

Marketing Essentials



Chapter 31

**branding, packaging,
and labeling**

Section 31.1
Branding

Section 31.2
**Packaging and
Labeling**

**Before You Read**

CONNECT What influences your decision to purchase a product?

OBJECTIVES

- **Discuss** the nature, scope, and importance of branding in product planning.
- **Identify** the various branding elements.
- **List** three different types of brands.
- **Explain** how branding strategies are used to meet sales and company goals.

THE MAIN IDEA

A company name and its products should project a positive image. An important part of product and service management is to select, promote, and protect the company image and personality of its brand.

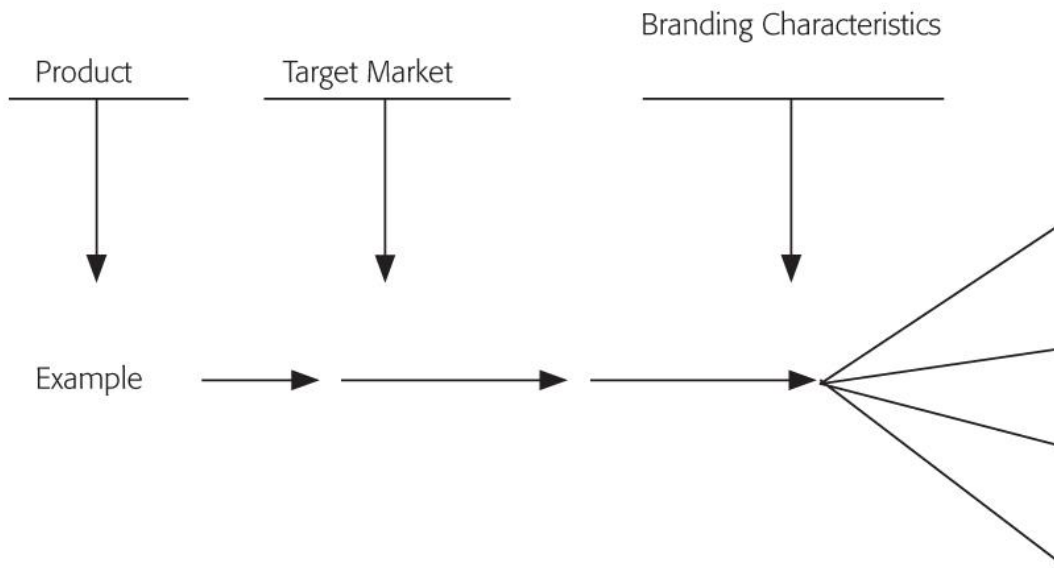
VOCABULARY

- brand
- brand name
- trade name
- brand mark
- trade character
- trademark
- national brand
- private distributor brand
- generic brand
- brand extension
- brand licensing
- mixed brand
- co-branding

Branding

Graphic Organizer

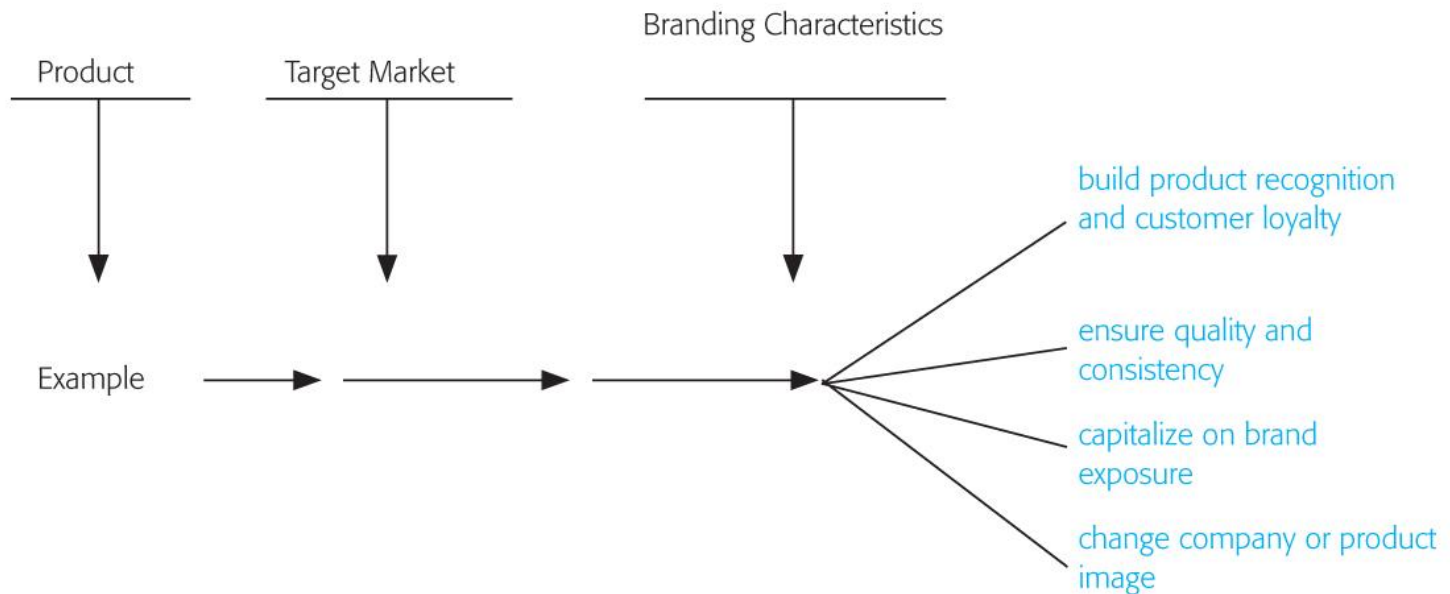
Notes on the Branding Process



Branding

Graphic Organizer

Notes on the Branding Process



Branding

What Can a Brand Be Used For?

Identify One
Product

Identify a
Family of
Related
Products

Identify All
Products of a
Company



brand

A name, term, design, symbol, or combination of these elements that identifies a business, product, or service, and sets it apart from its competitors.

Branding

Elements of Branding

Brand Name

Trade Name

Brand Mark

Trade Character

Trademark



brand name

A word, group of words, letters, or numbers that represents a product or service.



trade name

Corporate brand; identifies and promotes a company or division of a particular corporation.



brand mark

Incorporates a unique symbol, coloring, lettering, or design element that is easily visible.



trade character

A specific type of brand mark, one with human form or characteristics.



trademark

A word, name, symbol, sound, brand name, brand mark, trade name, trade character, color, or a combination of these elements that identifies a good or service and cannot be used by anyone but the owner because it is registered with the federal government and has legal protection.

Branding

Graphic
Organizer

What Are the Four Reasons the Use of Brands Is Important in Product Planning? Provide Details for Each.



Branding

Graphic
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What Are the Four Reasons the Use of Brands Is Important in Product Planning? Provide Details for Each.



Branding

Types of Brands

National
Brands

Private Distributor
Brands

Generic
Brands



national brand

Also known as producer brand, this is owned and initiated by a national manufacturer or by a company that provides services.



private distributor brand

Known as private brand, store brand, dealer brand, or private label, this is developed and owned by wholesalers and retailers.



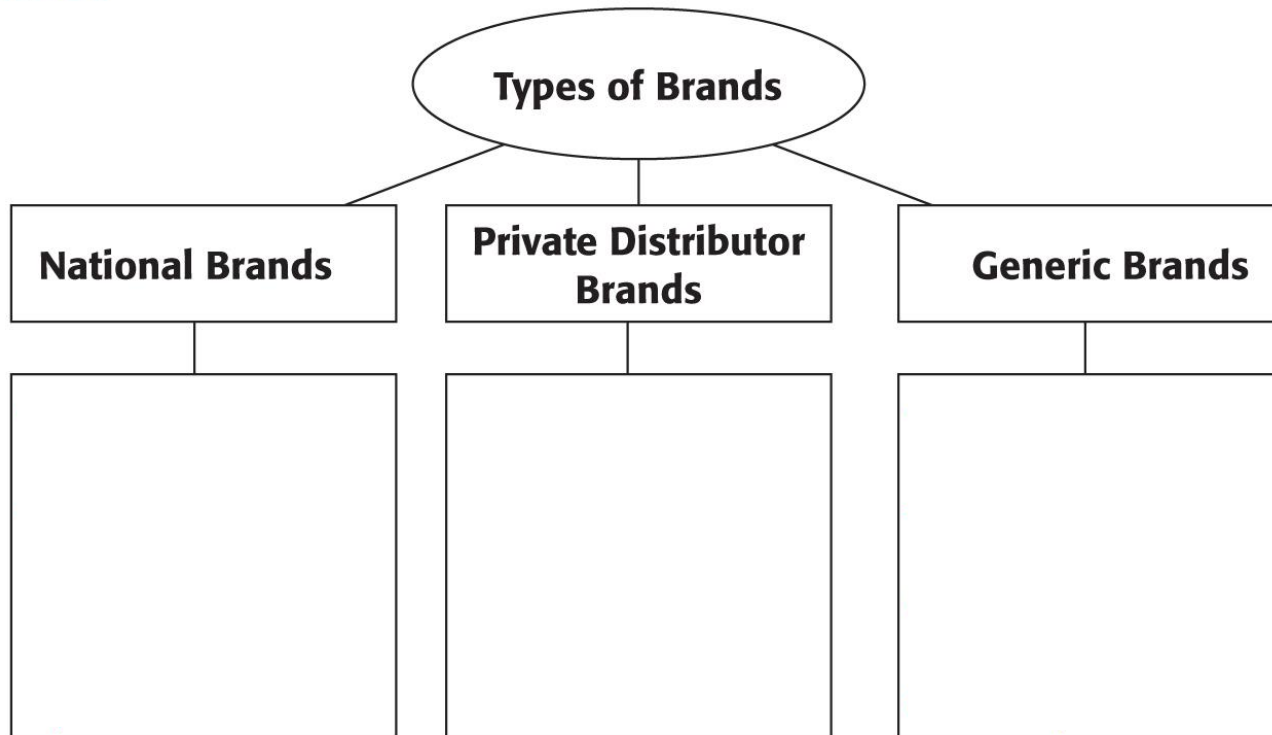
generic brand

A product that does not carry a company identity.

Branding

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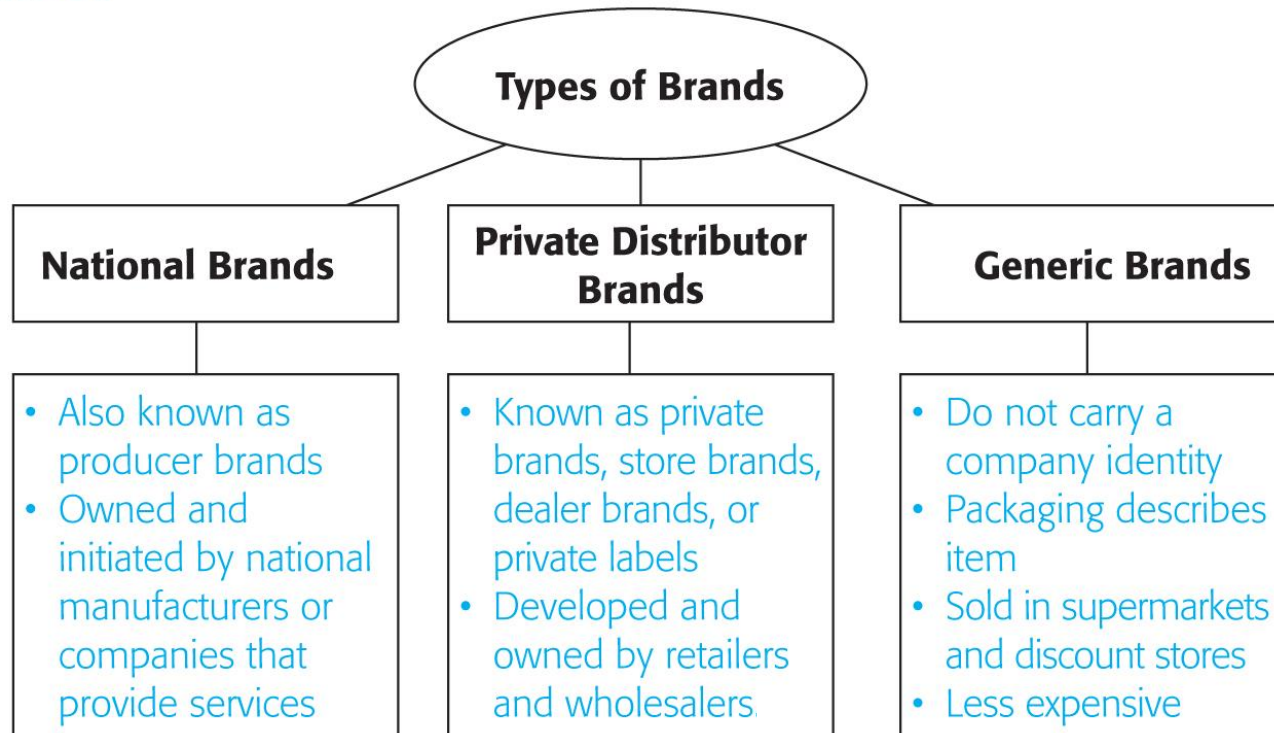
Details About Each Type of Brand



Branding

Graphic Organizer

Details About Each Type of Brand



Brand Strategies

Brand Strategies

Brand Extension



brand extension

A branding strategy that uses an existing brand name to promote a new or improved product in a company's product line.

Brand Licensing



brand licensing

A legal authorization by a brand owner to allow another company (the licensee) to use its brand, brand mark, or trade character for a fee.

Mixed Brand



mixed brand

A strategy that offers a combination of manufacturer, private distributor, and generic brand to consumers.

Co-Branding



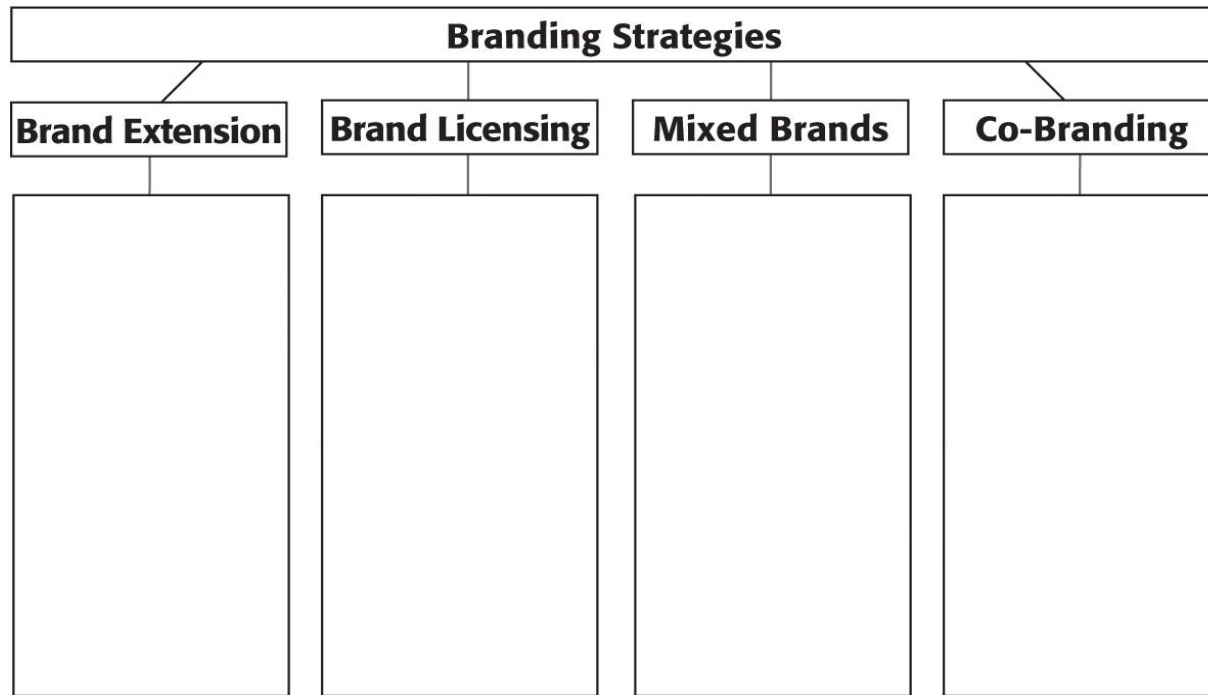
co-branding

A strategy that combines one or more brands in the manufacture of a product or in the delivery of a service.

Brand Strategies

Graphic Organizer

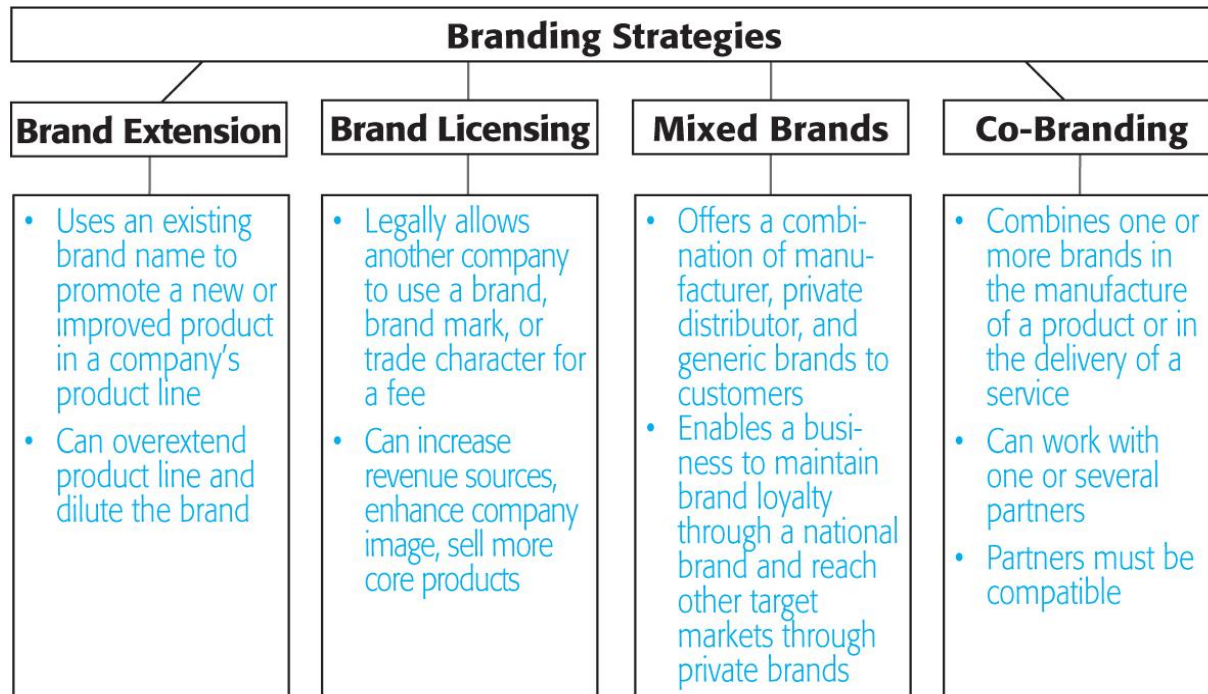
Details About Each Branding Strategy



Brand Strategies

Graphic Organizer

Details About Each Branding Strategy



**After You Read****Section 31.1**

1. **Explain** the difference between a brand name and a trade name.

A brand name, or product brand, is a word, group of words, letters, or numbers that represent a product or service. A trade name, or corporate brand, identifies and promotes a company or a division of a particular corporation. The trade name is the legal name of the business.

**After You Read****Section 31.1****2. Describe** brand extension and brand licensing.

Brand extension is a branding strategy that uses an existing brand name to promote a new or improved product in a company's product line. Brand licensing is a legal authorization by a brand owner to allow another company (the licensee) to use its brand, brand mark, or trade character for a fee. The agreement explains all the terms and conditions under which the brand may be used.

**After You Read****Section 31.1****3. Define mixed branding and co-branding.**

A mixed brand strategy offers a combination of manufacturer, private distributor, and generic brands to consumers. A co-branding strategy combines one or more brands in the manufacture of a product or in the delivery of a service.

Packaging and Labeling



Before You Read

PREDICT What would happen if consumer products were not packaged and labeled?

OBJECTIVES

- **Explain** the functions of product packaging.
- **Identify** the functions of labels.

THE MAIN IDEA

Packaging and labels put a “face” on a product. Effective packaging and labeling help sell a product.

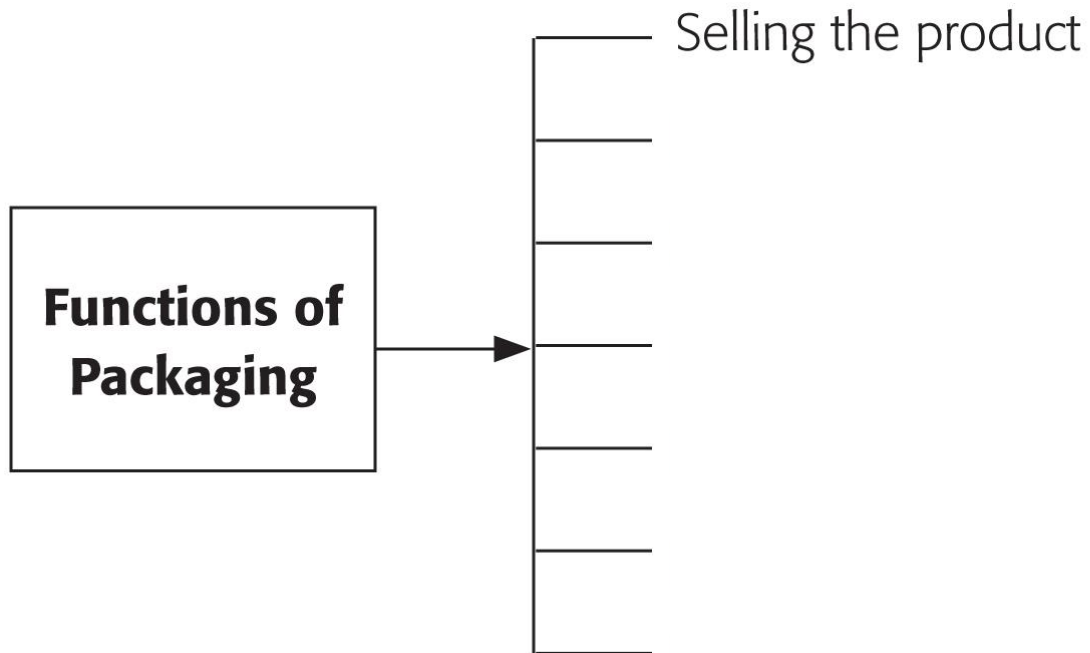
VOCABULARY

- package
- mixed bundling
- price bundling
- blisterpack
- aseptic packaging
- cause packaging
- label
- brand label
- descriptive label
- grade label

Packaging and Labeling

Graphic Organizer

Notes About the Functions of Packaging



Packaging and Labeling

Graphic Organizer

Notes About the Functions of Packaging

Functions of Packaging

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graph LR; A[Functions of Packaging] --> B[Selling the product]; A --> C[Promoting the product]; A --> D[Defining the product identity]; A --> E[Providing information]; A --> F[Expressing customer needs]; A --> G[Ensuring safe use]; A --> H[Protecting the product];
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Selling the product

Promoting the product

Defining the product identity

Providing information

Expressing customer needs

Ensuring safe use

Protecting the product

Packaging and Labeling

Packaging

About 10 percent of a product's retail price is spent on the package, its design, and development.



package

The physical container or wrapping for a product.

Packaging and Labeling

Packaging

Functions of Packaging

**Selling
the Product**

Mixed Bundling

Price Bundling



mixed bundling

Packaging two or more different goods or services in one package.



price bundling

When two or more similar products are placed on sale for one package price.

Packaging and Labeling

Packaging

Functions of Packaging

**Communicating
Product Identity**

Promoting an Image

Color Usage

Packaging and Labeling

Packaging

Functions of Packaging

Providing Information

Directions

Guarantees

Nutritional Information

Warnings

Packaging and Labeling

Packaging

Functions of Packaging

**Meeting Customer
Needs**

Convenience

Functionality

Family Size

Packaging and Labeling

Packaging

Functions of Packaging

Protecting Consumers

Avoiding Misuse

Avoiding Tampering

Childproofing

Packaging and Labeling

Packaging

Functions of Packaging

Protecting the Product

Blisterpacks

Avoiding Consumer Injuries



blisterpack

A package with a preformed plastic mold surrounding individual items arranged on a backing.

Packaging and Labeling

Packaging

Functions of Packaging

Theft Reduction

Oversized Packaging

Electronic Anti-Theft Devices

Packaging

Contemporary Packaging Issues

Aseptic Packaging

Sterilizes the Package and Product



aseptic packaging

Packaging that utilizes a technology that keeps foods fresh without refrigeration for extended periods.

Packaging and Labeling

Packaging

Contemporary Packaging Issues

**Environmental
Packaging**

Consumers Desire Less Waste

Packaging and Labeling

Packaging

Contemporary Packaging Issues

Cause Packaging

Consumers Are Encouraged
to Participate



cause packaging

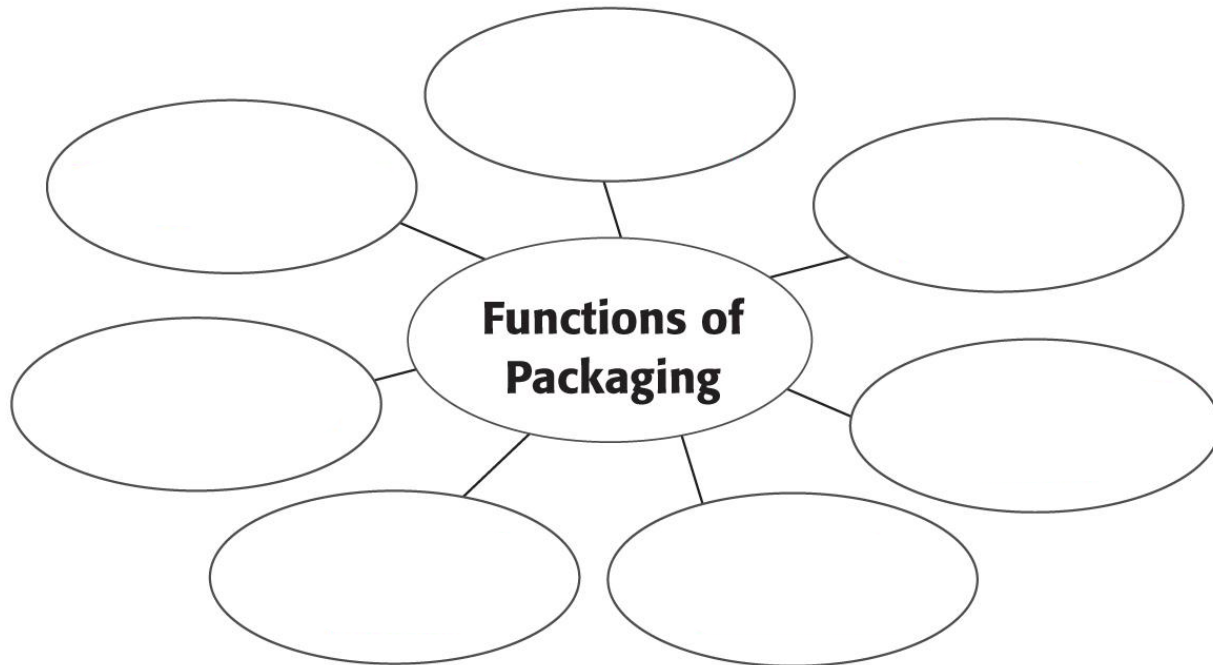
Packaging that promotes social and political causes.

Packaging and Labeling

Packaging

Graphic
Organizer

Functions of Packaging



Packaging and Labeling

Packaging

Graphic
Organizer

Functions of Packaging



Packaging and Labeling

Labeling

Three Kinds of Labels

Brand Label

Descriptive Label

Grade Label



label

An information tag, wrapper, seal, or imprinted message that is attached to a product or its package.



brand label

The information tag on a product or package that gives the brand name, trademark, or logo.



descriptive label

A label that gives information about the product's use, construction, care, performance, and other features.



grade label

A label that states the quality of the product, such as eggs.

Packaging and Labeling

Labeling

Graphic Organizer

The Three Agencies That Make Laws Regarding U.S. Product Labels and Details About Each

**Label
Lawmakers**

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graph LR; A[Label Lawmakers] --- B[ ]; A --- C[ ]; A --- D[ ]
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Packaging and Labeling

Labeling

Graphic Organizer

The Three Agencies That Make Laws Regarding U.S. Product Labels and Details About Each

Label Lawmakers

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graph LR; A[Label Lawmakers] --- B[FDA]; A --- C[Federal Trade Commission]; A --- D[U.S. Department of Agriculture];
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FDA

- Nutrition Labeling and Education Act of 1990
- Labels must give nutritional information
- Packages must carry health warnings

Federal Trade Commission

- Regulates labeling and monitors advertising that is false or misleading
- Care Labeling Rule of 1972
- Guidelines for environmental claims

U.S. Department of Agriculture

- Legal standards, certification requirements, and penalties for misuse of organic labels
- Country-of-origin label
- Allergen labeling

Packaging and Labeling



After You Read

Section 31.2

1. **Differentiate** between a label and a brand label.

A label is an information tag, wrapper, seal, or imprinted message that is attached to a product or its package. The main function of a label is to inform customers about a product's contents and give directions for use. The brand label gives the brand name, trademark, or logo. Although this is an acceptable form of labeling, it supplies insufficient product information.

Packaging and Labeling



After You Read

Section 31.2

2. **Identify** the types of information found on a food label.

Food labels include product illustrations, weight statements, dating and storage information, ingredients, product guarantees, and the manufacturer's name and address.

Packaging and Labeling



After You Read

Section 31.2

3. **Name** three federal agencies that regulate packaging and labeling.

U.S. Food and Drug Administration, Federal Trade Commission, and
U.S. Department of Agriculture

Marketing Essentials



End of Chapter 31

**branding, packaging,
and labeling**

Section 31.1 Branding

Section 31.2 Packaging and Labeling