

THE DYNAMIC CREATION OF VALUE IN BRANDS AND BRANDED PRODUCTS

– The Meta Management Model, MMM

An important part of the value of a branded product is carried by the brand itself, which is a figment of the observer's mind. Analysing the different visions, we may identify the three aspects of the brand that are the most important from the marketing point of view.

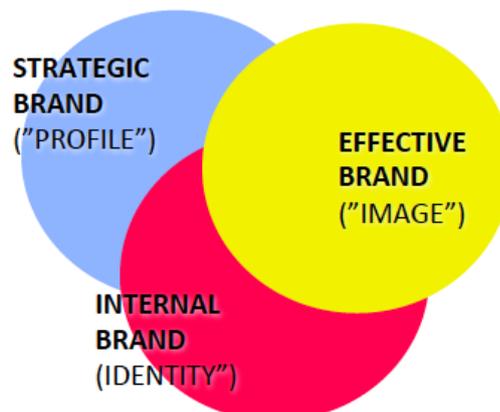
The definition of (economic) value, "*the amount of any commodity for which a given object is replaceable*," means that the deal can be closed in a transaction at the moment the two actors agree on the value. When the price is set by the seller, as it normally is, the buyer is the one who decides on the value.

Three brands

The same brand will have a different meaning depending on who is observing it. When developing or handling brand matters in an organisation, it is important to realise who is employing what brand. Conventionally the rather confusing designations of "profile", "identity", and "image" have been used for the three most important aspects, but here I will be more consistent, defining them in branding terminology:

- **Strategic.** In the process of creating the value of the brand of a branded product, the organization management may start with the strategic decisions: the formation of the *strategic brand*. (Previously "profile")
- **Internal.** Realising the branded offer to the market, the organization, staff, and employees, interpret the strategy into products and their marketing. This brand aspect is the *internal brand*. (Previously "identity")
- **Effective.** The brand accepted and conventionalized by the audience in the market is the one that receives a significant value, the *effective brand*. (Previously "image")

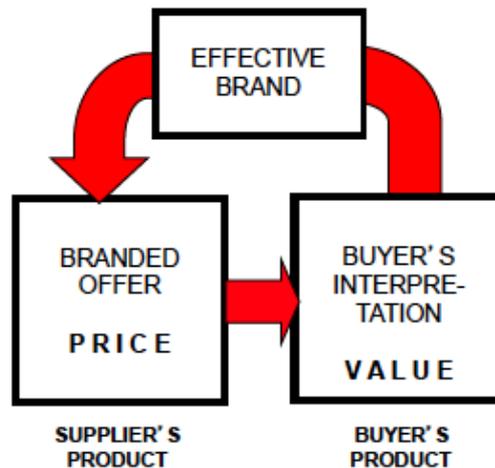
These three aspects of the brand are normally more or less overlapping, but rarely identical. A high rate of overlapping should be seen as a sign of a strong, stable brand, but identical brand aspects may display a lack of dynamics.



The valuable objective: the Effective Brand

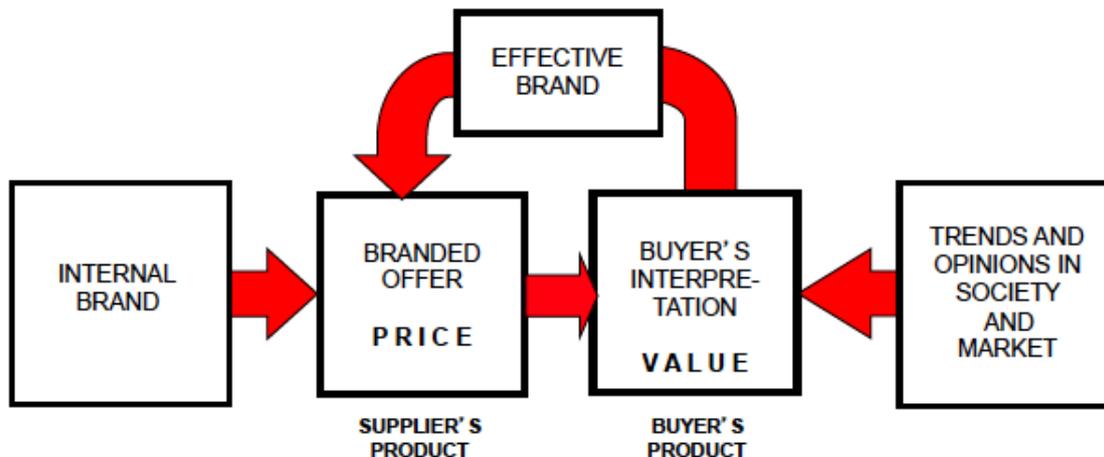
In the selling/buying transaction the seller asks the price and the buyer buys if he finds that the value corresponds to it. A brand adding value to the product and making it sell in larger quantities and/or at a higher price is defined as a strong brand.

A brand offering these qualities to its owner (producer/supplier) depends on being manifest in the mind of a part of the buying community known as its audience. Being an effective component of the transaction makes its denomination: the *effective brand*.



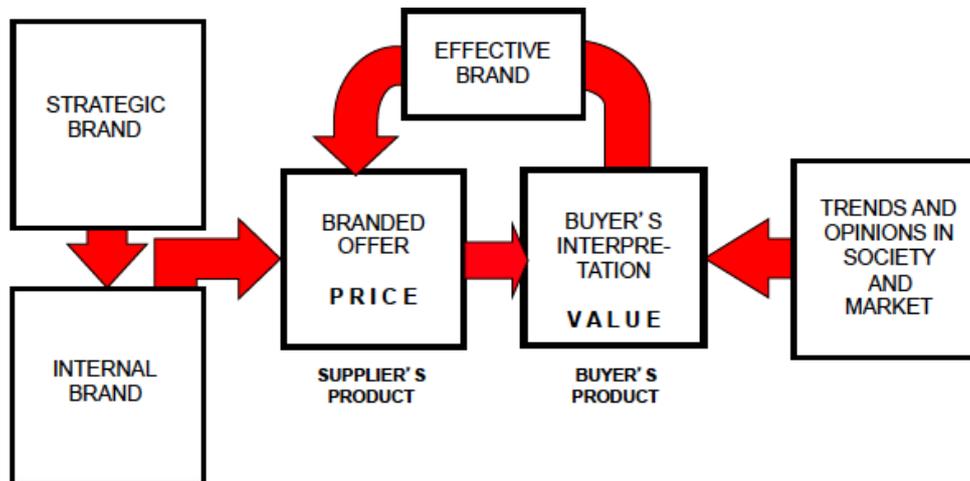
The creation of the offer: the Internal Brand

The characteristics of the Supplier's Product offered the buyer is a result of the activities and objectives of the staff and employees. Their idea of the brand is guiding their actions and has a decisive influence on their performance. The Internal Brand, though, has to harmonize with the Effective Brand in forming the product concept offered the market.



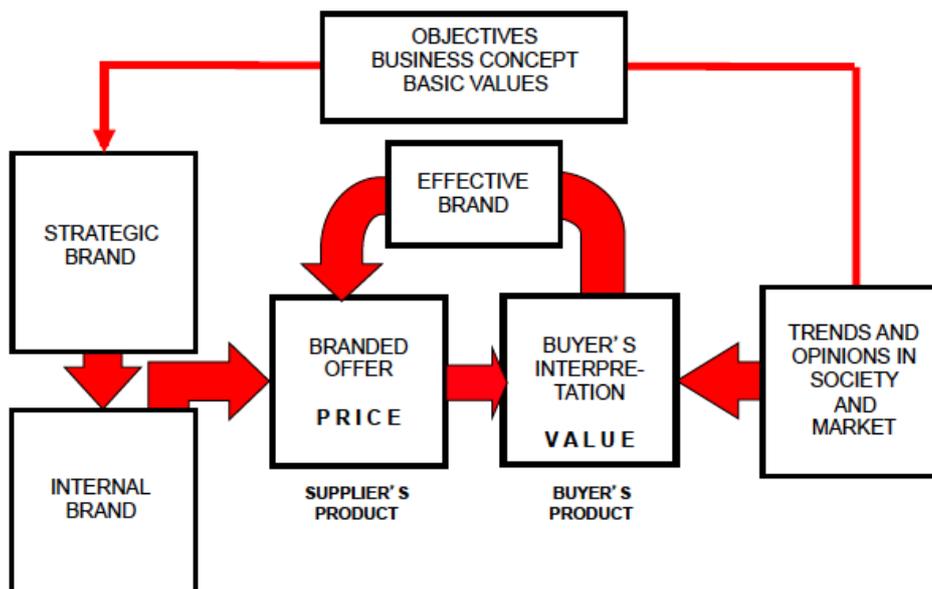
The idea behind it all: the Strategic Brand

The management of every conscious supplier is supposed to have a strategic planning for its brand. This is realized in a brand strategy, which is a documentation of their essential and specific aspects of a differentiated offer to the market. Consequently, this brand strategy would be seen as the Strategic Brand of the supplier's management. This Strategic Brand will be filtered through the Internal Brand to influence the conception of the Supplier's Product.



The business core

The Strategic Brand is obviously the result of the ideas forming the business core, founded on the market situation in general, i.e. trends and opinions as well as competition and buyer needs. All this is taken into account, more or less consciously, when a business is founded and a brand strategy developed. This forms a natural addition to the MMM.



MMM applied to the development of branded products

All branded products have to be developed and marketed according to their brand – from brand strategy to the brand accepted and adopted by the market.

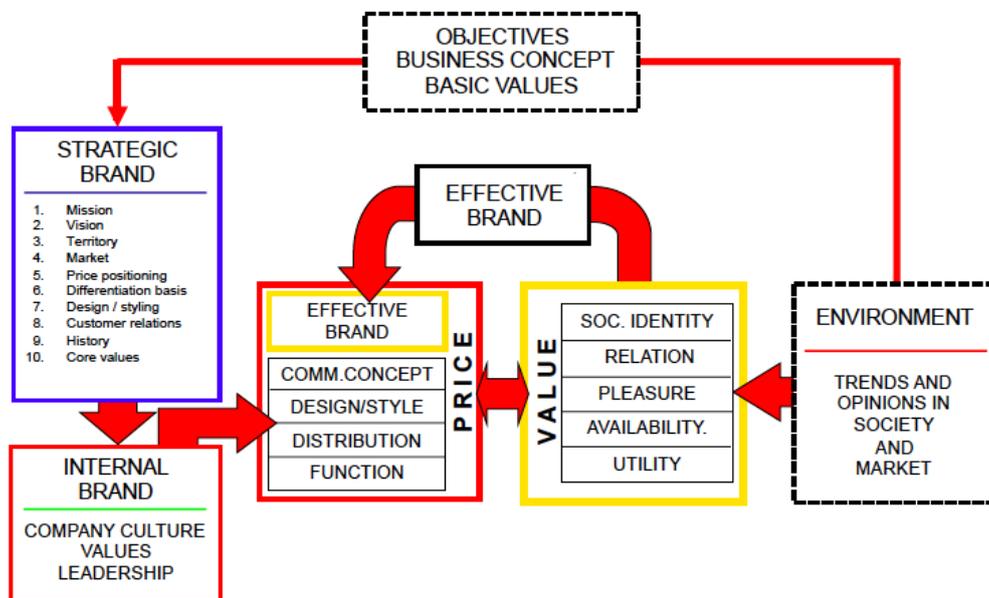
This is naturally described by the integration of models and concepts for brand and product development nicely fitting into the MMM.

The ten points of the Brand Framework stipulate the character, the scope, and the limitations of the application of the brand to the products it designates. These are displayed under “Strategic Brand” in the blue-framed box.

The natural centre of the MMM is the two boxes – the Supplier’s Product and the Buyer’s Product – illustrating the transaction with the wants of the buyer and the tasks of the supplier. The dynamics depend on the buyer finding the value of the offer high enough to equal or exceed the price to effect the transaction.

The factors of the boxes are empirically based and are used in practice to describe offers to the market and buyers’ needs and wants, respectively. Observe that the “Effective Brand” of the Supplier’s Product is the brand perceived by the buyers and, consequently, the brand adding to the value of the product.

This detailed description of the MMM makes it a practical tool for the organization of the development of metaproducts and brands, step by step. In this mode it may also be used as a structure for the training of staff and employees at different levels and with a widely differing need for details. The consistency and logic of the model is a major asset when addressing the staff at any level.



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