Brand Management Perspectives in the Twenty-First Century

Prof' Ram Herstein[1] and Dr. Moti Zviling[2]

[2] Professor of Marketing, Business Administration Department,
Ruppin Academic Center, Emek Hefer 40250 Israel

[1] Head of the Information Systems Program, Business Administration Department,
Ruppin Academic Center, Emek Hefer 40250 Israel

Introduction

Brands today play a focal role in any business strategy of leading organizations (de Chernatony and Segal-Horn, 2001). In the eyes of the manufacturer, brands provide a means of identification with unique features (Yoo *et al.*, 2000) and in the eyes of the customers brands help express the consumer's personality and self-expression (Phau and Cheen Lau, 2000). Most of the research in the branding realm seems to focus on theoretical frameworks that assist marketers to understand how their consumers perceive brands and respond to their marketing strategies (Maison, *et al.*, 2004). Despite the growing importance of managing brands in a turbulent environment (Elsner *et al.*, 2004) and the growing efforts of organizations' management to create skilful brand managers in order to better cope with the challenges of twenty-first century brand management, little research has been carried out to explore how brand managers should handle brands and provide a higher equity (Leone *et al.*, 2006). In addition, most of the work on this subject (Bitner *et al.*, 1990; de Chernatony and Segal-Horn, 2001) is quantitative in nature and fails to convey a qualitative approach, which is essential in understanding the nature of the relationships between the organizations' objectives on the one hand and the consumers' needs on the other hand. Managing brands in the twenty-first century is considered a complicated task. This derives mainly from high market competition (Johnson and Myatt, 2003; Pinkse and Slade, 2004) and the substantial increase of consumers' brand preferences mainly as a result of changes in consumer buying habits partly because of the internet and the technology revolution (Morganosky and Cude, 2002). Therefore, the 'new' brand managers are required today to manage their brands in accordance with a new perception that discerns between short-term and long-term brand management perspectives and to balance these two perspectives that in some cases are contradictory. In order to understand the gaps between the short-term and the long-term perspectives in recent times, it is essential to understand the evolution of the role and tasks of brand managers from their earliest days to the present. According to Low and Fullerton (1994) there are four distinct brand management periods. The first period, defined as national brand management (1870-1914), was characterized by a system wherein several senior managers worked closely with business owners and entrepreneurs on local advertising campaigns and on limited sales promotion activities. The second period focuses on the professionalization of national brand management (1915-1929). This was a time of takeovers, as leading companies acquired other brands in the market. As their product mixes grew, these giant companies were forced to re-organize and turn their brand managers into division managers and even company managers, with mid-level managers taking their place. The managers became more professional in developing an approach that was oriented more towards marketing, sales and advertising. This stage was followed by the independent brand management period (1930-1945), when the depression led to far-reaching changes in how company managers perceived the brand manager's role. Brand managers in this period were required to be highly professional, with a more extensive background in advertising and marketing than was common until then. The requirement that a brand manager be first and foremost a marketing specialist paved the way for the fourth period in the evolution of brand management. This period, which might be called the age of the brand manager (1950 to the end of the 20th century), was characterized by the development of a new shopping culture that encouraged the accelerated development of huge varieties of new brands for a large number of market segments. Hence this marketing step, made by the national manufacturers, once more required the delegation of brand management authority to mid-level managers so that each brand could be managed separately. According to Panigyrakis and Veloutsou (2000) brand managers today deal with problems in every day work such as the gap between their authority and responsibility (Howley, 1988; Henry, 1994; Panigyrakis and Glynn, 1992, Murphy and Corchels, 1996), the number and the diversity of the interfaces they develop (Panigyrakis and Veloutsou, 1999a; Panigyrakis and Veloutsou, 1999b), as well as the time required to build the desired relationship with them (Murphy and Gorchels, 1996), their contact with their supervisor, the lack of trust and lack of expectation in their support, as well as the leadership techniques they use (Murphy and Gorchels, 1996). Another major problem is the insufficient support from top management. This is expressed by factors such as the limited training offered to brand managers (Richards, 1997) and the hierarchical status of the post (Murphy and Gorchels, 1996).

Practically, the need for a large number of brand managers today led to massive recruitment of young marketers, some of whom lacked any professional experience in the areas of sales, advertising and research (Aaker and Joachimsthaler, 2000; Hackley, 1999; Homburg, Workman and Jensen, 2000; Kotler and Keller, 2006). Nowadays, at the onset of the 21st century, the importance of the brand manager's role is not in doubt. The question that still has to be addressed relates to the definitions of the tasks that brand managers handle in order to establish and manage a brand while applying long-term business vision. The purpose of this study is to define the tasks of brand managers from the perspective of professional brand mangers and to point out gaps between their short-term and long-term tasks respectively.

Study 1

Method

Focus groups as a major qualitative method are used across a wide variety of fields, of which marketing is one (McDonald, 1993; Nelson and Frontczak, 1998). In marketing research, focus groups are used to learn more about the potential of marketing programs from the consumers' point of view in order to reach them more effectively (Morgan, 1996). Since the purpose of this study is to define the tasks of brand managers from the perspective of professional brand managers, the focus groups method was chosen because of its ability to provide insights into the sources of complex behaviours and motivation, apart from exploring what people have to say (Morgan, 1993; Kidd and Parshall, 2000). In addition, since it was essential in this study to define one main definition of the brand manager's task by different brand managers (food products vs. non-food products; global companies vs. local companies), "the group effect" (synergy) was required (Carey, 1994; Carey and Smith, 1994). This method is the only one that creates interactions that offer valuable data on the extent of the consumers' perceptions and diversity of opinions (Morgan, 1993; Osborne and Collins, 2001). A focus group, in which top-level brand managers were asked to participate, was utilized. In order to assure the participation of leading brand managers only, the researchers obtained a list of all Israeli Marketing Association registered brand managers, who were then sorted into two groups: food products brand managers and non-food brand managers. The next step was to sort the brand managers by seniority. Managers with at least five years experience in the field were chosen. By the end of the process 16 brand managers were chosen: 4 brand managers of food products of global companies operating locally; 4 brand managers of local food manufacturers; 4 brand managers of non-food products of global companies operating locally; and 4 brand managers of local non-food manufacturers. Only brand managers who sincerely wished to take part in the 1 hour process that was conducted at a leading academic institute were invited to participate.

The selected brand managers were required to define their role as brand managers. A number of various definitions were raised during the meeting, from which one definition that was acceptable to all the participants, as it best reflects their role was chosen.

Findings

At the conclusion of the focus group, the following definition, which most precisely reflects the brand manager's roles, was chosen: "A 21st century brand manager is the one required to bridge the existing gaps between the three branding factors: manufacturer, consumer and distributor".

An analysis of this definition reveals that as part of the brand manager's daily tasks he is required to learn the relationships that evolve between the three branding factors and to be able to supply swift remedies to any gaps that arise within the nine possible relationships (Table 1).

Table 1: Matrix of 'Relationships between Branding Factors'

	Manufacturer	Consumer	Distributor
Manufacturer	Manufacturer-Manufacturer	Consumer-Manufacturer	Distributor-Manufacturer
Consumer	Manufacturer-Consumer	Consumer-Consumer	Distributor-Consumer
Distributor	Manufacturer-Distributor	Consumer-Distributor	Distributor-Distributor

The significance of this definition is that brand managers should not analyze branding factors only through a narrow understanding of the relationship between two factors (consumer with manufacturer's brand), but by an understanding of a more complex set of factors (consumer with himself, consumer with the manufacturer, consumer with the distributor). The significance of the brand will in this case be wider and will truly mirror the standing and position of the lone brand within the branding environment. For example, if it becomes clear to the brand manager that the positioning of his brand is favorable in the eyes of the consumer, but nevertheless the consumer does not purchase the brand (because it is not available from the distributor he is loyal to), then the brand manager will fully understand the problem his brand has.

Study 2 – First Phase

Method

As the purpose of the study was to explore brand managers' tasks regarding nine relationships, a qualitative approach was adopted due to its ability to obtain first-hand descriptions of specified domains of experience (Haley, 1996; Hastings and Perry, 2000). In this sense, defining is based on information gained directly from the brand managers rather than from theories and concepts (Masberg and Silverman, 1996). The value of a qualitative approach, such as in-depth interviews, has become more apparent in consumer research over the past ten years with a number of researchers (Woodruff and Schumann, 1993; Haley, 1996; Masberg and Silverman, 1996, Gibler *et al*., 1997; Hirschman and Thompson, 1997; Kates, 1998; Price *et al*., 2000) and also in managers research (Halman *et al*., 2003; Macdonald and Sharp, 1996; Verhoef *et al*., 2002) gaining insight into phenomena not easily understood through quantitative measures (Grace and O'Cass, 2002). In addition, Cooper (1999) points out that when dealing with brands it relates rational, emotional, social and cultural needs, and it is therefore essential to adopt a qualitative approach. Thus, a full understanding of these nine relationships between branding factors are better sought through an in-depth approach. Therefore, personal interviews were chosen as the most appropriate means of data collection due to their superior ability to delve into the respondent's memory via individually adapted probing (Zaltman, 1997).

In the next stage 168 IMA-registered brand managers were approached via telephone and e-mail and asked to participate in an in-depth interview. 58 brand managers complied with this request. The interviews were conducted during March-May 1998 at their places of work, at a hotel that hosted a professional conference and at an academic institution that organizes branding seminars. The average interview took 45 minutes. 23 of the interviewees were brand managers in the food industry and 35 were from non-food industries. At the onset of the interview, each participant was required to answer 9 questions, the purpose of which was to define the role of the brand manager regarding each of the nine relationships (see Table 1). The brand manager was asked to indicate three managerial attributes relevant to each of the nine different relationships.

At the conclusion of this stage, the aspects that were mentioned by most brand managers were chosen, whereas infrequent aspects were not included in the model (Table 2).

Table 2: Attributes of 'Relationships between Branding Factors'

Manufacturer-Manufacturer	**Consumer-Manufacturer**	**Distributor-Manufacturer**
• brand as strategic asset • economic strength • experience and seniority • reputation • employer-employee relations • management approach	• manufacturer image • developmental marketing	• strength of manufacturer • category management • terms of trade • planograms • market dominance
Manufacturer-Consumer • market segmentation • marketing contract • stimulation marketing	**Consumer-Consumer** • personal requirements • risk reduction • shortening the purchasing process	**Distributor-Consumer** • loyalty • private brand
Manufacturer-Distributor • importance of distributor as intermediary • positioning of distributor • strength of distributor • dependence on the distributor • profitability • length and quality of relationship	**Consumer-Distributor** • accessibility • attractiveness • exclusiveness	**Distributor-Distributor** • distributor image

Findings

Analysis of the complete data from both Study 1 and Study 2 (Phase 1) emphasizes 10 attributes which were found to be most important to each of the 9 relationships.

Table 3 shows that for the relationship: Manufacturer–Manufacturer the most important issue is reputation (52); for Manufacturer–Consumer it is market segmentation (47); for Manufacturer–Distributor it is the importance of distributor as intermediary (58) and strength of distributor (58); for Consumer–Manufacturer it is manufacturer image (57); for Consumer–Consumer it is risk reduction (46); for Consumer–Distributor it is accessibility (58); for Distributor–Manufacturer it is terms of trade (58); for Distributor–Consumer it is loyalty (42); and for Distributor–Distributor it is distributor image (58).

These attributes which were found to be most important to each of the 9 relationships expend the known knowledge related to branding factors that involve three partners: (Manufacturer, Distributor and consumer). In other words, we demonstrate no only that there must be a cooperation between these three factors rather that the given attributes are of great importance in order to strength the cooperation of the relationships among these three actors: Manufacturer, Consumer and Distributer.

Table 3: Importance of Branding Factors among Various System Relations

Manufacturer-Manufacturer		**Manufacturer-Consumer**		**Manufacturer-Distributor**	
Attributes	Frequency	Attributes	Frequency	Attributes	Frequency
brand as strategic asset	33	market segmentation	47	importance of distributor as intermediary	58
economic strength	43	marketing contract	31	positioning of distributor	55
experience and seniority	19	stimulation marketing	9	strength of distributor	58
reputation	52			dependence on the distributor	56
employer-employee relations	7			profitability	50
management approach	16			length and quality of relationship	44
Consumer-Manufacturer		**Consumer-Consumer**		**Consumer-Distributor**	
Attributes	Frequency	Attributes	Frequency	Attributes	Frequency
manufacturer image	57	personal requirements	18	accessibility	58
developmental marketing	39	risk reduction	46	attractiveness	49
		shortening the purchasing process	32	exclusiveness	34

Distributor-Manufacturer		Distributor-Consumer		Distributor-Distributor	
Attributes	Frequency	Attributes	Frequency	Attributes	Frequency
strength of manufacturer	54	loyalty	42	distributor image	58
category management	32	private brand	18		
terms of trade	58				
planograms	20				
market dominance	49				

Brands from the Point of View of the Manufacturer

The First Relationship: Manufacturer-Manufacturer

As a first step the brand manager has to check how the manufacturer perceives his brands and the significance he attaches to them. The need to understand this relationship before examining the remaining relationships stems from the fact that the other relationships between brand factors will be devised in accordance with the significance the manufacturer attaches to his brands. To investigate the significance of a brand from the point of view of the manufacturer a brand manager should consider the following points:

- **Brand as strategic asset.** Manufacturers find a variety of meanings in their brands. Established manufacturers consider their brands to be strategic assets, and therefore all the company's operations center on the brand (Johnson, 1999). This potential can be attained by implementing a strategy of line extension as well as a strategy of brand extension, with the company being able to increase its revenue in a relatively short while thanks to the excellent reputation of the original brand.

- **Economic strength.** A brand manager in an organization with thin resources will have to investigate relatively cheap marketing tactics in an effort to penetrate the market. He must also employ inexpensive marketing tactics to ensure their continuing strength. In contrast, a brand manager in a large organization rich in resources is able to employ advanced and expensive marketing techniques, which will ensure greater strength and increase the chances of the brand's success in the market (Meziou, 1991). A wealthy firm is able to invest more in research and development, in high standard human resources and in advanced instrumentation and facilities, all of which ensure the building of a modern quality brand.

- **Experience and seniority.** Brand managers in old-established companies with experience in a particular branch will quickly be able to operate and manage their brand well. An organization that has operated in a branch for years and has learnt from its mistakes, recognized its accomplishments and gained an awareness of the changes in the interior business environment has a distinct advantage over its rivals, who lack experience and years of operation (McGee, Dowling and Megginson, 1995). The brand manager will no doubt be able to gain from the company's experience in dealing with similar occurrences and to receive immediate help and support from company management.
- **Reputation.** Long established companies with a firm economic footing and lengthy experience are not necessarily firms of strong repute in the market. Firms that enjoy a sound reputation in the market are those whose brands are their most important assets (Gray and Balmer, 1998). A brand manager who works in a firm with a good reputation can handle his brand more easily and carry out complicated branding decisions in view of the status of the brand in the market.
- **Employer-employee relations.** The brand's future relies heavily on the skill of the staff. But apart from examining the quality of the work force at all levels, the brand manager also has the responsibility of looking into the work relations in the

company. Large amalgamated organizations with a large work force are likely to affect the good name of the brand despite the brand manager's marketing efforts (Varey and Lewis, 1999).

- **Management approach.** All in all, brand managers are expected to handle their brands in line with the management approach typical of their organizations. A very common occurrence among local and international brand managers is desertion, or not being able to carry on as a brand manager for a great length of time (Weitz and Bradford, 1999). This phenomenon has two main reasons. The first reason is that the brand manager is required to present extreme, often unattainable, economic results. The second reason is that management is often guided by a short-term tactical business approach rather than a long-term strategic one.

The Second Relationship: Manufacturer-Consumer

Manufacturer-consumer relations are greatly influenced by the economic strength of the manufacturer and his experience in the market and in particular by his business management approach and the degree of importance that the manufacturer attaches to the product. A brand manager who wishes to study how a manufacturer acquires his consumers has to consider the following aspects:

- **Market segmentation.** In order to persist in maintaining their marketing and business goals, manufacturers must match their brands as much as possible to the needs of potential consumers. The process of matching brands to consumers is a long-term one, beginning with a segmentation of the market by means of a socio-demographic examination, and ending with a follow-up of the consumption pattern after purchase (Dickson and Ginter, 1987).

- **Marketing contract.** A manufacturer exhibiting a new brand to the consumer is perceived by consumer as shaving signed a contract with him. The terms of the contract are simple: As long as the manufacturer continues to produce the brand to the consumer's satisfaction, the consumer will continue purchasing his brands. However, if some attributes are changed in the brand, the consumer will interpret it as breaking the contract and will look for alternative brands (Gundlach and Murphy, 1993).

- **Stimulational marketing.** Manufacturers who consider themselves leaders in their fields see themselves as a business entity indivisible from the world consumer scene, and therefore as holding a key position in the shaping of new consumer trends and new consumer habits. The starting point of these producers is that consumers see them as a central factor whose duty it is to work in their favor by introducing new products and services which will supply their future needs (Porteus and Whang, 1991). In accordance with this approach, during the course of his operations the brand manager has to constantly look out for new business opportunities as well as for new and modernized items that can be integrated.

The Third Relationship: Manufacturer-Distributor

This relationship evolves from the two previous ones. The brand manager must take the following aspects into account:

- **The importance of the distributor as an intermediary.** The distributor as an intermediary is in fact stationed at a main crossroads of brands on one hand and consumers on the other. The distributor acts as a meeting place between manufacturers wishing to sell their products and consumers wanting to buy these products (Rosson and Ford, 1982). There is today almost total dependence on distributors, and therefore brand managers must consider distributors as a central branding factor; one must invest a great deal in strengthening the attachment to them in order to ensure a more efficient means of distribution.

- **Positioning of the distributor.** The brand manager has the ability to build a perfect brand from the viewpoint of his consumers, a brand which suits his customers' needs and provides them exactly what they want. But if the brand is not put on sale in a suitable store it has no chance of establishing itself in the market and becoming a strong and even leading brand. True harmony between the type of product and form of distribution can have fateful significance both for inferior brands (generic brands) and for quality brands of worldwide acclaim (luxury brands) (Anselmi, 2000).
- **Strength of the distributor.** A brand manager has to rely for most of his work on distributors of a suitable size and of trading substance. A strong national brand manager will find it difficult to struggle with small distributors, because his marketing approach is more advanced and different from the systems these distributors are accustomed to (Anderson and Coughlan, 1987).
- **Dependence on the distributor.** The reliance built up by the manufacturer on the distributor is one of the aspects that the brand manager has to examine closely as part of his duty and managerial responsibility (Anderson and Narus, 1990). The significance of relying on the distributor is most important in the case of brand managers of weak national manufacturers, who have to pay large sums to the distributor and are forced to participate in the costs of advertising, maintenance, shelf arrangements and delivery that the distributor is responsible for.
- **Profitability.** The aim of every brand manager is to ensure the highest possible profit from the sale of his brands; hence, he has to locate distributors who will

assure a wide geographic distribution and high profits. The rule on the subject of profitability is simple; the stronger the distributor is and the wider the distribution area is, so are the brand manufacturers' profits less, and vice versa (Jeuland and Shugan, 1988).

- **Length and quality of the relationship.** In order to maintain good relations with distributors, today's brand manager is obliged to take upon himself some of the tasks of the retailer, and thus ensure a preferred status relative to competing brand managers. These marketing activities include all retail distribution aspects incumbent on the distributor: ordering of brands, inventory, commercialization and credits, returns and replacements (Anderson and Weitz. 1992).

Brands from the Point of View of the Consumer

The Fourth Relationship: Consumer-Manufacturer

A brand manager trying to discover how the consumer regards his brand's manufacturer has to take the following aspects into account:

- **The manufacturer's image.** The brand manager must recognize three images of brand manufacturers as perceived by consumers: the image of the global brand manufacturers, the image of leading national brand manufacturers and the image of the manufacturers of local brands. Each of them has its own advantages and disadvantages (Fournier, 1998).
- **Developmental marketing.** Many consumers perceive brand manufacturers as commercial bodies, which apart from their basic function of selling products also fulfill a need to identify consumer requirements. In view of the fact that consumers attach great importance to this role, brand managers are obliged to invest energy in understanding the customer's needs and explore his requirements

(Cannon, Yaprak and Mokra, 1999). For this to happen, brand managers, in particular those of local brands must frequently convene focus groups so as to elicit all possible knowledge of the consumer's needs and requirements.

The Fifth Relationship: Consumer-Consumer

In order to understand how the consumer considers the relationship between himself and the brand from his personal point of view, the brand manager has to scrutinize the following points:

- **Personal requirements.** The sphere of consumer surveys, in the opinion of many market surveyors and even in the view of other professionals in the field, is amongst the most important in the marketing business; one of the most interesting, and at the same time one of the most complex (Vinson, Scott and Lamont, 1997).
- **Risk reduction.** The central idea behind the purchase of a brand from the consumer's point of view is to diminish risks which go with the use of the brand. These risks are listed as follows: functional/operational risk, safety factor risk, risk of wasted time, economic risk, psychological risk, social risk, risk of losing opportunities and buying system risk (Tan, 1999).
- **Shortening the purchasing process.** A brand manager has to assume that most of the consumers do not remember the exact names of their preferred brands and identify them by their easily spotted, individual outside appearance, the special design of the brand itself and a logo of a particular color. In fact, these visual components serve consumers as their main means of shortening the purchasing process (Emilliani, 2000).

The Sixth Relationship: Consumer-Distributor

The connection of the consumer to the distributor becomes increasingly material from the brand manager's point of view with the growing power of the distributors relative to the manufacturers. The brand manager is therefore required to examine the following aspects in the relationship between the consumer and the distributor:

- **Accessibility.** Distributors' policy is to open branches in every geographic region which has enough customers to ensure profits in the medium run. Consumers enjoying retail services from distributors, especially in remote areas, display a great deal of loyalty to the retailer. The connection between the consumer and the retailer has become very solid and is based on close and committed relationships (Titus and Everett, 1995).
- **Distributor attractiveness.** Today, consumers consider distributor's stores not just as sales warehouses but as pleasure centres for the whole family, with all the required facilities such as restrooms, parking and air-conditioning. In recent years consumers have been looking for new retailers far from town neighborhoods, who can supply a wide variety of services, and whose aim is to ensure an attractive and exclusive purchasing experience (Dennis, Marsland and Cockett, 2002).
- **Exclusiveness of the distributor.** For many years distributors have been endeavoring to become brands themselves in order to increase their market effectiveness and adjust in the best way to the traits of their consumers (Burns and Warren, 1995).

Brands from the Point of View of the Distributor

The Seventh Relationship: Distributor-Manufacturer

In order to understand the essence of the relationship between the distributor and the manufacturer, the brand manager has to examine the following aspects:

- **The strength of the manufacturer.** Distributors endeavor to work with manufacturers whose brands are the most established in the market for two main reasons. The first reason is the familiarity the consumers have with the manufacturer's brands and their opinion about them. The second reason is the professionalism of these manufacturers and their ability to efficiently handle the trading process. This must be managed in a smooth and continuous manner by the manufacturers and distributors (Murry and Heide, 1998).
- **Category management.** It is estimated that 75% of consumer purchases from the distributor's shop are not planned and result from marketing stimulation, such as eye stimulation encouraged by an attractive product array on the shelves or by arousing the sense of smell by baking, cooking or frying foods at the point of sale (Dhar, Hoch and Kumar, 2001). Therefore, to ensure this, retailers cooperate with prominent brand manufacturers and exchange information regarding consumer characteristics and habits, local and world trends in the branch, newcomers who want to enter the branch and new distributional and branding approaches.
- **Terms of trade.** Despite the fact that distributors want to work with manufacturers who are prominent in the market, they do not necessarily have any intention of accepting the trading conditions set by the manufacturers. On the contrary, it is they who dictate these conditions to the manufacturers: control of product prices, supervision and shelf arrangement (Chen, Hess, Wilcox and Zhang, 1999).
- **Planograms.** The central idea behind these programs is to provide a suitable planning scheme of the shop and shelf areas in order to ensure maximum use of given shelf space, taking into account consumer preferences (according to

the sales data regarding each brand). Using the planogram one can decide where to place each separate brand on the shelf (on the top, center or lower shelf), how much shelf space should be allotted to each brand (10% of the space, 50%, etc.), the correct number of products and which products should stand next to each other (Dreze, Hoch and Purk, 1994).

- **Market dominance.** Because of the current status and power of the distributors in the market, many of them feel that the manufacturers can be 'squeezed', and therefore costs that in the past fell on the distributor are today passed on to the manufacturer through commissions, reductions and various premiums, such as:, sales bonuses, repositioning and commissions in all their forms (Dassart, 1998).

The Eighth Relationship: Distributor-Consumer

This relationship relies on the following branding aspects:

- **Loyalty.** Consumers still visit many shops and do not remain faithful to any particular one, in spite of the distributors' added power and wide marketing activity, i.e. the range of products on display and the additional retail services offered to consumers, and in spite of the fact that consumers prefer one particular shop. On the other hand, the need to purchase miscellaneous products will induce consumers to occasionally visit the same particular shop where the owner's recommendations are considered important by the consumer (Macintosh and Lockshin, 1997).
- **Private brand.** Today, with most distributors supplying more or less the same services, they find it hard to stay different from each other, and the private brand acts as the main differentiating tool, as well as the most important and effective

one (Semeijn, van Riel and Ambrosini, 2004). In most Western European countries, Canada and the United States, consumers deal with a specific distributor who provides them with the private brands that in their view are the most successful and are best suited to their needs (Herstein and Gamliel, 2004).

The Ninth Relationship: Distributor-Distributor

When the brand manager understands the significance the distributor attaches to the producer's brands that he sells and to his own brands, he will have to consider the following aspects:

- **The distributor's image.** The distributor's strength and status spring from the images of his shop or shops. This is not to say that a shop with a weak image will necessarily be weaker economically than a shop with a strong image. The principle is that the shop's image must fulfill clients' expectations and the hopes of the manufacturers displaying their goods and products (Burt, 2000). The shop's general image comprises eleven aspects: characteristics of the target audience, the position of the retailer, situation of the store and geographic cover, variety of goods, price levels, atmosphere, customer service, communal relations, advertising and public relations, personal sales, and sales promotion (Porter and Claycomb, 1997).

Study 2 – Second Phase

Hypotheses

***Hypothesis* 1: The relationship between the manufacturer and the retailer is more important in the short-term from the brand manager's perspective.**

i.e:H1: There is a positive relationship between the manufacturer and the retailer in the short-term v.s. the long-term from the brand manager's perspective.

***Hypothesis* 2: The relationship between the manufacturer and the consumer is more important in the long-term from the brand manager's perspective. i.e.: H2: There is a positive relationship between the manufacturer and the consumer in the short-term v.s. the long-term from the brand manager's perspective.**

Towards the end of the 20th century, the perception arose that brands constitute the business core of any organization (Leo Burnett, 1996) and should therefore be managed professionally, so as to cope with business challenges such as competitive markets, corporate brands, accelerated penetration into international markets, an increased number of brands, increased power of wholesalers, increased cost of advertising and partial loyalty of consumers (Hankinson and Cowking, 1997). In light of this perception, managers and marketing researchers began attempting to characterize the role and function of the brand manager. According to Panigyrakis and Veloutsou (1999a, b) brand managers spend most of their time with other staff members, in both the internal and external environments, in an attempt to recruit their help for the promotion of processes relevant to brand distribution. According to Aaker and Joachimsthaler (2000), the brand manager of the 21st century needs a vision that is strategic, consumer-focused and forward-looking, rather than tactical and reactive. Hackley's (1999) description of the gap between what is needed to what happens focuses on the quantitative brand management approach (terms of trade with retailers) rather than qualitative brand management approach (consumer needs). As summed up by Kotler and Keller (2006), managers of successful 21st century brands must excel at the strategic brand management process rather than at tactics.

Method

In the second phase of Study 2, the same brand managers were asked three additional questions (This time we used a “closed” questionnaire) that was built specifically to examine the given hypotheses. This phase used an quantitative study rather than qualitative one). The aim of question #10 was to find which of the nine relationships was perceived as the most important in terms of short-term perspective and why. Question #11 was intended to examine which of the nine relationships was perceived as the most important in terms of long-term perspective and why. In question #12 the brand managers were requested to indicate the reasons for the gaps between short-term and long-term perspectives of brand management.

Findings

The answers to question #10 revealed that 41 brand managers (71%) perceived the 'manufacturer-distributor' relationship to be the most attention consuming in their day-to-day activities; 7 brand managers (12%) indicated the 'distributor-manufacturer' relationship as second; 6 brand managers (10%) perceived the 'consumer-manufacturer' relationship as third; and 4 brand managers (7%) indicated the 'manufacturer-consumer' relationship as fourth on the scale of daily attention consuming.

As hypothesized in H1, the relationship between manufacturer and retailer is more important in the short-term from the brand manager's perspective. The accepted explanation for brand managers' focus on analysis and study of their distributor is that the brand manager's success is currently measured in the short-term, that is to say by actual sales, and therefore their relationship with the distributor is crucial to their success, (r = 0.696, sig = 0.029 < 0.05) – [Figure 1]

The findings of question #11 show that 36 brand managers (62%) indicated the 'manufacturer-consumer' relationship as the most important to brand management; 13 brand managers (22%) perceived the 'manufacturer-distributor' relationship as second in importance; 5 brand managers (9%) indicated the 'manufacturer-manufacturer' relationship as third in importance; and 4 brand managers (7%) pointed to the 'consumer-manufacturer' relationship as fourth in importance.

As hypothesized in H2, the relationship between manufacturer and consumer is more important in the long-term from the brand manager's perspective. (r = 0.25, sig = 0.007 < 0.01). – [Figure 2]. The explanation for the findings that the 'manufacturer-consumer' relationship is perceived as most important by brand managers is that a strategic rather than a tactical view requires seeing the consumer as the central factor of the branding process. Marketing strategy that focuses on understanding the customer's needs will ensure long-term competitive advantage over rivals and will diminish the dependence on the distributor.

Manufacturer	Attribute
.696*	Retailer
0.029	Sig (1-taild)
	*p<0.05 **p<0.01

Figure 1: Pearson Correlation related to Manufacturer-Retailer

Manufacturer	Attribute
0.25**	Consumer
0.007	Sig (1-taild)
	*p<0.05 **p<0.01

Figure 2: Pearson Correlation related to Manufacturer- Consumer

Figure 3: Long Term vs. Short Term Brand Management Perspectives

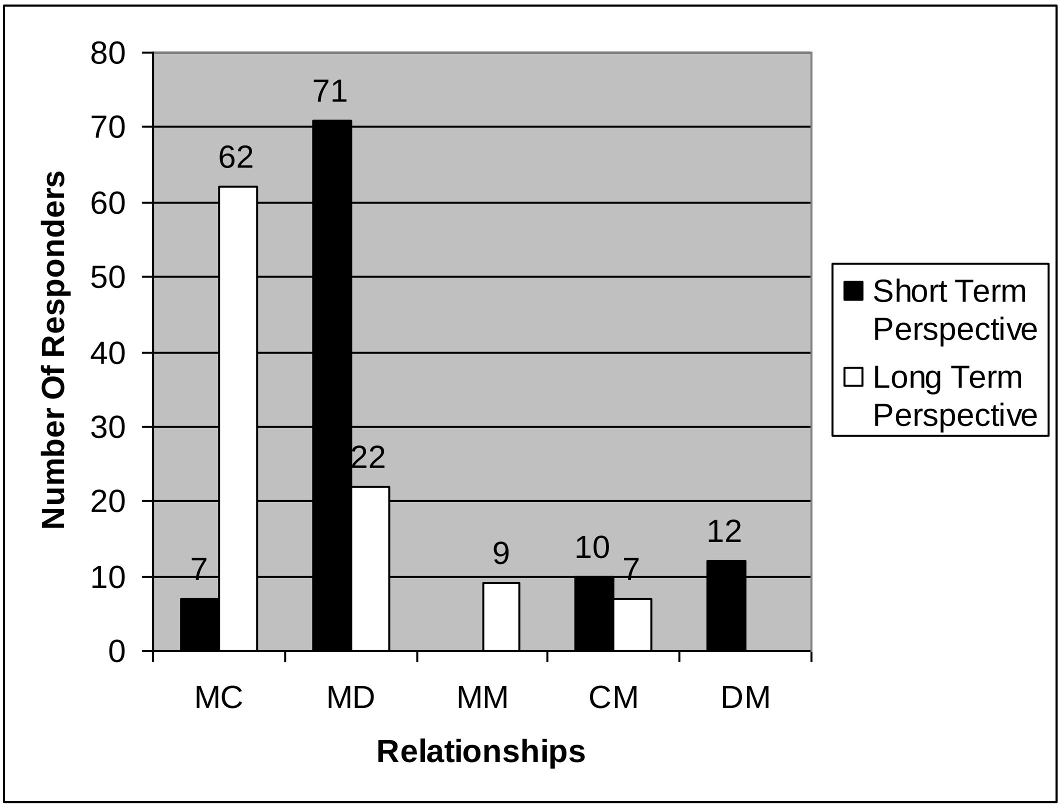

Figure 3 exhibits the differences between the long-term and short-term attributes related to various brand management relationships: MC (Manufacturer – Consumer), MD (Manufacturer – Distributor), MM (Manufacturer – Manufacturer), CM (Consumer – Manufacturer), DM (Distributor – Manufacturer).

It shows that where the Manufacturer – Consumer category is involved, the gap between the short term (7) vs. the long term (62) is the most prominent.

The main answer repeated by most interviewees indicated that the source of the daily pressure on brand managers was the distributors, who are the decisive factor in this threefold relationship (manufacturer-consumer-distributor), due to their strong standing in the market and the ongoing need to study and satisfy the retailers significantly more than the competitors.

Conclusions

This research was based on two qualitative studies: focus groups and in-depth interviews. Analysis of the focus group results leads to the following conclusions: Brand managers in the twenty-first century should see themselves first and foremost as the ones who are required to bridge the existing gaps between manufacturer, consumer and distributor and to not perceive brands only from the manufacturer's point of view. Practically, brand managers should analyze branding aspects from a very wide perspective and evaluate their brand as an integral part of the branding environment. Secondly, each brand manager must focus mainly on the following ten attributes while managing the brand: (1) reputation; (2) market segmentation; (3) the importance of the distributor as intermediary; (4) distributor strength; (5) manufacturer image; (6) risk reduction; (7) accessibility; (8) terms of trade; (9) loyalty and (10) distributor image. Emphasizing these attributes in every day work will allow the brand manager to focus on the most meaningful tasks and allocate resources in the optimum way. Thirdly, brand managers should make real efforts to focus their marketing strategy on understanding the consumers in the short term as well and not neglect them as the tendency often is. In the long run this attitude will ensure a competitive advantage over rivals' brands and, more importantly, will diminish their dependence on their distributor. The in-depth interviews made it clear that brand managers find themselves under real pressure because of the necessity to cope with the requirements of the distributors and to ensure a better position for their brands on the shelves. This pressure is very realistic but can be decreased over time by developing better relationships between the customer and the brand manager. Using more focus groups and other qualitative techniques, apart from quantitative data will provide the brand manager with better knowledge of the consumer's needs and his self–expression desires. To summarize: our results from both studies seem to support the findings of other scholars who studied the issue of the brand manager's role in the 21st century from the quantitative approach (Low and Fullerton, 1994; Panigyrakis and Veloutsou, 2000; Kotler and Keller, 2006) by emphasising the need of brand managers to analyse brands from a long-term rather than just a short-term perspective. Furthermore, the importance of this research is that it provides a new definition for brand managers' tasks and copes with the real gaps between the short-term and the long-term perspectives of brand management, and as such supplies substantial qualitative data for better decision making in accordance with the twenty-first century challenges of the brand managers.

Limitations and future research

Although this research is considered to be innovative for researching the brand manager realm by qualitative methods rather than quantitative methods, this is just a pioneering research. In this study only brand managers from a single country were interviewed. Further research is therefore required to validate the findings in different countries such as developing, emerging and developed countries. In addition, this research focuses on brand managers of food and non-food products, therefore, it is imperative to deepen this subject and learn more about brand managers' tasks in several other industries such as high-tech and different services sectors. With regard to the qualitative techniques that were utilized in this research, in future research it is important to use other qualitative techniques in order to shed light on brand managers' capabilities and qualifications so as to ensure better brand management in future decades.

References

Aaker, D.A. & Joachimsthaler, E. (2000) Brand Leadership, New York: Free Press.

Anderson, E. & Coughlan, A.T. (1987) 'International market entry and expansion viaindependent or integrated channels of distribution', *Journal of Marketing*, Vol.51, No.1, pp.71-82.

Anderson, E. & Weitz, B. (1992) 'The use of pledges to build and sustain commitment in distribution channels, *Journal of Marketing Research*, Vol.29, No.1, pp.18-34.

Anderson, J.C. & Narus, J.A. (1990) 'A model of distributor firm and manufacturer firm working partnerships', *Journal of Marketing*, Vol.54, No.1, pp.42-58.

Anselmi, K. (2000) 'A brand's advertising and promotion allocation strategy: the role of the manufacturer's relationship with distributors as moderated by relative market share', *Journal of Business Research*, Vol.48, pp.113-122.

Bitner, M.J., Booms, B.H. and Tetreault, M.S. (1990) 'The service encounter: diagnosing favorable and unfavorable incidents', *Journal of Marketing*, Vol.54, pp.71-84.

Burns, D.J. & Warren, H.B. (1995) 'Need for uniqueness: shopping mall preference and choice activity', *International Journal of Retail & Distribution Management*, Vol.23, No.12, pp.4-12.

Burt, S. (2000) 'The strategic role of retail brands in British grocery retailing', *European Journal of Marketing*, Vol.34, No.8, pp.875-890.

Cannon, H.M., Yaprak, A., and Mokra, I. (1999) 'Progress: an experiential exercise in developmental marketing', *Developments in Business Simulation and Experiential Learning*, Vol.26, pp.265-273.

Carey, M.A. (1994) 'The group effect in focus groups: planning, implementing and interpreting focus group research. In Critical Issues in *Qualitative Research Methods*, ed, J Morse, pp.225-241. Thousand Oaks, CA: Sage.

Carey, M.A. and Smith, M. (1994) 'Capturing the group effect in focus groups: a special concern in analysis', *Qualitative Health Research*, Vol.4, pp.123-127.

Chen, Y., Hess, J.D., Wilcox, R.T., and Zhang, Z.J. (1999) 'Accounting profits versus marketing profits: a relevant metric for category management', *Marketing Science*, Vol.18, No.3, pp.208-229.

Cooper, P. (1999) 'Consumer understanding, change and qualitative research', *Market Research Society*, Vol.41, No.1, pp.1-9.

de Chernatony, L. and Segal-Horn, S. (2001) 'The criteria for successful services brands', *European Journal of Marketing*, Vol.37, No.7/8, pp.1095-1118.

Dennis, C., Marsland, D. and Cockett, T. (2002) 'Central place practice: shopping centre attractiveness measures, hinterland boundaries and the UK retail hierarchy', *Journal of Retailing and Consumer Service*s, Vol.9, pp.185-199.

Dhar, S.K., Hoch, S.J., and Kumar, N. (2001) 'Effective category management depends on the role of the category', *Journal of Retailing*, Vpl.77, pp.165-184.

Dickson, P.R & Ginter, J.L. (1987) 'Market segmentation, product differentiation, and marketing strategy', *Journal of Marketing*, Vol.51, No.2, pp.1-10.

Dreze, X., Hoch, S.J., and Purk, M.E. (1994) '*Shelf management and space elasticity*', *Journal of Retailing*, Vol.70, pp.301-311.

Dussart, C. (1998) 'Category Management: strength' limits and developments', *European Management Journal*, Vol.16, No.1, pp.50-62.

Elsner, R., Krafft, M. and Huchzermeier, A. (2004) 'Optimizing Rhenania's direct business through dynamic multilevel modeling (DMLM) in a multicatalog-brand environment', *Marketing Science*, Vol.23, No.2, pp.192-206.

Emiliani, M.L. (2000) 'Business-to-business online auctions: key issues for purchasing process improvement', *Supply Chain Management: An International Journal*, Vol.5, No.4, pp.176-186.

Fournier, S. (1998) 'Consumers and their brands: developing relationship theory in consumer research', *Journal of Consumer Research*, Vol.24, No.4, pp.343-353.

Gibler, K.M., Lumpkin, J.R., and Moschis, G.P. (1997) 'Mature consumers awareness and attitudes toward retirement housing and long-term care alternatives', *Journal of Consumer Affairs*, Vol.31, No.1, pp.113-138.

Grace, D.A. and O'Cass, A. (2002) 'Attributions of service switching: a study of consumers' and providers' perceptions of child-care service delivery', *Journal of Service Marketing*, Vol.15, No.4, pp.300-321.

Gray, E.R. & Balmer, J.M.T. (1998) 'Managing corporate image and corporate reputation, *Long Range Planning*, Vol.31, No.5, pp.695-702.

Gundlach, G.T. & Murphy, P.E. (1993) 'Ethical and legal foundations of relational marketing exchanges', *Journal of Marketing*, Vol.57, No.4, pp.35-46.

Hackley, C.A. (1999) 'Tacit knowledge and the epistemology of expertise in strategic marketing management', *European Journal of Marketing*, Vol.33, pp.720-735.

Haley, E. (1996) 'Exploring the construct of organization as source: Consumer's understanding of organizational sponsorship of advocacy advertising', *Journal of Advertising*, Vol.25, No.2, pp.19-29.

Halman, J.I.M., Hofer, A.P., and van Vuuren, W. (2003) 'Platform-driven development of product families: linking theory with practice, *The Journal of Product Innovation Management*, Vol.20, pp.149-162.

Hankinson, G. & Cowking, P. (1997) 'Branding in Practice: The Profile and Role of Brand Managers in the UK', *Journal of Marketing Management*, Vol.13, pp.239-264.

Hastings, K. and Perry, C. (2000) 'Do services exporters build relationships? Some qualitative perspectives', *Qualitative Market Research: An International Journal*, Vol.3, No.4, pp.207-214.

Henry, S. (1994) 'Restructuring: phasing out the brand manger', *Marketing*, May 19, p.8.

Herstein, R. & Gamliel, E. (2004) 'An investigation of private branding as a global phenomenon', *Journal of Euro-Marketing*, Vol.13, No.4, pp.59-77.

Hirschman, E.C. and Thompson, C.J. (1997) 'Why media matter: toward a richer understanding of consumers' relationships with advertising and mass media', *Journal of Advertising*, Vol.16, No.1, pp.44-60.

Homburg, C.J., Workman, J.P., and Jensen, O. (2000) 'Fundamental changes in marketing organization: the movement toward a customer-focused organizational structure', *Journal of the Academy of Marketing Science*, Vol.28, pp.459-478.

Howley, M. (1988) 'Is there need for the product manager?', *The Quarterly Review of Marketing*, Spring, pp.18-22

Jeuland, A.P. & Shugan, S.M. (1988) 'Channel of distribution profits when channel members form conjectures', *Marketing Science*, Vol.7, No.2, pp.202-210.

Johnson, J.P. and Myatt, D.P. (2003) 'Multiproduct quality competition: fighting brands and product line pruning', *American Economic Review*, Vol.93, No.3, pp.748-774.

Kates, S. (1998) 'A qualitative exploration into voters' ethical perceptions of political advertising: discourse, disinformation, and moral boundaries', *Journal of Business Ethics*, Vol.17, No.16, pp.1871-1885.

Kidd, P.S. and Parshall, M.B. (2000) 'Getting the Focus and the Group: Enhancing Analytical Rigor in Focus Group Research', *Qualitative Health Research*, Vol. 10, No. 3, pp.293-308.

Kotler, P. & Keller, K.L. (2006) Marketing Management, 6th ed. Englewood Cliffs, NJ: Prentice Hall, Inc.

Leo Burnett Brand Consultancy, UK (1996) 'Brand First' Management', *Journal of Marketing Management*, Vol.12, pp.269-280.

Leone, R.P., Rao, V.R., Keller, K.L., Man Luo, McAlister, L. and Srivastava, R. (2006) 'Linking brand equity to consumer equity', *Journal of Service Research*, Vol.9, No.2, pp.125-138.

Low, G.S. & Fulllerton, R.A. (1994) 'Brands, brand management, and the brand manager system: a critical-historical evaluation', *Journal of Marketing Research*, Vol.31, pp.173-190.

Macdonald, E. and Sharp, B. (1996) 'Management perceptions of the importance of brand awareness as an indication of advertising effectiveness', *Marketing Bulletin*, Vol.14, No.2, pp.1-15.

Macintosh, G. & Lockshin, L.S. (1997) 'Retail relationships and store loyalty: a multi-level perspective', *International Journal of Research in Marketing*, Vol.14, No.5, pp.487-497.

Maison, D., Greenwald, A.G. and Bruin, R.H. (2004) 'Predictive validity of the implicit association test in studies of brands, consumer attitudes, and behavior', *Journal of Consumer Psychology*, Vol.14, No.4, pp.405-415.

Masberg, B.A. and Silverman, L.H. (1996) 'Visitor experiences at heritage sites: a phenomenological approach', *Journal of Travel Research*, Vol.34, No.4, pp.20-28.

McDonald, W.J. (1993) 'Focus group research dynamics and reporting: an examination of research objectives and moderator influences', *Journal of Academy Marketing Science*, Vol.21, pp.161-168.

McGee, J.E., Dowling, M.J., and Megginson, W.L. (1994) 'Cooperative strategy and new venture performance: the role of business strategy and management experience', *Strategic Management Journal*, Vol.16, No.7, pp.565-580.

Meziou, F. (1991) 'Areas of strength and weakness in the adoption of the marketing concept by small manufacturing firms', *Journal of Small Business Management*, Vol.29, pp.63-76.

Morgan, D.L. (1996) 'Focus groups', *Annual Review of Sociology*, Vol.22, pp.129-152.

Morganosky, M.A. and Cude, B.J. (2002) 'Consumer demand for online food retailing: is it really a supply side issue?'', *International Journal of Retail & Distribution Management*, Vol.30, No.10, pp.451-458.

Murphy, W. and Gorchels, L. (1996) 'How to improve product management effectiveness', *Industrial Marketing Management*, Vol.25, pp.47-58.

Nelson, J.E. and Frontczak, N.T. (1998) 'How acquaintanceship and analyst can influence focus group results', *Journal of Advertising*, Vol.17, pp.41-48.

Osborne, J. and Collins, S. (2001) 'Pupils' views of the role and values of the science curriculum: a focus-group study', *International Journal of Science Education*, Vol. 23, No.5, pp. 441–467.

Panigyrakis, G. and Glynn, (1992) 'Women consumer product mangers in France, In Baker (eds) *Marketing Perspectives*, Vol.2, Addison Wesley, London, U.K.

Panigyrakis G. and Veloutsou, C. (1999a) 'Brand Managers' Interfaces in Different Consumer Goods Industries', *Journal of Product & Brand Management*, Vol.8, pp.19-37.

Panigyrakis G. and Veloutsou, C. (1999b) 'Brand Managers' Relations with Industrial Service Providers in Pharmaceutical and Other Companies', *Journal of Business & Industrial Marketing*, Vol.14, pp.229-245.

Panigyrakis G. and Veloutsou, C. (2000) 'Problems and future of the brand management structure in the fast moving consumer goods industry: the viewpoint of brand managers in Greece', *Journal of Marketing Management*, Vol.16, pp.165-184.

Phau, I. and Cheen Lau, K. (2001) 'Brand personality and consumer self-expression: single or dual carriageway?', *Brand Management*, Vol.8, No.6, pp.428-222.

Pinkse, J. and Slade, M.E. (2004) 'Mergers, brand competition, and the price of a pint', *European Economic Review*, Vol.48, pp.617-643.

Porter, S.S. & Claycomb, C. (1997) 'The influence of brand recognition on retail store image', *Journal of Product & Brand Management*, Vol.6, No.6, pp.373-387.

Porteus, E.L. & Whang, S. (1991) 'On manufacturing/marketing incentives', *Management Science*, Vol.37, No.9, pp.1166-1181.

Price, L.L, Arnould, E.J., and Folkman Curasi, C. (2000) 'Older consumers disposition of special possessions', *Journal of Consumer Research*, Vol.27, pp.179-201.

Richards, A. (1997) 'What is holding today's brand manager?', *Marketing*, February 3, pp.16-17.

Rosson, P. & Ford, L.D. (1982) 'Manufacturer-overseas distributor relations and export performance', *Journal of International Business Studies*, Vol.13, No.2, pp.57-69.

Semeijn, J., van Riel, A.C.R., and Ambrosini, A.B. (2004) 'Consumer evaluations of store brands: effects of store image and product attributes', *Journal of Retailing and Consumer Service*s, Vol.11, pp.247-258.

Tan, S.J. (1999) 'Strategies for reducing consumers' risk aversion in internet shopping', *Journal of Consumer Marketing*, Vol.16, No.2, pp.163-180.

Titus, P.A. & Everett, P.E. (1995) 'The consumer retail search process: a conceptual model and research agenda', *Journal of the Academy of Marketing Science*, Vol.23, No.2, pp.106-119.

Verhoef, P.C., Nijssen, E.J., and Sloot, L.M. (2002) 'Strategic reactions of national brand manufacturers towards private labels', *European Journal of Marketing*, Vol.36, No.11/12, pp.1309-1326.

Weitz, B.A. & Bradford, K.D. (1999) 'Personal selling and sales management: a relationship marketing perspective', *Journal of the Academy of Marketing Science*, Vol.27, No.2, pp.241-254.

Woodruff, R.B. and Schumann, D.W. (1993) 'Understanding value and satisfaction from the customer's point of view', *Survey of Business*, Vol.29, No.1, pp.33-42.

Yoo, B., Donthu, N. and Lee, S. (2000) 'An examination of selected marketing mix elements and brand equity', *Journal of the Academy of Marketing Science*, Vol.28, No.2, pp.195-211.

Zaltman, G. (1997) 'Rethinking market research: Putting people back in', *Journal of Marketing Research*, Vol.19, pp.424-437.