

Ingredient Branding

Making the Invisible Visible

Bearbeitet von
Prof. Dr. Philip Kotler, Prof. Dr. Waldemar Pfoertsch

1. Auflage 2010 2010. Buch. xx, 393 S. Hardcover
ISBN 978 3 642 04213 3
Format (B x L): 15,5 x 23,5 cm
Gewicht: 783 g

[Wirtschaft > Spezielle Betriebswirtschaft > Absatz & Vertrieb](#)

schnell und portofrei erhältlich bei


DIE FACHBUCHHANDLUNG

Die Online-Fachbuchhandlung [beck-shop.de](#) ist spezialisiert auf Fachbücher, insbesondere Recht, Steuern und Wirtschaft. Im Sortiment finden Sie alle Medien (Bücher, Zeitschriften, CDs, eBooks, etc.) aller Verlage. Ergänzt wird das Programm durch Services wie Neuerscheinungsdienst oder Zusammenstellungen von Büchern zu Sonderpreisen. Der Shop führt mehr als 8 Millionen Produkte.

Preface

The explosion of high-tech products, from PCs and mobile phones to modern textiles and household appliance has made it increasingly difficult for customers to make purchasing decisions. In order to process all the information that is available to them, one could say that they need the help of a “translation key”¹. An example of such a key could be a strong brand name which communicates special features and advantages of a product, thereby simplifying the decision making process for customers. This “key” is especially important for Ingredient Brands – brands within brands; they make the invisible component visible in the minds of the final user.

Starting back in the 1960s, a few companies have been very successful in developing a strong Ingredient Brand and making their logos icons in the consumer minds (see Fig. 1).

Now in the new millennium, hundreds of component suppliers have discovered the power of Ingredient Branding. There is a worldwide rush of suppliers in various industries to reach the minds of the final consumer. The success stories of companies such as **Intel Corporation**, **WL Gore & Associates**, **Bayer AG**, **The NutraSweet Company** and **Dolby Laboratories**, have revealed the potential advantages of Ingredient Branding and shown many component suppliers that they can realize better return on investment with new

¹ Kevin Keller (2008): Strategic Brand Management Building, Measuring, and Managing Brand Equity; Third Edition, Upper Saddle River, p. 294; and Simon, Hermann; Sebastian, Karl-Heinz (1995): Ingredient Branding in: Absatzwirtschaft, Vol. 38, 1995, No. 6, pp. 42–48.



Fig. 1. Logos of well-known Ingredient Brands

(All rights reserved by the logo owners)

marketing strategies. Today we find companies that consciously choose to employ the Ingredient Branding concept and others that do it without knowing the principles and terms. Some seem to have attained success, some are struggling. From our research and practical insights, we know Ingredient Branding is a complex Branding concept involving integrated, multi-level marketing.

One cannot find a better example to support the Ingredient Branding concept than the largest soft drink manufacturer of the world. Neville Isdell, Chairman, Board of Directors and CEO of The Coca-Cola Company in Atlanta, expanded the Branding strategy for his products in 2005 by drawing more attention to an ingredient, the artificial sweetener, than the drink itself. The new product, promising zero calories and amazing taste, is called “Coca-Cola Zero™” and it is produced with a mixture of Aspartam and Acesulfam Potassium, among others. Interestingly, the sweetener brand is not explicitly mentioned in their marketing campaign and the reason for this is given later in this book. This innovative strategy was the beginning of a new era for Coca-Cola, with the sweetener ingredient at the center of all marketing activities. This marks a general new trend: repositioning of product groups in relation to their ingredients.

For those of you who are new to Ingredient Branding, this book will provide tips and guidance from experts in the field, empowering

you with the necessary knowledge to embark on the road to transform your brand into an Ingredient Brand, also referred to in this book as an “InBrand”. The concepts and methods which are introduced in this book were developed jointly around the globe: in the United States (Chicago), Germany (Pforzheim), and China (Shanghai), and summarize the newest findings and experiences from many companies. We present a fresh selection of case studies and give the reader insights into the most current research results.

This effort was achieved through the help of many academics and practitioners. First, we would like to thank the deans of our business schools: Dipak C. Jain from Kellogg School of Management, Rolf Cremer of China Europe Business School (CEIBS) and Rudi Kurz from Pforzheim University for giving us the support and opportunity to work on such an interesting topic. They kept us focused on the big picture of the practical application of our research. We also would like to thank many of our colleagues for their support and encouragement during the five-year-long effort to get our insights on paper.

We had many important and challenging discussions with researchers around the globe. Great thanks to John Quelch from Harvard Business School, Roland Mattmüller from the European Business School (EBS), Stille Lee from the Antai College of Economics & Management at Shanghai Jiao Tong University, Stephen L. Vargo, University of Hawaii at Manoa, and many more. In particular, we would like to mention Ralph Olivia, Professor of Marketing and Executive Director at the Institute for the Study of Business Markets (ISBM), from Penn State Smeal College of Business. He set up various meeting and seminar with companies to help us discuss our findings in real business settings. In his current function he is supporting the importance of B2B and B2B2C marketing and branding, because he knows first hand from his former job at Texas Instruments (TI), where he was involved in the early stages of the In-Branding concept development of DLP for Texas Instruments.

Special thanks go to Juergen Hohmann, Bayer Material Science AG Global Brand Manager, who supported our research efforts through

insights and generous support. Due to his contributions we could actually conduct secondary and primary research in Europe and China. Some of his Chinese Bayer managers also helped us understand the specific conditions for InBranding in this market. In particular, we would like to mention Jeffry Pi, CEIBS MBA alumni and Brand Manager at Bayer (China) Ltd. Martin Godetz, Export Director of UVEX Sports and license partner of Bayer AG Makrolon, who helped us to get a better understanding of the effects and impediments of Ingredient Branding at the Original Equipment Manufacturer level, thank you for the extensive discussions and long nights at various bars during the joint InBranding promotion with Juergen Hohmann.

We also had long discussions with David J. Meyers, President and CEO, Microban International, Ltd. and Michael Demmler, former General Manager of Microban, Germany. These gentlemen are good examples of gifted entrepreneurial leaders who sensed the power of InBranding and had the guts to apply the concept, even before it was fully understood by academics. By convincing hundreds of enterprises to add ingredients (antibacterial protection) to their end user products, they not only made their companies successful, but also helped create marketing concepts and case studies to be used for teaching.

In this context we would like to thank Cameron Smith, Manager at Bitrex Division of Macfarlan Smith Limited, Edinburgh, Scotland who saved the lives of many children by applying the InBranding concept to prevent poisoning accidents. We would also like to mention Florian Hingst, the German Bitrex representative who dedicated his career to protect children's lives through the promotion of Bitrex.

We have to thank many students from our business schools, particularly the CEIBS MBA classes 2005, 2006, 2007, 2008 and 2009, and the students that wrote masters and diploma thesis on this innovative marketing concept. They challenged our thinking and identified many new applications. Special thanks to research assistants Christian Linder, Hendrik Scheel (Pforzheim University) and Lu Ma (CEIBS, Shanghai), who helped us to write and edit the

various drafts. Also thanks to Sabrina Bitzenhofer who designed all the graphs, and to all the logo owners who granted us permission to reprint them, and to Marion Park, who spent countless hours editing the numerous manuscript versions.

We probably could not mention all the people who helped us finish this book, but would like to praise the talented staff at Springer Heidelberg for their contribution, in particular Martina Bihn.

The authors are solely responsible for the content of this book.

Philip Kotler

Spring 2010

S. C. Johnson & Son Distinguished Professor
of International Marketing at the
Kellogg School of Management, Northwestern University,
Evanston, IL, USA

Waldemar Pfoertsch

Professor International Business,
Pforzheim University, Germany
Associate Professor of Marketing,
CEIBS China Europe International Business School,
Shanghai, PR China