

# **Brand Success Evaluation**

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## **Abstract:**

It is very important for the company to use the trademark and manage them effectively in the working conditions on the competitive market. Trademark (Brand) obsesses the consumer's attention, attracts them and in case of customer's satisfaction ensures their loyalty. But the brand can't be considered in unchanged way, even strong and successful brand is evolving and changes over the time. The goal of my research was to study customers' attitude toward "Borjomi" on Georgian market and to assess the weaknesses, which might be linked to the development of the brand and its further success's based on the results of the research. There is not still well developed and thought the largest importance of branding in the business of companies commercial success, for example, non-existent work experience of branding in the past.

## **Keywords:**

Trademark, market, brand, brand effectiveness, branding, brand image, marketing, consumer, loyalty, competitive market.

## **Introduction**

It is very important for the company to use the trademark and manage them effectively in the working conditions on the competitive market. Trademark (Brand) obsesses the consumer's attention, attracts them and in case of customer's satisfaction ensures their loyalty. "Consumer assesses the identical products depending on how it is branded"(1). But the brand can't be considered in unchanged way, even strong and successful brand is evolving and changes over the time. Creating a brand is an important and significant first step towards its successful, hard way.

Research of the issues related to the brand creation and development is one of the actual (urgent) topics, which is discussed in this paper on the example of Georgian mineral water "Borjomi". The mineral water market is very important for the great segment of consumers. Variety of age groups of users drink mineral water. They are used for its healing properties. In January-October 2015, export of Georgian mineral water compiled approximately 3.7% of the country's total export volume, which is 66 907.1 US dollars. While in the same period of the last year, export of mineral water was much more, 123 800.7 US dollars, which's 5.1% of the country's total exports (2).

There is not still well developed and thought the largest importance of branding in the business of companies commercial success. (For example, non-existent work experience of branding in the past). However it must be noted that the interest is increasing on the above mentioned issue. The goal of research was to study customers' attitude toward "Borjomi" on Georgian market and to assess the weaknesses, which might be linked to the development of the brand and its further success's based on the results of the research.

The object of the research was Georgian mineral water market, and more specifically the mineral water users, their attitudes toward the beverages of "Borjomi" brand, also various marketing aspects related to it.

The subject of the research was theoretical and practical issues of Georgian brand's marketing research as Georgian mineral water "Borjomi".

Methods of research. By using of quantitative method of marketing research was conducted interview based on the questionnaire. 500 respondents were interviewed, questionnaire was consisted of 16 questions, its format was anonymous. After interview the results of research was summarized and as a result of performed work in the study, following conclusions are made.

There are used theories of marketing concepts, statistical data, results of the research and customers' feedback in the social network.

Knowledge and the way how to put effective methods and approaches of brand management into the practice during the working conditions of competitive market is very important. The company needs a continuous work in this direction to achieve positive results, become successful and to maintain this position. In this regard, the company IDS "Borjomi" pays great attention to the work. According to the General Director Zaza Kikvidze : "..... brand has been developed: The product has changed in appearance, packaging has become more modern, it's premium. But mineral water in the bottle remained unchanged, as well it's characterized by its irreplaceable mineral composition and a special taste "(3).

Brand success is not provided only by its trademark, but it has to pass certain levels. Transition from the lower level to a higher one indicates greater recognition and success of the brand. In this process following steps are allocated:

- Brand visibility (cognizance) (lower level);
- Brand effectiveness;
- Brand image (face);
- Brand judgment;
- Customers' emotions;

- Brand resonance (the highest level) (4).

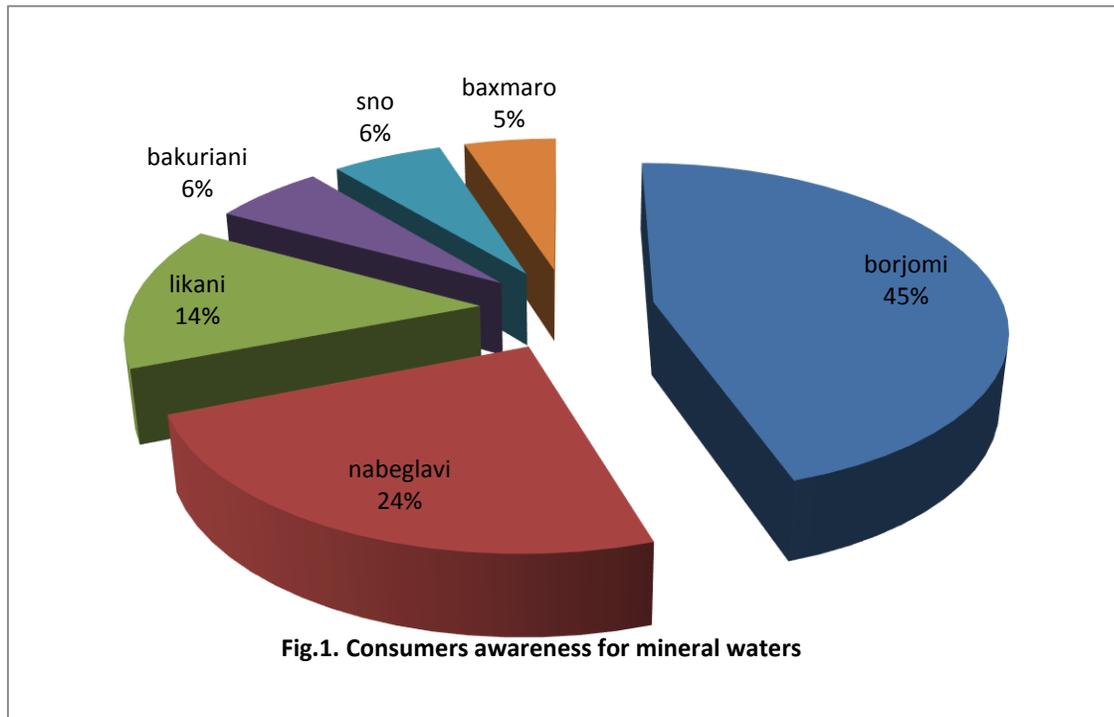
1. Brand should be visible for customers, which is related to its awareness. According to the opinion of the scientist K.Kelery: "At the given moment the awareness of the brand appears when it becomes recognizable for customer. This is related to the buyer's ability to recall previous relationship with the brand "(5).

Georgian company "IDS "Borjomi" Georgia" manufactures and sells "Borjomi" valley sodium bicarbonate table water with (of) four types of packaging (0,33 - Glass bottles; 0,5 liters - Glass bottles; 0,5 liters - PET bottles; 1,0 - PET bottles). Brand name of beverage "Borjomi". Formation and production of "Borjomi" mineral water occurs on the area of Borjomi - Kharagauli National Park. Bottling of "Borjomi" mineral water is implemented in "Borjomi" bottling plant N1, which is near the mine. "Borjomi" is fully compliant with European and Russian quality standards and it's exported to more than 40 countries around the world. (6).

"Borjomi" was very well-known and widely recognized brand in the past. The first attempt to bottle "Borjomi" water was in 1850. Military sick-bays pharmacist (apothecary) Zakharov poured water in 1300 bottles and exported. "Borjomi" was known not only in Georgia, but also in the former Soviet republics and was highly demanded. In the early 80-ies within the Soviet Union million half liter bottles were sold daily. "Borjomi" became not only the most popular water, but also the history of Georgia. For it one of the most attractive market was Russian market, but in 2006, "Rospotrebnadzor" banned the number of Georgian including "Borjomi" on the territory of Russian federation. In 2013 "Borjomi" has returned to the Russian market since this mineral water has been officially registered to enter Russian market (7).

Distinctive blue-green color of "Borjomi" bottle is patented and has its own name-Georgian Green. "Borjomi" is the highly known Georgian mineral water in Georgia. This was confirmed by the research carried out by me in Tbilisi in March-May 2014. I've used questionnaire form. During the research process I've chosen the selection so as to be representative. I've interviewed representatives of different ages, gender, nationalities, from different regions, of different religion, education, occupation and income, in order the data of mineral water consumption by different consumer groups have to be credible.

On the question: "Which mark of mineral water do you remember firstly?"- 45% of respondents named (nominated) "Borjomi", 24% - "Nabeghlavi", 14% - "Likani", 6% - "Bakuriani", 6% - "Sno", 5% - "Bakhmaro". I should also note that some of the respondents could not differentiate the mineral water from the spring water: "Bakuriani", "Sno", "Bakhmaro". (But I've depicted this data in the diagram below).



Thus, the "Borjomi" is a well-known and visible brand to users and, they freely recall the name and their previous relationships to this mark.

2. The effectiveness of the brand depends on functional needs of the buyer. These aspects are very important in the process of creating a brand. Should be defined its distinctive features, which must have a product. They may contain unique aspects, which makes product even more interesting for consumers. Reception of mineral water "Borjomi" is very useful for people who has diabetes, diseases of joints and connective tissue, also during the low-calorie diets. "Borjomi" mineral water is recommended for chronic gastritis, Stomach and duodenal ulcer, liver diseases and diseases of the tract, gallbladder stones, inflammation and respiratory diseases of urinary tract. Ions of iodine and fluorine which are in mineral water reduces the risk of caries (8). The healing properties of "Borjomi" contributes its competitiveness on the marketplace. There is given its Ingredients on the label and also is a list of diseases, which can be treated by this mineral water, in order to promote the progress of the product. Thus, the "Borjomi" fully satisfies functional requirements and therefore can be considered as an effective brand.

3. The image of the brand emerges by the psychological satisfaction of the buyer. The brand image is created by the marketing program, that connects a nice, strong and unique associations to the brand. In consumer's awareness these associations is controlled on the basis of personal experience, according to information received on the brand, the brand identification to the specific company, people, events, country. Therefore, in this case effectively prepared advertisements and PR events can perform the great role. The brand image has two aspects in accordance with the following two questions:

1. How do you want people to perceive and get your brand?

2. What is the customer's perception of your brand currently?

This depends not only on what people see, but also what they think and feel. The eyes and the mind create a lot of impressions, including past and present, real and imaginary, rational and emotional. The brand image is what is physically presents in front of the buyer and how it is perceived by sensory organs, what is happening in the mind after receiving this information.

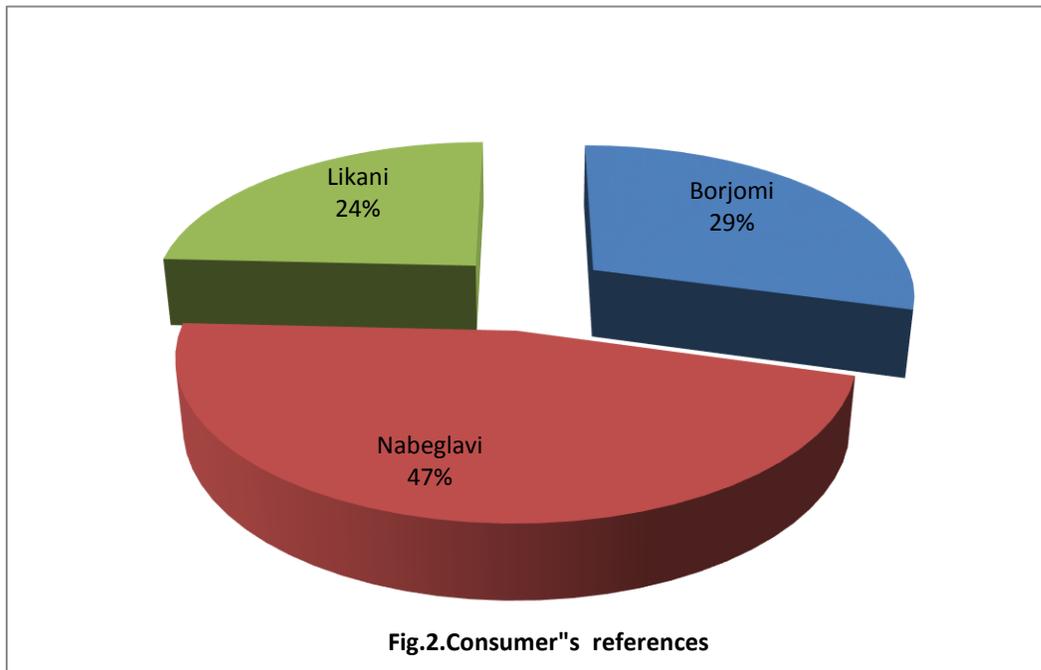
"Borjomi," It's kind of a tradition and is the name connected to Georgia, which comes from the past to the present. In "Borjomi" ads main focus is on:

- Its favorable action on human health, the advertising slogan is: "Release from unnecessary"
- Mark "Borjomi" is related to the homeland, Georgia, which refers to advertising slogans: "Always love the motherland" and "Borjomi" - my water. "

Such marketing programs that can connect pleasant and strong associations with the brand, can play a key role in creating brand image of "Borjomi". In consumer's awareness strengthen of these associations are contributed by all information on the brand "Borjomi", its connection with the producing countries, to the company, people, events. Therefore, PR activities can play a large role. Special events are held in order to create positive public opinion by the "IDS Borjomi" Georgia". So, for example, he is a partner of the National Basketball Team. President of the Basketball Federation B. Liparteliani said: "The players live a healthy lifestyle and that's why they always choose" Borjomi ".We are very happy and proud that the Georgian brand is represented in all the countries where our team is holding meetings "(9).

"Borjomi" is not the only Georgian brand on Georgian mineral water market. It competes with other trademarks: "Nabeglavi", "Sairme", "Likani", "Mitarbi", "Vazha source", "Lugela", "Skuri", "Utsera", "Kazbegi" and others (during the research period "Mitarbi" began to enter the market, therefore it not included in the research results).

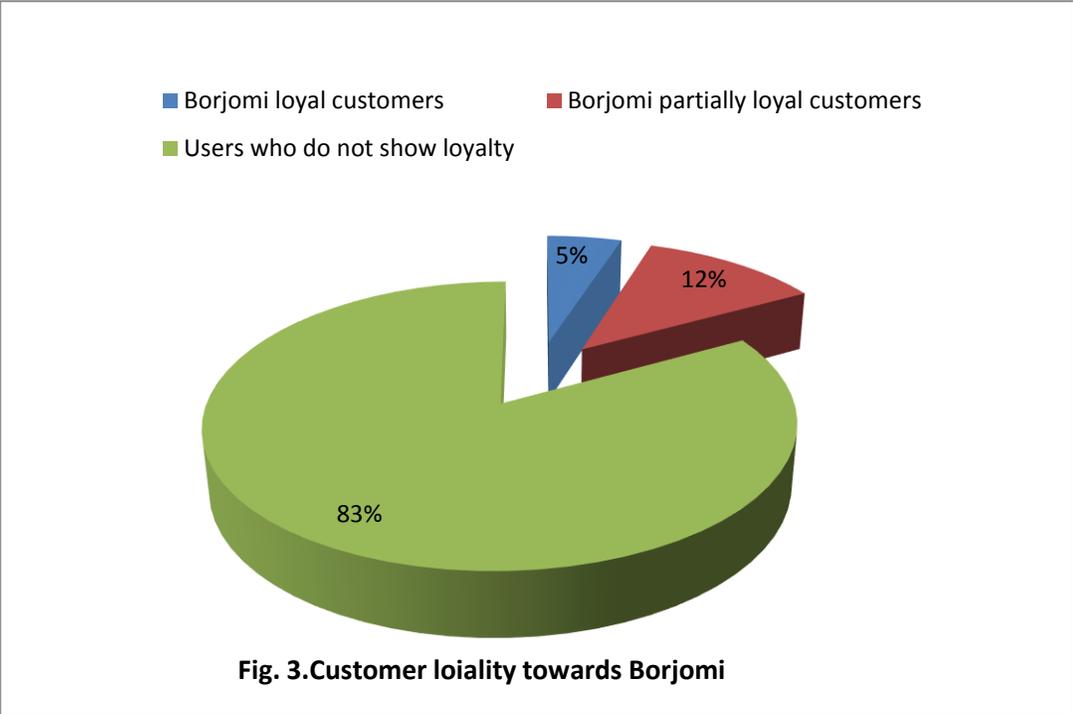
4. Discussion of the brand is based on consumers' opinions, beliefs to study it I've conducted market research in March-May 2014. On the question: which mineral water is preferable, respondents answered as follows:



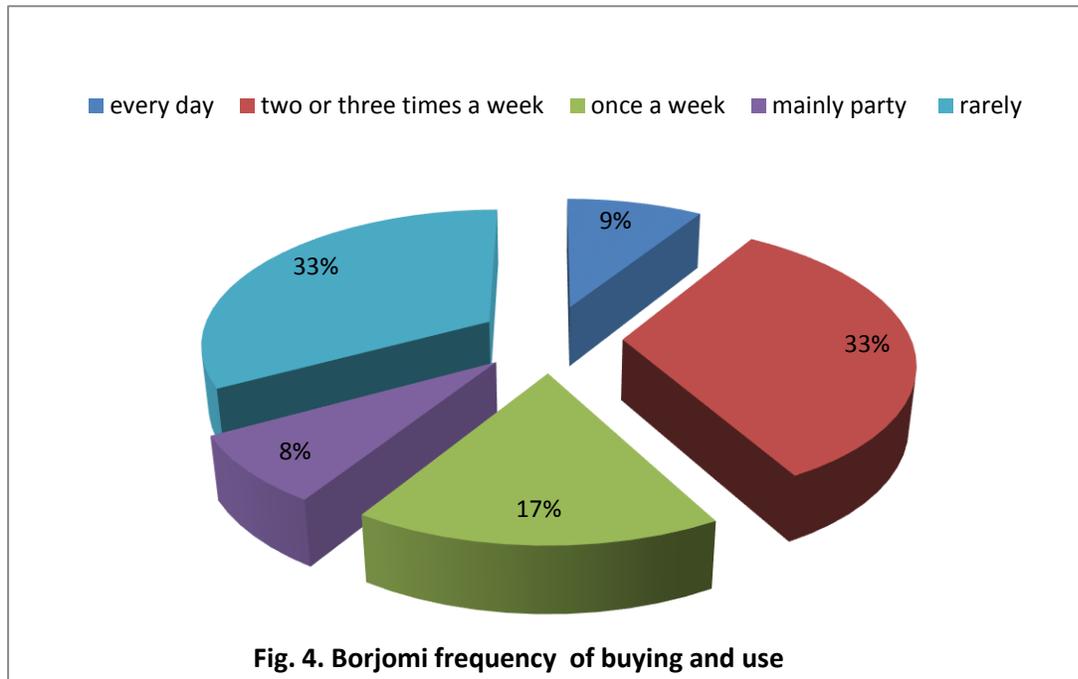
Thus, only 29% of respondents named the “Borjomi”, 24% of them – “Likani”, while 46% named the “Nabeghlavi”. Thus, even though the “Borjomi” is characterized by a higher awareness than other marks, the most of the consumers prefer to buy “Nabeglavi”. In this regard, “Nabeglavi” is 17 items higher compared to “Borjomi”. It should be noted that the respondents who have named other beverages (not Borjomi), they do not “Borjomi”.

When asked why do they buy “Borjomi” mineral water, consumers of “Borjomi”, indicated to following characteristics and properties of the drink: trust to the “Borjomi “ mark and its experience, high quality, useful properties for the human organism, mineral properties, better features than other similar drinks.

On the question buying or not one and the same drink, loyal customers of ”Borjomi” turned to the respondents 5%, which only this brand drinks and buy, respondents 7% prefers to get two marks – “Likani” and “Borjomi” in other words, they sometimes buy “Likani“ and sometimes “Borjomi”; 5% of the customers make choice between three marks (“Borjomi”, “Likani” and “Nabeghlavi”). Thus, unconditional devotion towards “Borjomi” showed 5% of Buyers, partial devotion –12% of Buyers.



When asked how often do they buy and consume soda mineral water “Borjomi”, “Borjomi“ buyers answers were as follows: 9% of consumers drink it every day, 33% - twice or three times a week, 17% -once a week, only 8% drinks it only in the party, 33% - rarely.



4. Brand emotions are forming by the influence of consumers' emotional reactions. Consumers' emotions towards "Borjomi" - to find out this aspect I paid attention to the results of my research. According to the research revealed that buyers of "Borjomi" mineral water give high points to this drink because of the number of reasons:

- They believe that the "Borjomi" is rich with minerals;
- It has a price acceptable to the buyer;
- Is characterized by good packaging;
- Has a high degree of manufacturing;
- The price and quality are appropriate;
- The mineral water has a long history, and has been on the market for a long time;
- This product is represented in many countries,
- "Borjomi" a reliable product.

5. Brand resonance is based on the customer's relations to the brand. Trust, mutual respect, consistency, the company's commitment to the principles, fulfillment of its promises is in the base of these relationships. For this I have analyzed the responses in the social network about "Borjomi" (10). I've paid attention as to the positive feedback, so the remarks and negative statements, which were spoken in the social network by people. Among them it is very important thing that some people are surprised regarding the fact that the "Borjomi" is really just good and useful only on hangover or excessive eating. There is also, users hints whether "Borjomi" is soda water? The representative of "Borjomi" on Facebook responds that waters of medium and high mineralization are characterized by

a specific taste and therefore is "Borjomi". It also must be noted that when analyzing the customer's feedback in social network I've noticed that Georgian customers expect more charity from "Borjomi"(11). It is not a problem for the company, because it successfully implements this direction in the politics of its second brand "Likani".

## Conclusion

Thus, the marketing approaches of Georgian mineral water "Borjomi" is characterized by a number of shortcomings:

- Users of this drink often connect it with the fact that drinking it on the great hangover gets a sense of lightness. This is because the position of "Borjomi" is conducted only to this direction.
- The research has revealed that despite of the highest awareness of "Borjomi", "Nabeglavi" has advantages on the market in the direction of sales. This requires the proper attention from "Borjomi";
- One shortcoming in management of "Borjomi" brand, in our opinion, is company's work through the line of the public relations. It is a weakness for the company in the competitive environment;
- The company does not pay enough attention to the fact that the image of the firm's top officials make the positive effect on the brand's image. Also, the brand connection with the companies, and variety of events. Proper presentation is needed to (before) the society;
- The company makes a mistake, when it does not pay proper attention to negative information about its mineral water and the consumers' doubt, that it might be soda water.

Georgian mineral water "Borjomi", as a brand, the analysis allows us to conclude that:

- To our mind, in "Borjomi" position should be emphasized its positive impact on the medical point of view and not only its lightness effect on hangover. Therefore, "Borjomi" has to increase customer awareness toward its benefits. And this should be done by the support of strongest arguments;
- "Borjomi" has to pay more attention to study its competitors' strategies on the market and to confront them with the proper marketing activities;
- "Borjomi" somewhat has to strengthen its work through the public relations line, also has to select and use the best methods in this regard, in order to enhance the public's favor, trust, public confidence towards this brand and the company;
- Borjomi manufacturer should pay attention to the analysis of various factors on the brand image, including the fact that people often connect brand to the producing company and variety of events. Therefore will be necessary continuous work towards Borjomi to study the public opinion;

- The company should carry out some propaganda activities, in order to finally eliminate connection between this water and soda water from human's side.

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