

FAQ's

1. What is brand extension?

Brand extension is defined as the extension of an existing brand name. In simpler terms it means the introduction of a new product with the existing brand name like Cadbury Dairy milk chocolates, Cadbury Bournvita.

2. What are the different types of brand extensions?

The two popular brand extensions are the

- a. line brand extensions and the
- b. category brand extensions.

Line brand extensions are the new products introduced in new variants, colors or flavors in the same product category for example the yellow ipod, pink ipod, green ipod.

Category brand extensions are the introduction of new products in another product category for example Amul ghee, Amul milk, Amul ice creams.

3. What is a parent brand and what is a family brand. Explain the difference with the help of an example.

A parent brand is that brand under which new product variants are created in the same core category. It results in the creation of many brand extensions like Rasna orange, Rasna lime, Rasna guava. Family brand is that brand under which many brand extensions have been created outside the core product category. Eg. Amul and ITC which are a family brand.

4. What is a brand line?

A brand line consists of all products. It comprises of the original and the line and category extension Eg. Colgate. The brand line in the case of

Colgate consists of the original product and the line extension and category extension of Colgate.

5. What is a brand mix?

Brand Mix is the assortment of all brands. It is defined as a set of brand lines that a seller makes available to buyers

6. State the advantages and disadvantages of brand extension.

7. State the importance of Brand Identity?

Brand Identity is the uniqueness, the distinctive features which enables a quick identification of the brand. This image is created by the manufacturer himself. It is a promise by the manufacturer to deliver a promised value which is either emotional, functional or a combination of all. This unique identity gives the brand a competitive edge over the other brands in the same product category.

8. How does a brand extension improve the perceived image of a brand?

Brand images are the images of the brand as perceived by the customer. The images developed are on the base of the customer's experience after the usage of the brand, word of mouth referrals from his friends and past performance of the product and the company. The new product launched under brand extension has a rich legacy of great performance or customer experiences to elevate its image as the consumer evaluates based on his previous knowledge.

9. Explain Brand Rejuvenation?

Brand Revitalization of a brand becomes a must when the product enters into the maturity stage and no longer has any market because of product failure or product irrelevance to the current and potential customers. It is an indication to reinvent or improve value by enhancing appeal or through better brand associations. The changes observed in any one vital factor are also termed as brand rejuvenation.

10. How is brand dilution disadvantageous to a brand? Explain with the help of an example.

During brand extensions, the marketers must be careful to avoid brand dilution. With numerous brand extensions by the firm, the various category expansions somewhere loose the true value of the brand. This makes it difficult for the customer to associate with a specific product and we call it as brand dilution. In the case of Parker pens, the pens were launched as a luxury product. Amitabh Bachchan, a celebrity endorsed the product, but with time the firm to reach out to a larger base of customers started dropping the prices of the pens making it available for all strata. This brought out confusion in the minds of the customers to its luxury product status. This is brand dilution.