A Theoretic Approach to History of Brand and Brand Strategies

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ABSTRACT

Trademark, in today's conditions where competitive environment is getting harder and harder, is not only a name; but also, as product's ID, a tool for business which is constituted in the mind of customer and guides the customer in the process of buying. Today, trademark does not seem to be a tool for trading as different from goods and service, and is categorized in the long-term asset. “Trademark Strategies” are really important for business firms that have large product range in the issue of sustainable competitive advantage pushed up by the trademark. In this respect, in this study firstly information about trademark and sproperties of trademark were given; and then the types of trademark and trademark strategies were handled.

Keywords: Trademark, History of Trademark and Trademark Strategies
1. INTRODUCTION

By the positive effects that have been in communication space, business firms have started freely trading in the globalizing world. Competitive environment has become harder because of being in touch with other companies and this holds all of business firms’ feet to the fire. They faced with demand differential, the products that produced by technology etc. As a result, all business firms’ aims are to increase their market shares. So these firms feel competitive environment closer.

While scrambling for trademark in the global markets, it has recently become important in Turkey. Although the firms which work domestically affect themselves in a negative way by being out of global competition and destroy themselves. The firms that know how important trade marking are aware of customers’ preference and they grab advantages with trademark strategies. They also invest on trademark.

In this study, we analyzed trademark that adds value to business firm, importance of trademark and its function, type of trademark and trademark strategies.

2. TRADEMARK CONCEPT AND ITS HISTORICAL DEVELOPMENT

In today’s world, history of trademark is too old that trademark has newly become as an important notion. Historians say that history of trademark is as old as a century and used on purpose by people.

Research excavations about trademark on the wall of Lascaux Cave, France, there have been found handprints to indicate “belongingness”. In Egypt, Rome and China there have been found pots, jugs and some other things which include the seal showing their qualities and belongingness. In antiquity, imperials used symbols, such as the Japanese used Chrysanthemum, Romane Eagle, the French Emitter, to announce their power in a different way. (Tunç, 2007:2). In the Middle Age, crafts and related trades workers processed any symbols at the corners to protect and to show who made these. (Ünlü, 2005: 27)

By 1990s, traders have noticed the problems of trademark strategies. They have cared more about items and the strategies that used to show the way of focusing on products. At later periods, trademark strategies have been prepared for the sake of business firms. (Özsaçmacı, 2011:6-7)

Nowadays, business firms create their own strategies on items or their prestige. They also have a place in trademark when they create their own marketing strategies. Trademark does not have only one definition, because it speaks with the customer and also with their minds. (Keskin, 2008: 67).

A trademark includes; the product, the pack, the brand name, promo and general overview. (Murphy, 2007: 4).

Trademarks try to introduce the business and having differences from other businesses. Trademark is shown as a name which has specific aim, an augur or a symbol. (Couvelaereand Richelieu, 2005: 25).

For American Marketing Association, trademark is a name, symbol, term to combine both producers’ and vendors’ goods and services, to create the difference apart from other business. (Chernatony and Dall’Olmo Riley, 1998:418-419). Trademarks indicate the differences of goods’ and services’ functions to separate the good’s quality and advantages.

Trademark gives the customers a set of properties, advantages. Good trademarks also offer guaranty. Trademark presents six meanings (Kotler, 2000: 404-405).

1. Properties: People can be imagined by a trademark, such as “Mercedes is a car which has quality and high prestige and which is expensive and durable.”
2. Benefits: Customers convert the properties to functional and emotional benefits. For example, “Durable” word makes the customer think like “I won’t buy a new car”, “Functional benefit”, “expensive” means “this car makes me an important person!” -Emotional benefit.
3. Values: Trademark gives some clues about the companies’ values. “Mercedes means maximum performance, trust and prestige…”
4. Culture: Trademark can also symbolize a culture. “Mercedes symbolize German Culture: organized, maximum performance, efficient”
5. Personality: Trademark can stand by a person. “Mercedes, has a boss(personal) who makes no mistakes, an animal (lion) who holds dominance and a cool palace (object), can push the customer to think so.”
6. User: Trademark reminds their profiles who buy and use the good. “It is thinkable that an old person whose age is 55 uses Mercedes, but not a 20 year old secretary”.

It is possible to summarize the differences between goods and trademark.

Table 1: Differences between Goods and Trademark (Tunç, 2007: 10)

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<tr>
<th>Goods</th>
<th>Trademark</th>
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<td>-Goods are produced in factories.</td>
<td>-Trademarks are created.</td>
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Trademark, unlike goods, is stated as a fact which is created in customer mind. Goods that are produced in factories are object and service that has physique, technical properties, shape and benefit. Trademark is compound that is perceived by customer, and satisfies them physically and emotionally. There are functional benefits in goods. On the other hand, trademark is a name and symbol to add value.

3. TRADEMARK STRATEGIES

Trademark strategies have been developing because they are the way to introduce “trademark” more effectively and to hold customer, to keep legal security, etc. Trademark strategies are created by handling the business strategies and all the trademarks in the firm. There have to be optimal connections between excom solutions and marketing mix by customers' views. There are 4 basic trademark strategies. (Tatlıdil, 2010):

- New Trademarking
- Link Enlargement
- Trademark Enlargement
- Multiple Trademark

3.1 New Trademarking

New trademarking is constituted of when firms developed new products, none of the products are appropriate for the new product that firm uses, the idea that using a new product might have started to ruin some features that depends on the name of the brand, need of adding new values to the name of the brand and the existence of searching for a new name. Because of the reasons mentioned above, it is a kind of strategy which is introduced to the marketplaces with a new name with the idea of new brand group non-suitably. For instance; when the Arçelik firm introduces a soap, it is not expected that it would be 'Arçelik Soaps'. (Keskin, 2008:89)

When the new brand strategy is compared to three brand strategies, most risky and expensive ones come into prominence.

3.2 Link Enlargement

Link enlargement is defined as the name of the product’s trademarking which has different features that involves in product category. The business firms that has link enlargement are preferred;

- to constitute a difference and innovation so as to improve the efficiency of the trademark
- to increase the level of the consistency so as to attract the potential customers to products with the help of trademark
- to provide to constitute the strong trademark image
- to increase added value that is constituted due to trademark.

The firm has chance of reflecting this accomplishment to other products with a low price and risk in this strategy. Furthermore it would enlarge the customer basis and increase the sales by supplying the customer needs and demand.

3.3 Trademark Enlargement (Spread of Trademark)

Trademark is defined as a kind of strategy which is used by a successful trademark so as to introduce the new developed products in different developed product category. The aim in this strategy is to transfer the new capital to the new product. The acceptance of the new product which is introduced by this strategy depends on these features (Keskin, 2008:87):

- There should be a consistency between the available product and new product in terms of qualification, benefit, and quality.
The existence of the appropriateness in terms of usage area and product features between new and available product.

New product should have different taste and content.

Same advantages with the line enlargement can be provided with this strategy, as well. However, it involves some kind of risks as line enlargement has; when encountered with disappointment of the customer who bought the new product, decrease of the level in respect to the other product of the firm is observed. (Kotler, 200: 415-416)

3.4 Multiple Trademarks

Multiple trademarks are defined as one or more than one trademark developing strategy for the same product category. For instance; using only Seiko Lasalle brand for the high price and quality Seiko watches or using Pulsar brand for the preference of low price and quality could be indicated as an example. (Polat, 2007:24). This strategy is used so as to be introduced to different departments of market. It is like Koç Holding in Turkey’s producing Arçelik and Demirdöküm (Giray, 2009:24).

In this strategies, all the different product categorizes have different trademarks, or this is used a new name with its own name (Nestle Damak). There is an advantage like finding more places in markets by multiple trademarks.

4. RESULT

With the new world order, business firms can change their producing and marketing method, research and development and other strategies because of the differences in demand. It’s getting harder to stay alive in the period of change due to business every passing day.

The level of responding demand, expectations and needs of business firms play an important role so as to process the existence of business firm and to realize the location of marketplace. Nowadays, product diversification and the decrease of product quality can be possible with the help of new technology however sometimes this makes costumers to make a choice among similar products. This creates prominence for the necessity of the distinct features of the products.

As a conclusion, firms which care for globalization had to think globally under the tough competition conditions. It is necessary to be open to new price strategies and finding new price strategies according to customer's need. However during this process firms should not compromise their principles about the leading features of the trademark like reliability, diversity, affording the product cost, offering innovative features and keeping their promises.

5. REFERENCES


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