BRANDING

HOW TO BUILD A BRAND FROM SCRATCH:

Case study of the Saturn Motor Company

GM’s GOAL:
Build a world class product
i.e. Leadership in quality, cost, and customer satisfaction
IMPEDIMENTS:

1. STRONG PRODUCT AT A REASONABLE PRICE
   QUALITY: GM has an image problem with quality:
   CREDIBILITY PROBLEM AND CONSUMER ACCEPTANCE
   
   Job: create a new image: as a unique American car company that marketed no nonsense reliable cars

2. IMAGERY: Practical and patriotic consumers marketing and ad appeal for new car?
   Tried this before …. Won’t work ...

ONLY VIABLE ALTERNATIVE ---
To start from scratch ≠ the SATURN project
Branding Issues: 3 types of brands

1. Functional brands
2. Image brands
3. Experiential brands

1. FUNCTIONAL BRANDS --
Superior performance or superior economy

Managing Function brands

Improve performance – and fight off private labels

Add new functionality – PDA, PertPlus

Extension into new category – MACH 3, Tide. SOS
2. **IMAGE BRANDS**
   Featured-based brands – Miata, Viking range

   User imagery – WHO uses the brand – Nike, Georgio Armani, Apple

   Advertising – ASSOCIATIONS – don’t need product features or celebrities -- the Corvette, Malboro Man, Pepsi

**Managing Image brands:**

   Tap consume trends – lifestyle trends, etc

   Problems: continuity – MJ retirement, Dale Earnhardt (#3)

   Launch brand extensions – Ralph Lauren, Eddie Bauer, Martha Stewarat
2. EXPERIENTIAL BRANDS

How customers FEEL – experience co-created by consumers and brand

something unique and highly personal
souvenirs
Disney
Saturn
Starbucks
Extreme sports

Connect consumers’ desires to move beyond self-preservation and focus on self-enriching experiences and causes
Managing Experiential Brands

Consistency of experience – labor intensive Starbucks, Disney

Satiation problem: 3rd trip to Disney?

Image congruence: Disney vs Touchstone
THE SATURN CONCEPT AND STRATEGY

Imagery branding won’t work — Credibility problem

Alternative foci: On Product quality and price, and on customer relations

Saturn built its brand around a key insight regarding American car buyers: the car buying process is a distinctively unpleasant experience

Strategy: The essence of Saturn idea

CUSTOMER RELATIONSHIP – FRIEND – treated with RESPECT AND REGARD
HOW TO IMPLEMENT THIS CONCEPT

• pleasant shopping environment

• sales force from OUTSIDE auto industry – helpful and well informed

• fixed price policy – no haggling

• dealers sponsored events – BBQs, outings to baseball games

• Saturn owners’ tours of Saturn plants – personalizing experience

• ads – corporate personality
  P1: employees – pride in making the cars
  P2: customer testimonials

KEY: focus of ads is on PEOPLE, not on the car
ESSENCE OF BRAND:

100,000 Saturn owners attended Saturn Homecoming at Spring Hill in 1994