

Peculiarities of Implementation of Branding Principles

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Abstract—One of the topical issues for the companies operating in the present-day conditions is making decisions about creation and development of brands. The goal of the research was to study peculiarities of implementation of branding principles using the well-known Georgian mineral water Borjomi as an example, to establish the attitude of consumers to Borjomi at Georgian market, to determine the discovered weaknesses based on the result of the research and to make certain proposals and give recommendations, which would help Georgian companies interested in branding issues to pay proper attention to fundamental principles of branding in their marketing activities. As a result of the marketing research, it was found out that Borjomi adhere to a number of branding principles in its activity, although it has certain shortcomings in that respect. The research method was of exploratory and descriptive nature. In the conclusive part of the work is given sum up research results, draw conclusions and give recommendations. If companies existing in Georgia will take them into consideration, it will help them to better make sense of branding and main aspects of using its principles.

Keywords—Marketing research, brand, branding principles, brand awareness, brand originality.

I. INTRODUCTION

FOR a number of reasons (e.g. lack of experience of working on branding in the past) the branding in the activities of Georgian companies is not developed well enough yet (South Caucasus). But it must be noted that the interest in this issue is growing. Under the conditions of the current competitive market Georgian companies will not be able to achieve positive results without applying efficient branding principles. For this survey were selected the consumers of Georgian mineral waters as an object of the research, their attitude to Borjomi as to Georgian brand and to separate marketing aspects related thereto. It must be noted that the Georgian mineral waters market deserves attention due to important segment of the consumers. Consumers of different age groups drink mineral waters. From this point statistic data is also worth noticing. In January-October 2015 the export of Georgian mineral waters of the total volume of the country's export was approximately 3.7%, which is USD 66 907.1 [1]. Staple products at the mineral water market in Georgia are: Borjomi, Nabeghlavi, Likani, Sairme, Mitarbi.

II. LITERATURE REVIEW

Various brands differ from each other at the market according their power and capital. As Philip Kotler and Kevin Lane Keller say, “A brand is thus a product or service whose

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dimensions differentiate it in some way from other products or services designed to satisfy the same need” [2].

Successful brand has a potential to increase difference between the price and the prime cost of the product in favor of the company. “Added value of trade mark has functional as well as emotional basis” [3]. It is difficult to maintain success of the brand at the market as it needs constant development and management.

Branding creation, development and extension should be characteristic for its clarity; it should be well adapted to environmental conditions. The company itself shall have a clear idea of its objectives and tasks in the field of branding, of what is important for the company, of measure it should take. But the companies make mistakes in branding. “One of the most common mistakes is that the companies consider the brand as their “property”. The brand is not always what the company wants to see in it” [4].

In fact, success or failure of the brand is determined by the buyers, by their choice, notions and perceptions. To maintain success of the brand for a long time the company's management should realize well the importance of this issue and further implementation of branding principles. Branding principles imply the common features characterizing the company activities in context of brand creation and development. Among these principles the following principles are worth to be noted:

- ✓ Consistency,
- ✓ Clarity,
- ✓ Constancy,
- ✓ Awareness (recognition),
- ✓ Originality [4].

III. METHODOLOGY

During the study of peculiarities of implementation of branding principles, as an object of the research was selected the Georgian mineral water Borjomi and the consumers of Georgian mineral waters, their attitude to the brand Borjomi and to some marketing aspects related thereto. It should be noted that no marketing research has been carried out in this direction in Georgia so far.

In December 2015 and January 2016 in Tbilisi (the capital of Georgia) was carried out the marketing research using quantitative method of the marketing research, namely, questionnaire survey [5]. Were surveyed representative of different age, gender, nationality, religions, education, profession, having different income. 200 respondents have been surveyed. The questionnaire consisted of 18 questions. The format of the questionnaire was anonymous. After the

survey the results were summed up and some conclusions made as a result of this research are given in the work.

In the work there are used the concepts of marketing theories, statistic data, results of the carried out research, information existing on web-pages of certain Georgian organizations, opinion and comments of the consumers in social network, etc.

IV. FINDINGS

Consistency is one of the important rules of branding and it would be advisable for the company to follow this principle in all main points of the contact with the consumers. It is necessary to be committed to the principle of consistency in the goods-related aspects, marketing channels, consumer service process. This principle should be followed even when the workers of the company answer phone calls and respond to the claims of dissatisfied customers. This concerns also social responsibility of the company.

Georgian mineral water Borjomi tries to follow the consistency principle in respect to the product itself. One and the same slogan – “Get rid of unnecessary”, which is placed on their web-page and advertisements underlies positioning of this mineral water for several years [6]. As to marketing channels, Borjomi is on the market in different kinds of retail facilities and chains within the whole territory of the country. Its price is higher in comparison with its analogues (Nabeghlavi, Likani, Sairme, Mitarbi) (for up to 20 “tetri”). According to the price Borjomi does not change this difference for years.

Borjomi follows the consistency principle with regard to the product, as well as to the opinion and comments of the consumers in social network by its positive and polite answers, and refrain from sharp answers to some critical comments. As to social responsibility, the priorities of IDS Borjomi in this direction are: education and sports. The projects of the company’s official responsibilities are: National Basketball Team; National Rugby Team; the company’s scholarship holders; Borjomi Training Center [7].

Clarity in branding is important. The real brand cannot exist without it. The consumers and target audience should have an opportunity to clearly understand what the company is and its brand as well. The brand clarity is based on its vision and values. They should be easily understandable and acceptable for people. All this is important and topical for those making decision, i.e. for customers, and sometimes also for the public at large.

Usage of different mark-related elements makes Borjomi brand visible and easily understandable for consumer. It should be noted that Borjomi has effectively chosen mark elements, among which the following are worth to mention:

1. Irreplaceable symbol of Borjomi - embossed image of deer. This image is placed at the front side of the bottle, in the center, between the upper and the lower labels;
2. Borjomi bottle is blue-greenish, which is called Georgian Green. It has been patented especially for Borjomi [8];
3. The bottle has two labels at the front: the upper and the lower;

4. The cap with the title “Borjomi” in the center and with English inscription around the cap – “Georgian Natural Mineral Water”.

But it should be noted that over the years some elements of Borjomi mark have experienced transformation. This primarily concerns labels and bottles. They became more refined, meeting up-to-date requirements and standards.

In the course of the research we tried to determine if some of the elements have been chosen correctly, e.g. what is the opinion of the consumers about the bottle; how attractive, visually pleasing and easy-to-use for the consumers.

To the question: “Which brand has the most beautiful and easy-to-use bottle?”, 21% of the respondents named Borjomi, 39 % of the respondents named Nabeghlavi, 26% - Likani, 13% -Sairme, 1% - like all the bottles.

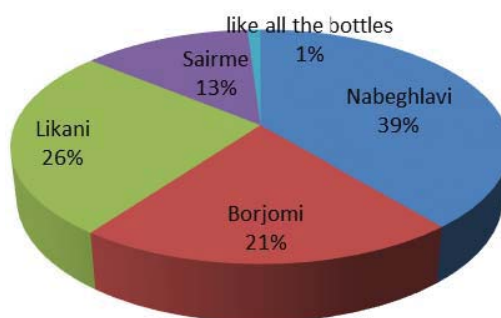


Fig. 1 Consumers attitude toward the bottle

As a result of the research, it was established that among various versions of Borjomi bottle the consumers especially likes the glass bottle, moreover, they think that this mineral water in the glass bottle is tastier and nice to drink.

Borjomi consumers and target audience clearly realize what this mineral water is at least because of its past, as Borjomi is old brand. Bottling of the mineral water Borjomi began in 1890. But in Borjomi Gorge, existence of this water has a very long-time history. The fact that this product is exported and represented in different countries, including at European market, is also very pleasing for a part of Georgian consumers [10].

As a result of our research, we determined perceptions and views of the consumers to Borjomi brand. It was identified that the buyers of Borjomi give a high rating to this mineral water for a number of reasons:

- ✓ They think that Borjomi is mineral rich,
- ✓ It has high workmanship,
- ✓ This mineral water has a long-time history,
- ✓ Its price is acceptable for customer,
- ✓ Borjomi is reliable product,
- ✓ It is characteristic for good packaging,
- ✓ The price and quality correspond to each other,
- ✓ This product is represented in many countries.

On its Facebook page IDS Borjomi often puts information of reminding nature about famous, honored and favorite for the society Georgian actors and other public figures, without whom it is impossible to imagine Georgian culture, sports and

other areas. By doing so Borjomi emphasizes the fact that these persons are very precious, thus, to some extent, alluding to its values.

Constancy denotes that the company should not change the constitutive essence of the brand, i.e. what the brand is, so that people trust it and know what to expect from it. Director General of IDS Borjomi said about this mineral water that notwithstanding a number of innovations implemented by the company, “the mineral water in the bottle is the same, it also characteristic for its irreplaceable mineral composition and special taste” [9].

But it should be noted that as a result of our research it was found out that some consumers doubt if the water in the bottle is the mineral water naturally flowing in Borjomi Gorge; for some respondents it tastes like soda water. Of course these are single cases, but the company should pay proper attention to this and use approaches to make people trust Borjomi brand.

To the question: “Which mark is characteristic for brand delivery before its consumers?”, 30% of the respondents named Borjomi, 35% of the respondents named Nabeghlavi, 17% - Likani, 6% - Sairme, 4% - named all brands, 3% of respondents said, that none of the brands does not have, 5% of consumers does not know.

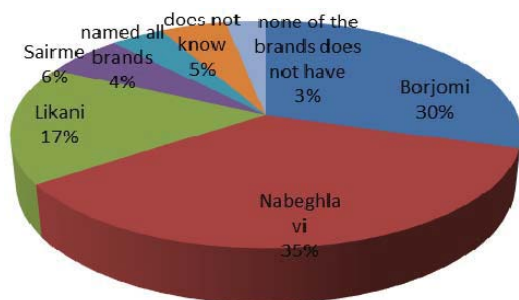


Fig. 2 To fulfill Brands promises

The brand shall be distinguished for high **awareness** for target market. That’s why the consumer should easily conceive and remember the brand, which increases awareness of the brand in people. And the company should devote marketing costs to the most optimal for it channels of distribution of information. E.g. commercials should be placed in those channels and media, where high attention of the target consumers is expected.

IDS Borjomi uses one of the best and expensive means of information distribution – television, where commercials are distributed via different TV channels. By placing commercials in television it is possible to cover great number of consumers and reach high attention. It should be noted that at the Georgian market, the main competitor of Borjomi - the mineral water Nabeghlavi actively uses billboards and booklets, while television - from time to time. As opposed to Borjomi, in the advertisements it emphasizes the healthy lifestyle. The slogan of Nabeghlavi in advertisements is “Nabeghlavi is better indeed”.

At the Georgian mineral water market awareness of Borjomi brand is highest. This is confirmed by the research

(carried out in December 2015 – January 2016). As a result of this study it was found out that to the question: “Which brand comes to your mind first when mineral water is mentioned?” 47% of respondents named Borjomi, 35% - Nabeghlavi, 13% - Likani and 5% - Sairme.

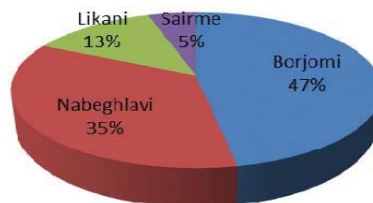


Fig. 3 Consumers awareness for mineral waters

On the question: “which mineral water is preferable?” - respondents answered as follows:

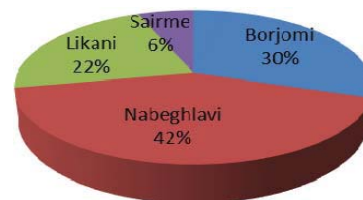


Fig. 4 Consumer's references

Thus, 30% of respondents named the Borjomi, 22% of them - Likani, 6% - Sairme, while 42% named the Nabeghlavi. Thus, even though the Borjomi is characterized by a higher awareness than other marks, the most of the consumers prefer to buy Nabeghlavi. In this regard, Nabeghlavi is 12 items higher compared to Borjomi. It should be noted that the respondents who have named other beverages (not Borjomi), they do not buy Borjomi.

During our study, we were also interested in attitude of the consumers towards advertisement, namely, we tried to find out, if the respondents can recall the slogan of Borjomi.

To the question: “Which mineral water commercial do you recall?” - the answer of the majority of the respondents was Borjomi - 31%, 27% of the respondents named Likani, 10% named Nabeghlavi, 10% named Mitarbi, 5% named Sairme.

To the question: “Specify if you remember any phrases or sentences from commercial” - 12% of respondents recalled the advertising slogan of Borjomi, 7% of respondents recalled the advertising slogan of Likani, 3% - the advertising slogan of Mitarbi, 2% - Nabeghlavi.

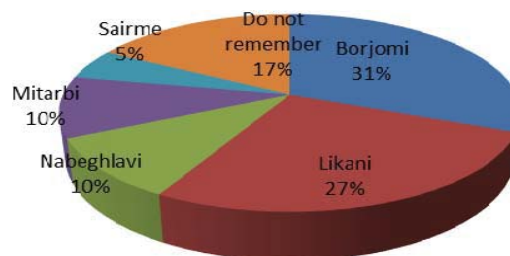


Fig. 5 Advertising recall by consumers

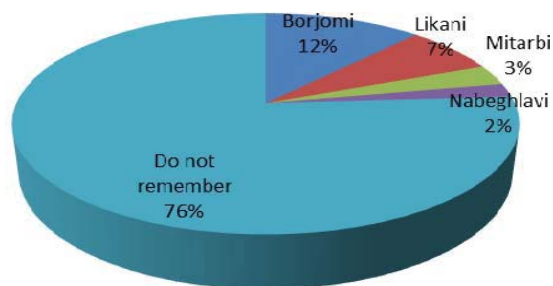


Fig. 6 Advertising slogan recall by consumers

Originality of the brand is related to the activities of the company directed to creation of uniqueness and specialness of the brand to cause in consumers the best impression, to make them think that they possess unique and the best product.

Borjomi is unique as long as the nature itself gives it to people and its composition makes it special. Special features of Borjomi are specified at the web-page of Sakpatenti. Among them we can read: “Unlike many sodium bicarbonate waters, Borjomi spring water does not have time to cool before reaching the surface at a temperature of 38-41°C. On its journey upwards, the rocks of the Caucasian mountains enrich the water with over 60 different mineral compounds.”... The mineral spring of Borjomi water is located in Georgia, in narrow gorge along the river Mtkvari in Borjomi town... The natural pressure of carbon dioxide pushes Borjomi water to the surface from a depth of 8- 10km.” [10].

Different associations indirectly indicating to the Borjomi mark and connecting with one of the most beautiful places of Georgia–Borjomi Gorge and the resort in Borjomi town are also important.

Results of the research showed that the devoted consumers of Borjomi brand strongly reject to consume other similar water as they believe that this water is irreplaceable for them.

To the question, if they always buy one and the same beverage, devoted consumers of Borjomi constituted 9% of the respondent, who buy only this water, 21% of the respondents chose among two marks – Borjomi and Likani (or Nabeghlavi, Sairme). 17% of consumers make their choice among three marks (Borjomi, Nabeghlavi and Likani (or Sairme)). Thus, 9% of the buyers of this water expressed their wordless devotion to Borjomi, and 38% - their partial devotion.

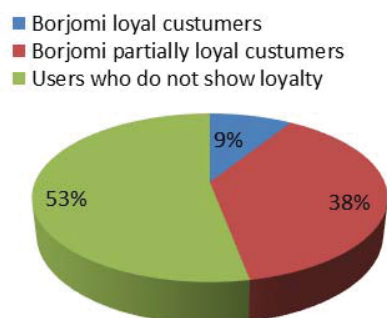


Fig. 7 Customer loyalty towards Borjomi

V. CONCLUSIONS

Therefore, the analysis of peculiarities of implementation of branding principles using the example of Georgian mineral water Borjomi gives us the reasons to make the following conclusions:

- ✓ The consumer should be constantly provided with information about the brand. Marketing specialists often spend much money for advertisement to make their brands more recognizable and deserve loyalty of the consumer. But not only advertisement makes the brand popular, but also the experience related to it, which, along with advertisement, implies testing of the brand itself. Therefore, Borjomi should make more efforts to attract new buyers;
- ✓ The brand should work at many levels. First of all, the product itself should be the best and special one, which makes it stand out. And Borjomi has it, indeed. But in order to attract new buyers the “story” related to creation of Borjomi brand will be important and interesting, which can be narrated to the public. The best way to do that is by means of advertisement. This will arouse strong interest of society to Borjomi brand, and information handed over in such way will be ingrained in their minds;
- ✓ Although Borjomi is a Georgian brand having its history, comes from the past and it continues its existence at the market, but the management of this brand should be by all means and constantly connected to study of novelties and putting into practice, which is successfully implemented in the modern marketing. All this requires hard work and effort;
- ✓ As a result of our research it was found out that some consumers doubt if the water in the bottle is the mineral water naturally flowing in Borjomi Gorge. Of course these are single cases, but the company should pay proper attention to this and use approaches to make people trust Borjomi brand.
- ✓ Special and unique properties of this mineral water are not represented in full in commercials of Borjomi mineral water. It would be reasonable and fair to make and distribute commercials containing information about special quality of Borjomi and its unique properties making it distinctive from many other mineral waters.

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