

Unit 5

Brand Equity and Global Brands

品牌资产和全球品牌

✓ Learning objectives

In this unit students will learn words and expressions related to branding.

Students will be able to talk about the historical development and the current situation of global brands.

📖 Background reading

Notes:

1. brand equity 品牌资产
2. intangible asset 无形资产 a business asset that has no physical existence
3. positive association 良好的联想 association mental connection between ideas
4. price premium 溢价
5. generic products 普通产品 not specific
6. brand extension 品牌延伸
7. leverage 借助
8. advertising expenditure 广告支出
9. consumer's awareness 消费者的认知
10. attitude strength 态度强度
11. facilitate 使（某事物）容易 make (sth) easy or less difficult
12. income stream: a regular and continuing flow of money generated by a business or investment
13. cash flow 现金流 movement of money into and out of a business as goods are bought and sold
14. lease 出租，租得 The firm leases an office with views over the river.
15. discount 折扣 amount of money taken off the cost of sth

Answers to comprehension questions:

1. The brand can add significant value when it is well recognized and has positive associations in the mind of the consumer. This concept is referred to as brand equity.
2. We can view brand equity from financial, brand extensions, and consumer-based perspectives.
3. Yes. Strong brand equity may facilitate a more predictable income stream, increases cash flow by increasing market share, reduce promotional costs, and allow premium pricing.
4. Some brands acquire a bad reputation that results in negative brand equity. Negative brand equity can be measured by surveys in which consumers indicate that a discount is needed to purchase the brand over a generic product.

Translation of the background reading

品牌资产

品牌是指用来识别一个产品来源的标志或名称。在开发一种新产品时，品牌化是一种重要的策略。当一个品牌广受认可，在消费者心中形成良好联想时，它能大幅增加产品的价值。上述观念被称为品牌资产。

品牌资产是一种依存于消费者心中，能形成联想的无形资产。我们可以从三个角度来认识品牌资产：

财务角度——衡量品牌资产价值的方式之一，是确定一个品牌可比一个非品牌产品赢得的溢价。比如，如果消费者愿意多付 100 美元购买一台品牌电视机而不是购买一台相同的非品牌电视机，这溢价就传达了该品牌资产价值的重要信息。但是，采用这种方法计算品牌资产必须计算宣传广成本等费用。

品牌拓展角度——一个成功的品牌可以作为推出其他相关产品的平台。品牌拓展的好处首先在于可以通过充分利用现有品牌的知名度，可降低厂方的广告费用支出，同时降低消费者一方的风险。其次，恰当的品牌拓展活动能够提升品牌的核心品牌。但是，相对于品牌价值的直接财务衡量而言，品牌拓展的价值更加难以量化。

消费者为本的角度——一个强大品牌会提升消费者对该公司旗下产品的认可度。消费者对产品的态度是基于对产品的体验。消费者实际体验十分重要，它意味着在品牌建立的早期，试用的产品应该比广告宣传的效果更好。消费者的认识和联想会带来感知的品质，可引证的特征，和最终的品牌忠诚。

强大的品牌资产可以带来以下利益：

- 带来更多可预见的收入流；
- 通过增加市场份额，减少推广费用和获得价格溢价，从而增加现金流入；
- 品牌资产是可以出售和租赁的资产。

然而，品牌资产也不总是表现为正面价值。有些品牌获得不良声誉，导致了负面的品牌资产。不良的品牌资产的衡量方法之一是调查消费者期待的打折度，然后才会购买该品牌产品而放弃同样的常规产品。

Part A

First listening: listen for the gist

What is the main idea of news item one?

This item is about the battle of brands in the current market. Companies are both struggling to build their brands and communicating their brands to the consumer.

What is the main idea of news item two?

Basketball sensation Yao Ming has filed suit against soft drink giant Coca-Cola for its using his image illegally. The problem is that Yao is a spokesman for Coca-Cola rival, Pepsi.

Second listening: listen for specific information

In this part the teacher has great freedom and flexibility to ask students questions, to clarify any difficult language points, to add in supplementary materials as background

knowledge or in-depth understanding of the listening materials.

◆ Notice the expressions related to branding.

brand-building: a maker of lower-end consumer electronics, brand value, marketing and product mix, losers in brand value, communicating the value to the consumer, outspend Samsung on traditional advertising in the U.S. on electronics products, score big gains in value, shout about their brands.

Supplement materials about Samsung.

In the last decade, Samsung has moved quickly and spectacularly from a typical OEM to manufacturing high-tech products, focusing on design and consumer growth. Samsung's mission is to associate its brand in consumers' minds with products that are beautiful, avant-garde and user-friendly.

Business law: use his image illegally, spokesman for Pepsi, feature Yao initiated legal proceedings against Coca-Cola, unauthorized use of his image, publicity deal, personal authorization.

Supplement materials about Yao's deal with Pepsi.

In 2003, Yao Ming announced a new international deal with Purchase, NY-based Pepsi. Yao, who inked a U.S. sponsorship with Pepsi's Gatorade brand, featured on Pepsi cans, posters and TV spots in China. He also appeared in Pepsi promotions in the U.S.

Ask students to fill in the blanks with missing information in news item one. Compare answers.

Ask students to do True (T) or False (F) questions for news item two. Compare answers. Explain why it is true or false.

Third listening: sentences imitation

Ask students to use the following active vocabularies to form sentences as what they have heard from listening (Dictate then remember).

Please first write down the following words on the blackboard or computer. Then ask students to listen for sentences with these words in them. You ask them to listen two times and see who has caught more sentences.

1. brand-building--Possibly no brand has done a better job of mining the potential of new brand-building principles than Korean consumer electronics manufacturer Samsung Electronics Co. .
2. post--Samsung has posted the biggest gain in value of any Global 100 brand, with a 186% surge.
3. Brand value--Last year Samsung surpassed No. 28 Sony in overall brand value.

4. Marketing and product mix--Some of the older brands in our ranking are clearly struggling to remake their marketing and product mix for a more complex world.
5. VW acknowledges its brand value slippage.
6. Outspend--Sony outspends Samsung on traditional advertising in the U.S. on electronics products. Many young brands that scored big gains in value depend on their own interactive Web sites to shout about their brands.
7. Spokesman--Yao is a spokesman for Coca-Cola rival, Pepsi.
8. Feature--A picture featuring Yao and two other Chinese basketball players can be currently found on bottles of the popular soft drink.
9. Legal proceedings--Yao has recently initiated legal proceedings against Coca-Cola for what he claims is an unauthorized use of his image.
10. Recall--He is demanding the company recall all products carrying his picture.
11. Publicity deal--Top athletes recently signed a publicity deal with Coca-Cola rivals Pepsi in early May.
12. Publicity agent--Coca-Cola signed a contract with the publicity agent for the Chinese Men's Basketball Team in late March.
13. Personal authorization--China's national law states that a person's image can only be used for advertising purposes if they have given personal authorization.

Part B

First listening: listen for the gist

What is the main idea of this interview on branding?

Branding guru Robert Nelson first elaborates branding rules and the importance of sticking to brand promise. Then he illustrates how to build a brand and the content of branding. He also explains the choice between a top-performer affiliate and the brand guidelines. At last, he recommends a site for branding information.

Second listening: listen for specific information

In this part the teacher has great freedom and flexibility to ask students questions, to clarify any difficult language points, to add in supplementary materials as background knowledge or in-depth understanding of the listening materials.

Since Part B is a long interview, the teacher can ask students to listen to it in four separate parts based on the table in the textbook. Stop at each part and leave time for students to fill in the blanks in the table. The key information in the table will make a good summary for the interview. Compare answers.

Ask students to answer the following 4 questions. Compare answers. .

Train students' ability to take down notes and write out key words in order to answer

each of the following questions.

Ask students to write out key words in order to answer each of the following questions.

1 How can an online business brand itself successfully?

-- understanding, customers, want; compete with, promise to the market;

-- determining, promise to customers, differentiates you, salient.

-- promise, ensure, supports, long-term business strategy, integrated into operations, clearly communicated, organization; metrics and measures, ensure, deliver, brand promise.

2 Can you build a brand quickly?

-- brand from start; key, develop and manage, build, brand equity and ROI; follow, rules, focus on, involving and measuring, everyone, touches, customer, superior brand experience, develop, loyal customers, reliable revenue, brand endorsers, generate, new business.

2 What is branding?

-- not advertising, per se; advertising, excellent, quick way, build brand awareness and recognition, one of many tactics, positively, touch and engage customers; brand, your business; daily actions, time and money.

3 Advice for a merchant who has an affiliate that is a top-performer, yet is worried that the affiliate is hurting their brand in the long run?

-- brand, trust mark for customers; behavior, negative perceptions, changed; brand implementation guidelines, for affiliates & third party channels, distribution.

-- affiliate, a top performer, violates, brand guidelines, be warned, conform with guidelines or face termination; brand, company & promise to customers; a means, ensure, promise, lived up to, brand contacts.

Ask students to fill in the blanks in the table in order to make a summary of the interview. Compare answers.

Ask students to answer the following questions. Compare answers. .

Third listening: sentence imitation

Ask students to use the following active vocabularies to form sentences as what they have heard from listening (Dictate then remember).

Please first write down the following words on the blackboard or computer. Then ask students to listen for sentences with these words in them. You ask them to listen two times and see who has caught more sentences.

1. brand—Can online businesses brand themselves effectively?
2. optimize-- a brand optimization consulting firm helps companies optimize their brand for revenue and brand equity improvement.
3. apply to-- Branding rules apply to any business, whether they are solely online or

- an online distribution channel for a bricks and mortar business.
4. be integrated into-- you must ensure that your promise supports your long-term business strategy, is fully integrated into company operations.
 5. differentiate...from-- determining what promise you will make to customers that differentiates you from competitors, is salient, and is built upon key company assets.
 6. be put in place-- metrics and measures are put in place to ensure that you deliver on your brand promise every hour of every day.
 7. generate-- loyal customers will stay with you and provide not only a stream of reliable revenue but also serve as your brand endorsers that help generate new business.
 8. per se-- Branding is not about advertising, per se.
 9. one of many tactics to-- Advertising is a very excellent, quick way to build brand awareness and recognition, but it is just one of many tactics to positively touch and engage customers..
 10. in the long run-- Advice for a merchant who has an affiliate that is a top-performer, yet is worried that the affiliate is hurting their brand in the long run.
 11. be trust mark for-- Your brand is your trust mark for customers.
 12. be developed for-- Brand implementation guidelines should be developed for use with affiliates and other third party channels of distribution.
 13. conform with-- they should be warned to conform with your guidelines or face termination.
 14. a section for-- The brandchannel.com site has a very good resources section for branding information.

Part C

First listening: listen for the gist

What is the main idea of this news coverage?

It first explains the reason why in China, a country that produces quality products at low prices, its local consumers still prefer foreign to domestic commodities. Then it talks about the development of Chinese enterprises and China's developing brands on the international market. At last, it says the trend that young Chinese consumers have begun to buy local brands

Second listening: listen for specific information

In this part the teacher has great freedom and flexibility to ask students questions, to clarify any difficult language points, to add in supplementary materials as background knowledge or in-depth understanding of the listening materials.

- ◆ Notice the expressions related to China branding
local consumers; foreign commodities; Chinese national industry; squeeze out;
foreign brands; equate foreign goods with high quality; Chinese enterprises;
producing high quality goods at a low price; international market; advance into the

world IT industry; registered in 46 countries; resist imported mobile monopolization; well-reputed local brands; gaining ground on the world market; native brands; buy local brands off their own bat

◆ Notice the words related to the organization of the news report.
Why should it be that; a look back at the Opium War; at that time; in recent years; it seems that; partly because;

Ask students to fill in the blanks with the correct words. Compare answers.

Ask students to fill in the table with exact figures. Compare answers.

Third listening: sentence imitation

Ask students to use the following active vocabularies to form sentences as what they have heard from listening (Dictate then remember).

Please first write down the following words on the blackboard or computer. Then ask students to listen for sentences with these words in them. You ask them to listen two times and see who has caught more sentences.

1. produce ...at--China produces quality products at low prices,
2. prefer...to-- in China, a country that produces quality products at low prices, its local consumers still prefer foreign to domestic commodities.
3. shed a little light-- A look back to the Opium War of 1840, when the Western powers destroyed the Chinese domestic market, might shed a little light.
4. become swamped with-- At that time, the market became swamped with foreign products such as nails, matches and umbrellas.
5. squeeze out-- home produced products were squeezed out by foreign brands.
6. equate...with-- It seems, therefore, that Chinese consumers equate foreign goods with high quality.
7. surpass-- In the 1990s, sales of domestically produced color televisions surpassed those of imported sets, and locally made cell phones resisted imported mobile monopolization.
8. advance into-- Chinese computer brands Lenovo and Donghai are advancing into the world IT industry.
9. grow from...to-- The state-owned Double-Star Group shoe manufacturers have grown from a 1980s small workshop to a concern encompassing 10 overseas companies registered in 46 countries.
10. gain ground-- A large number of excellent and well-reputed local brands, such as Golden Star and Changhong are also gaining ground on the world market.

Acting out

If the teacher would like to organize a debate on cultural and marketing diversity, you can divide students into groups of four. The members of each group discuss the topic among them and present their facts and figures and their opinions in class. Feedbacks

from other groups and the instructor are essential for sharing perspectives on the issue.

Topics for discussion:

- Drawing on Nelson's statement found Part B, describe the major steps for an effective branding process. Present one story of branding to illustrate each step of the branding process.
- Nelson claims that advertising is essential but insufficient to build a brand. Explain.
- Apply the branding rules stated by Nelson to a case study of branding.
- Do you, as a Chinese consumer, equate foreign goods with high quality? Support your argument with valid reasons.

Language

Learn to describe a process and a focal point.

- Effective branding begins with...
- Once you create your promise you must ensure that...
- Most importantly,

- If you follow the rules listed above, you will quickly develop loyal customers, who...
- A look back at...
- Chinese enterprises have proved...
- Encouraged by the success of Korean and Japanese native brands, young Chinese consumers have begun to