

PGDM - RM, Batch 2015-17  
Retail Luxury and Brand Management  
RM-403

Trimester – IV, End-Term Examination: September 2016

Time allowed: 2 Hrs 30 Min

Max Marks: 50

Roll No: \_\_\_\_\_

**Instruction:** Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		<b>Total Marks</b>	<b>50</b>

**Section-A**

1. What do brands mean to you? Define customer based brand equity for a Department Store?
2. What do you see as the biggest challenges in conducting a brand audit? What steps would you take to overcome them?
3. What is a fading brand, Take an example, what suggestions can you offers to revitalize its brand equity?
4. Can you think of yourself as a brand? What do you do to "Brand" yourself?
5. What is Brand resonance? Explain different stage in the brand value chain?

**Section - B**

6. Which retailers have the strongest image and equity in your mind? Think about the brands they sell. Do they contribute to the equity of the retailer? Conversely, how does that retailer's image help the image of the brands it sells?
7. What do you see as the future of branding? How will the roles of brands change? What different Strategies might emerge for building, measuring, and managing brand equity in the coming years? What do you see as the biggest challenges?
8. Take the case of company where you have done your internship, are there internal pressures that work against Brand building activity? Pressures that against true innovation, toward short-term results, diversification, and frequent changes in brand identity / execution? Assess each one of them. Is the brand environment hostile for the organization? How can brand building proceed in such a context?



## Section-C

At the Beginning of the 1990s, NIVEA was already a Global brand with a wide assortment of products catering to the full spectrum of consumer segments. The company had a widely recognized and respected brand, which it leveraged across a range of sub-brands. Throughout the decade, NIVEA nurtured its existing sub-brand and moved into additional Market Segments by adding new sub-brands. The company's sub-brand strategy yielded remarkable result, between 1990 and 2000, every NIVEA sub-brand experienced sales growth and gained market share. In 2000, NIVEA ranked as the number one cosmetics brand in many markets in Europe, and elsewhere was often in top three. NIVEA Management decided that the sub-brand strategy was effective, and therefore did not develop an umbrella image advertising campaign. The company did, however, continue the "Blue Harmony" campaign for its flagship Product, NIVEA Crème. The Blue Harmony ads were the company's most image-oriented.

Many in the company felt that NIVEA Crème, though it was not the company's most dynamic or high-growth brand, was nevertheless the most vital sub-brand in terms of its Contribution to NIVEA brand equity. Historically, the value in the NIVEA brand was created by NIVEA Crème, and as the flagship brand, it maintained the highest visibility in the most number of markets. NIVEA CEO Dr. Rolf Kunisch identified NIVEA Crème as the essence of the brand, "If I wake you up in the middle of the night and say Describe NIVEA," people would say 'it's white, it' is round' they are Describing NIVEA Crème

Others at the company were less than enamored with the sub-brand strategy NIVEA had followed during the 1990s. "we tried for 10 years to give the sub-brands a life of their own, and I think we more or less failed," said corporate vice President of skin care Norbert Krapp. According to Krapp, rather than thinking of a Particular NIVEA sub-brand when they are making a purchase, consumers are saying "I'd like to buy the blue bottle of NIVEA" (meaning NIVEA Body Milk) or "I would like to buy the white cream" (meaning NIVEA soft). The problem with sub-brands, in Krapp,s view, is that "Nobody is able to cope with 13 brand Groups." Krapp did not believe a corporate image Campaign would improve the State of the brand because "Whenever you talk about NIVEA, People think of NIVEA Crème first then they start thinking about their Personal favorites." Since NIVEA Crème Crème enjoyed such high awareness already as much as 99 Percent in many mature markets - an umbrella image campaign would essentially be an attempt "to increase the 99 Percent, which is useless". Instead, Krapp wanted to see more marketing dollars devoted to the flagship product, NIVEA Crème. Because he believed NIVEA Crème to be central to the equity of the overall brand, Krapp maintained that "the image [of NIVEA Crème] needs to be polished otherwise the core of the Brand is losing Strength"

As the number one cosmetics company in the world, NIVEA maintained an enviable position in the early 2000s. Going forward, the challenge for NIVEA would be continuing to find new markets and developing new products without spreading the NIVEA brand too thin Additionally, the company would need to ensure that the NIVEA image was protected and enhanced by these new developments NIVEA also had to consider whether to follow a sub-brand strategy, or to leverage its recognizable name in other ways

1. What is the brand image and sources of equity for the NIVEA brand?
2. How would you characterize their brand hierarchy?
3. What are the pros and cons of the sub-brand strategy?
4. Should NIVEA run a corporate brand or umbrella ad for all of their Products?
5. What is the role of the NIVEA Crème advertising? Should it be changed?