing **Research & Development**
- **Global reach** with projects in Europe, China, Japan, Brazil, Mexico, United States
- Serving **world class clients** such as Bayer, Clinique, Coca-Cola, Estée Lauder, General Motors, Mercedes-Benz, MasterCard, Vodafone, Marks & Spencer
- Successfully completed more than **80 brand strategy projects** in the last 5 years
- Publishing in leading management magazines such as **Harvard Business Review**
- Operating from New York, Beijing and Munich

Some of the most dynamic and successful corporations worldwide use Strategic Brand Management by Roland Berger

