BRANDING
15.846

Professor: Renée Richardson Gosline (rgosline@mit.edu)
Administrative Assistant: Kaitlin Smith (knsmith@mit.edu)
Teaching Assistants: Ann Levin (annlevin@mit.edu) (Morning section)
Hany Sapir (hsapir@mit.edu) (Afternoon section)

Schedule: H2, Tuesdays and Thursdays
• Section A: T, TH 10-11:30, in E51-325
• Section B: T, TH 1-2:30, in E51-315

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 recording 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 (30%): 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): #mitsloanbranding and #professorgosline. This will allow your TAs to track your post completion. I will also use hashtag #professorgosline, so you can see what I’m (re)blogging. More details on Tumblr posts below.

3. Branding Lab (40%). Proposals/bids due 4/8. Progress report due 4/21. Lab presentations due 5/10. You’ll have 10-15 minutes to create a killer presentation for your “client.” Therefore, there is no paper; you’ll need to create a multimedia presentation. More details provided under separate cover. Each team member must also provide a grade for each other team member.

4. Extra credit participation (up to 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.

More about Tumblr posts:
The general idea is that this is a way for you to respond to the topic of the day and incorporate different media, including pictures, gifs, and links. You do not have to directly answer the questions for the day’s case, but it should be related to the topic of the day. We want you to be thinking about how the topic relates to the outside world and to be able to see what others in the class have discussed as well. If you are looking for examples, check out the posts from the students in last year’s class by searching for #mitsloanbranding. Also, please make sure that we can identify your blog as belonging to you in some way so that you can receive credit. These posts are due by the start of the class. Guidelines:

1. If you pull content from somewhere else, please give credit. Feel free to quote, but make sure to be clear which words are from you versus from somewhere else.

2. When you do post content, make sure to add your own thoughts. Content without commentary will not earn credit. Similarly, answering the case questions without adding some additional points won’t earn full credit.

3. In that vein, we encourage you to read each other’s posts and to link to each other. This should be a conversation.

4. Finally, the expectation is for two posts per week (one per class). (Sorry for the confusion for people in the morning section.) More is fine. We will evaluate the entirety of what you post before each class.

If you have any questions, please contact your TAs.
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. 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. BUILDING BRANDS BY STEERING GREAT CREATIVE
Cases:
   • Corona Beer (A)
   • Recommended; Market Research: 592034-PDF-ENG

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. DIFFUSION
   • Case: “Four Products: Predicting Diffusion” (508-103)
   • "Note on Innovation Diffusion: Rogers' Five Factors”
   • Optional: “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
Note: BRANDING LAB BIDS DUE BY START OF CLASS UPLOADED TO THE STELLAR
WEBSITE UNDER HOMEWORK. Please include the group members’ section, names,
contact information, company ranking, and project component assignments.

4. April 9
• Case: Concha y Toro
• Article: “Fine as North Dakota Wine: Sensory Expectations and the intake of

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. April 14
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. April 16
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?

MID-TERM PROGRESS REPORTS:
• Please email your Branding Lab progress report to your TA by 4/21.
• Your individual performance report will be emailed to you by your TA.
Module 3: Defending and Sustaining Brands

7. 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. MAINTAINING ADVANTAGE
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. THE NEW FRONTIER OF BRANDING
Articles:

- Why #McCStories 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: Applying Branding Principles to Leadership

10. LEADERSHIP BRANDING I
Case: Better World Books: 511057-PDF-ENG

In advance of today’s class, please think about your career after graduation. What are 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? What are the 1-2 key points-of-parity you will also need to negate any possible weaknesses?

11. LEADERSHIP BRANDING II
Article: How to Pitch a Brilliant Idea: R0309J-PDF-ENG

12. ** ALL BRANDING LAB PRESENTATIONS DUE – UPLOAD TO STELLAR

Each team should come on Tuesday prepared to present. We will randomly announce the list of teams that will present at the start of class. To help us with that:

- Please have ONE person from each team send an email to the TA for your section with the name of your team and all members of your team listed. Send this email by the previous Friday at 5pm.
- All presentations must be emailed to your TA no later than 1 hour before class on Tuesday to give us time to get them set up on the computer for presenting. This means: Section A is due at 9am on Tuesday. Section B is due at 12pm on Tuesday.
- Depending on final enrollment, you should plan on 10-15 minutes for your presentations.

13. BRANDING LAB PRESENTATIONS IN CLASS FOR GROUP B

You are expected to attend this session, even if your team has already presented. Absence at this session will not only be in violation of Sloan standards, but inconsiderate as well. Absence from this class will affect your grade accordingly.