



Brand Image in Cola Drinks

CASE:Future Cola of Wahaha Group

Co.Ltd,China



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In Chinese beverage market, there are three mainly cola brands, Coca cola, Pepsi and Future Cola, these three brand share almost 90% cola market, so that competition is omnipresent ,not only in the consumer market, but also very intensive in business to business market.

Business-to-business brand building involves various aspects, for example, attributes of products and services, brand image, brand position, and B2B brand management, Wahaha Co., Ltd as a case company need to build brand image and find a solution on how to be a stronger brand in order to attract more potential customer.

The theoretical context of this thesis lies in marketing management. The theoretical emphasis and framework is however in brand management: brand concepts, brand building and brand image. As the study is made in B2B environment the difference between B2B and consumer markets will be specified.

The quantitative research method is used in the research for study; the data for empirical study was gathered through email. The questioner is based on the theoretical framework, related to product's attributes, brand image and communication and characteristics of brand, and relationship.

The purpose of thesis is to finding a more effective method and strategy to be stronger brand, creating more ideas for company brand building in business to business market.

Key words: business to business market, business to business communication, brand, brand building management

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1. INTRODUCTION

1.1 Background of study

The increasing rate of soft drinks' market share has slowed in recent years and many changes have occurred in soft drink patterns. In China, however, the increasing velocity of the beverages market expansion is quite rapid. Recently, several kinds of new soft drinks have emerged in China, which have made the market competition a lot fiercer. The commercial battles between different beverage manufacturers not only has become more ferocious but also has led several large international corporations to turn to the Chinese market as the one to focus on in the coming years. In 2008, the global commercial market was strongly affected by the financial crisis and its adverse influence seems to have been felt across the whole world, making the beverage corporations investment and marketing strategies more cautious than ever.

There are several reasons why companies would like to expand their market share, namely lack of profits and their reputation to name just a few. Hence, it is undeniable that a strengthened communication with the customer is still the best way to increase both profits and reputation in order to capture a bigger market share.

1.2 Case company

Hangzhou Wahaha Group Co. Ltd was founded in 1987 and now it is the China's biggest food and drink manufacturing enterprise as well as the fourth global beverage manufacturing company, ranking after three major international companies: Coca Cola, Pepsi and Cadbury. Wahaha presently owns more than 140 joint holding or share-holding companies in 29 of the 34 Chinese provinces and it has established sales branches in all the provincial territories excluding Taiwan. The Wahaha staff force nears 30'000 employees and its capital is approximately 26.8 billion RMB, (nearly 260 million Euros). At the moment, this company is mainly manufacturing and selling products classified within one of the following 8 categories: milk drinks, drinking water, carbonated drinks, juice drinks, tea drinks, health food, canned food, and leisure food. (Wahaha 1996)

Future Cola is a cola-type carbonated drink developed by Wahaha and designed with the objective to suit Chinese people's taste better and as a serious competitor to products such as Coca Cola and Pepsi. Therefore, Hangzhou Wahaha Group Co.Ltd was selected as the company case study in order to better understand how it can build a stronger brand image in the business-to-business market.

1.3 Purpose of study

The purpose of this study is to clarify what the brand image of Future Cola is, compared to two other main competitive cola drinks, amongst three main chain-retail supermarkets in Shanghai: Tesco, Carrefour, Hualian. How to improve an already strong brand-building strategy, Wahaha is China's biggest food and drink manufacturing corporation and also the creator of a cola-type carbonated drink strictly composed of domestic ingredients. Future Cola is new but should be competitive in the Chinese beverage market. Hence, the greatest challenge posed to Wahaha and Future Cola is how to become China's beverage market leader in the cola market. The consumer market is the most direct way to make profit and is also the key to the company's success although the business market is equally relevant for this thesis. Shanghai is China's economical and financial trade center and, therefore, the chosen target survey area. The three most popular supermarket chains, Carrefour, Tesco and the local brand Hualian constitute the survey group.

The objective is to compare advantages and disadvantages between three cola brands (Coca Cola, Pepsi and Future Cola) and to find a proper and suitable brand-building strategy for the company in Shanghai therefore creating more ideas for the company's brand building in the business-to-business market.

1.4 Structure of the thesis

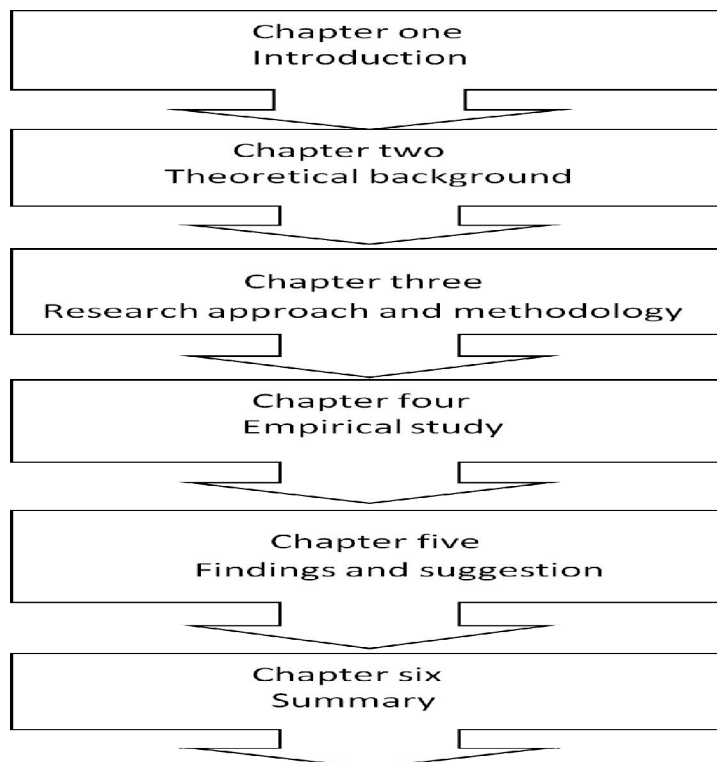


Figure 1 Thesis Structure

As Figure 1 shows this thesis consists of six distinct sections: starting with the introduction, section one introduces the thesis background, providing information about the company and the purpose of this study.

Theoretical background section explains the concept of marketing, business-to-business marketing mix and the difference between business-to-business marketing and business to consumer marketing with a special emphasis on the brand concept, brand image and description of the business-to-business brand-building process.

The third section describes two main research methods in the beginning followed by an explanation on research approach, design and methodology of this thesis.

The empirical section consists of a description of case company; it reports the content of the phone interview with marketing manager assistant of the company, as well as the analysis of the research results.

The fifth section presents findings and suggestions; the analysis of findings will lead to the suggested business-to-business brand-building plan, where the theory of the previous section is combined with the empirical study. The last section summarizes the whole thesis.

2. Theoretical framework

The theoretical information is based on literature in order to provide support for the empirical study which includes marketing, business-to-business marketing mix and the differences between business-to-consumer and business-to-business; as well as the role of marketing communication will be introduced at the beginning of the theoretical section followed by a brief brand concept, brand ideology and brand image. Afterwards, four questions are posed to help marketing positioning brand; finally, the last and the most important part of this section, present an overview on business-to-business brand-building and five essential steps to build-stronger brand and business-to-business brand management.

It can be seen from Figure 2 that the framework of marketing management and the main focus of the theoretical framework are in building strong brands. Figure 3 shows the process of business-to-business brand building with each single step explained briefly.

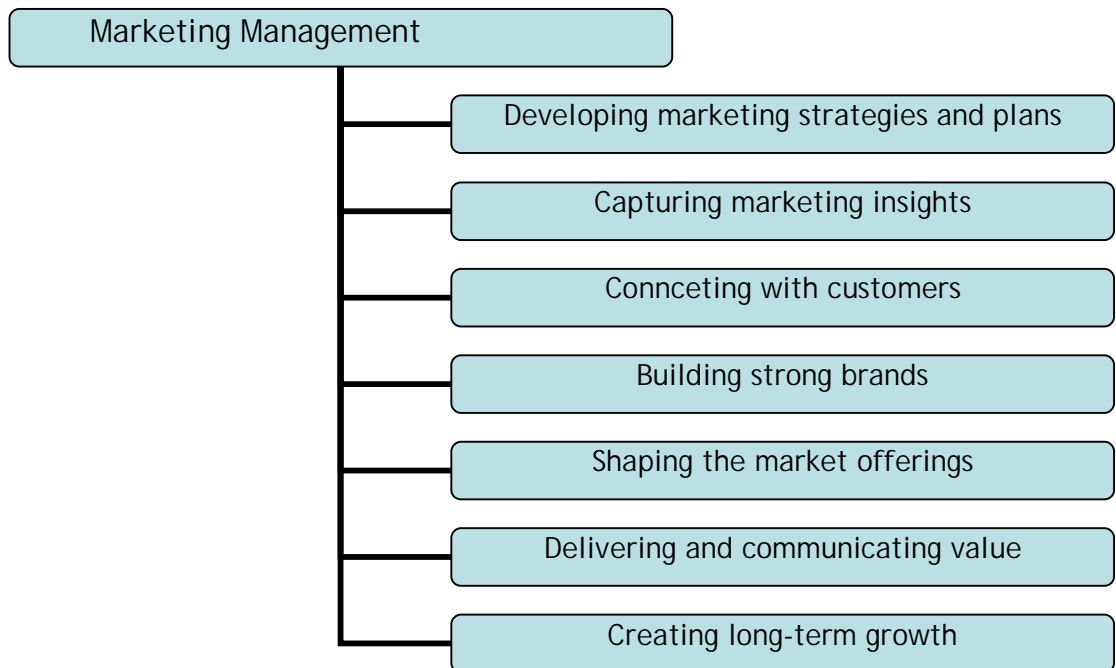


Figure 2. Flow chart of marketing management.
(Kotler 2009.68-70)



Figure 3 . Brand Building Process
(Kotler & Pfoertsch 2006)

2.1 Marketing

Marketing has been defined as an organizational function and a set of processes for creating, communicating and delivering value to customers. One used for managing customer relationships in ways that benefit the organization and its stakeholder. (Kotler 2009,45)

2.11 Business to business marketing Mix

Marketing can be categorized as consumer marketing and business marketing. As mentioned before, customer marketing is a set of processes for companies or organizations that provide products or services that fulfil customer's needs, whilst business-to-business marketing is the process of matching and combining the supplier capabilities with the desired outcomes of the customers to create value for customers of both organizations. (Vitale & Giglierano 2002,5)

The marketing principles encompass the 4Ps concept: product, promotion, price and place. These four Ps are also suitable when analyzing business-to-business marketing, and there are some differences between consumer marketing and business marketing. The consumer marketing defines product as the core products or services that could add value by adding extra features and choices which fulfil different target markets, including the product's nature and quality, its design etc. (Vitale & Giglierano 2002,5)

However there is a similar but differentiated product definition in business marketing, which defines it as the total offer that provides a complete solution to the buyer's needs, based on the buyer's preference. This may include financing, service personnel training, delivery, etc as the core product and not just the product itself. (Vitale & Giglierano 2002,5)

In consumer marketing, the price is fixed or discounted and cannot be negotiated, whereas in business marketing, prices can be negotiable instead of being fixed. Usually, there's discount off the total price as an allowance for the buyer or as a benefit provided in the form of a commission or profit-share which entails complex financing. (Vitale & Giglierano 2002,6)

The term place in consumer marketing means either a timely delivering of the right products to customers or at the usable time to the most convenient retailers. In this aspect, the major difference between consumer marketing and business marketing is the length and the channels concentration; the quantities purchased in business-to-business marketing are usually much larger than consumer marketing, as well as the times for delivery, supply chain management and inventory service. (Vitale & Giglierano 2002,7)

The promotion mix involves advertising, sales promotion, personal selling and public relationship. In business-to-business marketing, the selling personal always plays a more important role than others, which is also the most effective promotion type. Advertising in consumer marketing is like a monologue while selling personal establishes a dialogue capable of receiving an accurate feedback faster than advertising. In business-to-business marketing,

the relationship duration between buyer and seller is longer and closer than in consumer marketing. (Vitale & Giglierano 2002,8)

As the Table 1 shows, according to the concept of consumer marketing and business marketing, there are some main differences between customers marketing and business marketing, including market structure, buyer behavior, buyer-seller relationship, channel, and demand.

Business to business	Consumer
Market Structure	
Geographically concentrated Relatively fewer buyers Oligopolistic competition	Geographically dispersed Mass markets, many buyers Monopolistic competition
Buyer Behavior	
Professionally trained purchasing personnel Functional involvement at many levels Task motives predominate	Individual purchasing Family involvement, influence Social/psychological motives predominate
Buyer-Seller Relationship	
Technical expertise an asset Interpersonal relationship between buyers and sellers Significant info exchanged between participants on a personal level Stable, long-term relationship encourage loyalty	Less technical expertise Nonperson relationships Little information exchanged between participants on a personal level Changing, short-term relationships Short-term relationship encourage switching
Channel	
Shorter, more direct	Indirect, multiple relationships
Demand	
Derived Inelastic Volatile Discontinuous	Direct Elastic Less volatile

Table 1. Business-to-business versus Consumer Marketing -Summarizing the differences (Vitale & Giglierano 2002,10)

2.12 Business to business marketing communications

A successful marketing management should be based in a set of necessary tasks, namely: developing marketing strategies and plans, developing marketing insights, customer relations, building strong brands, market shaping promotions, delivering and communicating value, and creating long-term growth. (Kotler 2009,68-70).

In the consumer market, marketing communication reflects the sophistication and special atmosphere of the brand positioning. (Pelsmacker, Geuens & Bergh 2007,3) and all the marketing communications tools are the same as the brand-building. These include 8 segments: advertising, sales promotions, sponsorship, Public relations, point-of-purchase, communications, exhibitions and trade fairs, direct marketing communications and personal selling. Advertising, a non personal communication tool - plays the most important role among them when trying to attract broadest attention via mass media (TV, radio, newspaper, magazines, etc) (Pelsmacker et al.2007,5)

Marketing communications provide the marketer a chance to deliver the value to customers. However, in the business-to-business environment, communication tools are the same as customer markets, and all of them can also be used as tools for brand building. But advertising no longer plays a decisive role: personal selling combined with the skills of a good salesperson has become the most important tool in b2b market communication. Recently, the role of direct mailing, database marketing and internet are much greater in the business-to-business market. (Pelsmacker et al.2007,519)

According to definition of Pelsmacker, the role of marketing communications is to communicate the essence of brand personality and provide the continuity for a partnership between the brand and the consumer. (Pelsmacker et al. 2007,57)

2.2 Brand

According to Philip Kotler's definition "A Brand is a name, term, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors". (Kotler 2000,404)

As a product, service or concept, brand is also defined as uniqueness which is publicly distinguishing from other products, services or concepts so that it can be easily communicated and marketed. (Bogdan 2008)

David Ogilvy (1983) believes that brand is a very complicated symbol, and it is the intangible combination of brand attribution, brand name, packaging, price, history, goodwill, and advertising. The brand will receive different images from customers because of the different

impacts and various experiences of customers. However, there are also people who consider brand as being more than just a name, the symbol of some visible mark, but also as a contract that makes customers promises and reasons to trust (Calderon, Cervera & Molla 1997,293)

A successful brand adds value to an enterprise and increases market share; there are five basic attributes that a successful brand should have: the first is differentiation or challenge, the customer always remember the first, but not the second, so that the most important factors is how to make you different, better and unforgettable. The second is trust; the company should keep their promise, in order to become trustable brand. The third is relevance and esteem, the greet communication will make the customers like the brand, consider if customer feel any emotional connection for the brand. The fourth is knowledge or frame, execute the quality marketing planning will make the customer know the brand, the purpose and why the brand existing. The fifth is value, evaluate if the brand can attract more customers, and bring more benefit? (Media Trust 1999)

The concept of the brand has is frequently interpreted as the brand itself. Brand is an extremely powerful tool for enterprises. Firstly, brand protects intellectual property from being illegally copied which could harm the brand's good reputation. Secondly, a good brand represents an enterprise's uniqueness, culture and value which display differences amongst different enterprises. Furthermore, good branding helps an enterprise to develop good reputation and thus makes it more sustainable. Specifically, Coca Cola has the valuable brand due to its successful cultural marketing. Therefore, it is able to stand stably in the market for more than 100 years. Brand brings more value to an enterprise, mainly as invisible capital. Sales expenses can be lowered if a good brand is owned (Crimmins 1992, 13,17).

2.21 Brand Ideology

A successful brand strategy should be based on a clear brand ideology and positioning, because a stable theory supports the establishment of branding strategy (Choueke 2006,28).

Brand ideology can be defined as the enterprises' knowledge about how the branded products or services react between the market and customers in gaining the customers' loyalty, and correspondingly knowing when and how to take appropriate strategies to make the brand emerge in especially targeted customers' and potential customers' daily lives. (Katsanis 1994,7-9).

Taking into consideration the enterprises' operation, brand ideology should cover, at least, the following three aspects: the first is utility of brand ideology, the enterprises'

understanding of their brands' actual effects and values, which leads the enterprises to proactively establish such ideology used to create more wealth for themselves. The second is protection of brand ideology, the enterprises' understanding of brand protection. Brand should be protected from being easily duplicated or copied in order to sustain a bigger competitive advantage. The third is development of brand ideology, the enterprises' understanding of making the brand more widely recognized, flexible in surviving market fluctuations, and continuously raise brand competition. The establishment of a brand is relatively easy, whereas building a successful brand is much more difficult and to make it sustainable is the hardest. As the histories of many brands have taught us, the development is essential to brand sustainability (Bronnenberg & Wathieu 1996,380-389).

2.22 Brand Image and positioning

"Image" is the interpersonal communication which transcends geographical, cultural, and linguistic and communication skills. The image has strong expressive power of information and can help make a brand great Brand image is the image of the symbol, brand value, exchange value and symbolic value of unity (Comanou& Wolson 1991,425-426). Brand image refers to the image triggered in a consumer by a product one automatically relates to a specific or impressive interest. The price, feature, usage field and convenience can affect brand image. One of the most important brand image aims is to target the consumer's positive imagination and vivid brand understanding that makes it recognizable. To achieve this objective, the brand must contain unique characteristics which can make products attractive to consumers. The company must appreciate the actual needs of the target consumers and use the product's allure in their advertisement (Comanou & Wolson 1991,429). A good example of this is the Chinese medical drink Wang Laoji which has recently become popular due to its brand image of a refreshing traditional health-protective beverage.

It can be seen from Figure 4, there are four questions posed, which can help a marketer to position a brand: what does it stands for; who the product or service is for; what are its benefits; and what makes it distinguishable and differentiates it from their competitors? At the same time, marketers have to detect who their main competitors are as well as which competitor they think they can capture, (Kapferer 2004,99). For instance, in the cola market, Coca cola and Pepsi already own almost the entire market share meaning that the biggest problem for future cola is how to become better in order to acquire a bigger market share and conquer the competitors' place. Although the four questions can help the marketer position the brand in an appropriate way, there are still two other process stages than can guide the marketer in this area: first stage indicates which competitive set the brand should be associated and compared with. The second stage indicates what the brand's essential difference and raison deter are in comparison to other products and brands of that

same set. (Kapferer 2004,100) Following these two steps, brand positioning will be more concentrated and practical for real business operation.

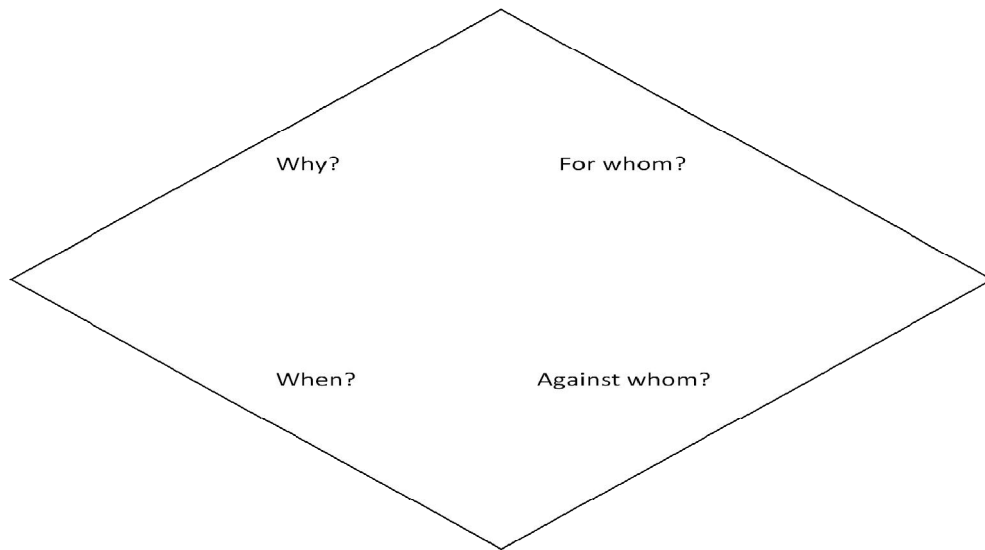


Figure 4. Positioning a brand (Kapferer 2004, 100)

2.3 Business to business brand management

With a proper positioning of the brand, the next step consists of building a strong brand given that a positive reputation and a strong brand image are not only important factors in consumer marketing, but also important in business-to-business marketing. (Kotler& Pfoertsch 2006,98)

2.31 Brand building tool

In the business-to-business marketing area, brand building tools are the same as in consumer marketing. However, as mentioned above, in b2b marketing the emphasis is placed on personal selling, and the main function of b2b brand building tools is to build a platform that establishes a dialog and builds relationships through marketing communication based on six tools ; namely, personal selling, direct marketing, public relationship, trade show and exhibitions, advertising, sales promotion. (Kotler & Pfoertsch 2006.110)

In business-to-business marketing communication, personal selling does not only play an important role but also is the most effective promotion tool, with which a marketer can obtain immediate feedback from his customers. Philip Kotler's definition of personal selling is a face to face interaction with one or more prospective customers for the main purpose of obtaining orders, and that is a direct communication between seller and buyer so that

product strong knowledge is needed as well as salespersons good communication skills to promote sales. (Kotler & Pfoertsch 2006,111)

Additionally, direct marketing tools involve some technological aids that help direct communication with specific customers via mail, telemarketing, fax, email, newsletters, catalogues, internet and others. Direct marketing tools can avoid unnecessary waste because of the direct link to customers whose expectation is met by the brand performance. For that reason, direct marketing tools require that the marketer to listen and respond the customer's feedback in time and accordingly. (Kotler & Pfoertsch 2006,112)

Thirdly, public relations and publicity relate to a variety of programs designed to promote or protect a company's image or its individual product's public image (Kevin Lane Keller.2008.122).this is the most effective technique to build and sustain one's business, because it can fulfill most potential customers who are likely to avoid salespeople or advertisement. Another reason is that public relationships deliver highest credibility which makes it the best way to get people talking about your brand (Kotler & Pfoertsch 2006,113)

Fourthly, trade shows and exhibitions provide an excellent opportunity for companies to show their products and build brand towards all target consumers while simultaneously attracting more potential customers. Compared with other methods, customers can easily and quickly contrast between interesting brands and competitive brands which speed up their decision-making process. Also for the marketer this way is the most effective way of gathering information at a low cost. (Kotler & Pfoertsch 2006,114.)

Advertising plays the most important role in consumer marketing for business-to-business marketing; although it can be the most effective way to establish brand awareness and spread brand information it is a monologue which immediately conveys brand information to the customer, but which is costlier and more morose process of collecting and gathering customers' feedback and information (Kotler & Pfoertsch 2006,118.)

However, in the business-to-business marketing area, opting for specialized press is a good choice since advertising is still available in a less costly way. The marketer can utilize trade magazines and journals combined with PR, product information and advertising to target a selected audience. (Kotler & Pfoertsch 2006,119.)

Lastly, sales promotion in b2c marketing such as samples, coupons, contests and rebates are still in use, although additional options such as trade shows, promotional allowances, sales meetings and conventions are also available in the b2b area. (Vitale & Giglierano 2002, 120)

Moreover, sales promotion can be divided into three categories based on the results desired, namely, sales promotion focused on sales team support; sales promotion focused on middlemen support; sales promotion focused on customers to change the time of purchase, stimulate trial, or encourage continued use of a product. (Vitale & Giglierano 2002, 120)

2.32 Business-to-business brand building process

It is undeniable that a successful brand-building strategy is based on guidance from top-executive teams; it must be devised by top management in order to build, consolidate and expand a brand in long term. When the marketer tries to build a brand-building strategy, he should consider the surrounding environment and pay attention to both competitors and technology. Famous brands like, IBM, Nokia, etc, reveal excellent clarity, consistency, and market leadership pose a big challenge for any marketer to guide a brand through these three dimensions for a long time and line them with a long term view aided by the five steps illustrated in Figure 5, these five steps are: brand planning; brand analysis; brand strategy; brand building; brand audit. (Kotler & Pfoertsch 2006,159.)

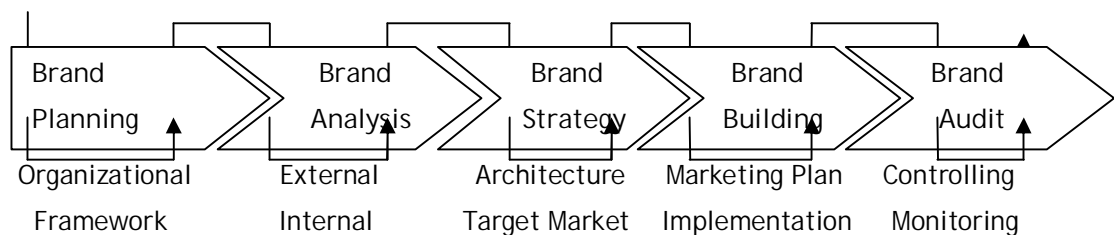


Figure 5. Sequence of brand building processes
(Kotler & Pfoertsch 2006, 106)

2.321 Brand Planning

Branding can never happen overnight; it always takes a long time and should be included in the company's marketing planning. All companies wish to attract more potential customers, keep them excited and loyal and get the brand noticed. The most important factor is for the marketer to achieve a balance between continuity and involvement which can be done by following some steps and integrating those procedures into their business planning. The first step is build a climate of ongoing change .Marketers or managers should take some time to discuss and modify brand strategies in order to make them suitable to the current situation. A previously suitable strategy may need to mutate and modify itself to adapt to time changes, different needs and customers' feedback. (Kotler & Pfoertsch 2006,161).

The second step is having process that delivers timely information. A decisive factor in establishing and supporting an active brand strategy, is the timely reporting of strong and weak opportunities or threat signals about the brand position and brand identity throughout time. An integrate process should be generated to collect information to be reported to the marketing management - to allow the marketer to receive the information and modify the brand strategy as accordingly and as quickly as possible. (Kotler & Pfoertsch 2006,161)

The third step is developing processes for rapid breakthrough planning. To quickly gain more market share and establish brand image, the marketer should understand the current brand situation and a serious analysis should be made before starting a plan which should include market share and size, the competitor's situation, growth potential, distribution channels, and market trends, also profit potential.(Kotler & Pfoertsch 2006,161)

The fourth step is having standard formats for communicating brand plans and changes. The business scorecard is effective-proven systems which can help the marketer achieve more, cheaper, faster, and easier. (The Business Scorecard 2000).the company should have standard formats to communicate brand plans and changes that will help the marketer to determine disability consisting of known and unknown based on clear business objectives and scenarios.(Kotler & Pfoertsch 2006,161)

The fifth step is having strong implementation processes. Also called Branding Program; it consists of current and future branding. In order to keep an incremental growth, a proper extension and potential should be developed and explored, as well as include all activities and brand support programs. The implementation of such action plans, assumes the rollout and long term management of the brand. (Kotler & Pfoertsch 2006,161)

The six steps are involving everyone in the planning. According to Philip Kotler, effective brand planning cannot be for elites only but rather involve everyone in the company. Involvement motivates the commitment of everyone in the company. The electronic age provides even in the largest company with several tools to spread information quickly. (Kotler & Pfoertsch 2006,162)

2.322 Branding principles

After these steps there are still some brand principles which support a long-term branding strategy. In order to become a powerful brand, such principles should be considered in the whole brand building plan, to help the marketer establish a proper strategy. (Kotler & Pfoertsch 2006,162)

Consistency in the business-to-business area: some players ignore this important principle - probably one of the reasons which led to their failure. Consistency is an important rule to consider throughout the whole marketing plan: from forming of the products, delivery system, to the employee qualification and social responsibility and even investment planning. All these factors help consistency while establishing trust. (Kotler & Pfoertsch 2006,162)

Clarity is essential factor of a brand. Each company should show its brand in a clear way, and make sure that its customers understand what they represent. It must know its product well and easily adapt them (as well as related services). A good branding should be unique and have relevance for the deciders, users, and sometimes even the public (Kotler & Pfoertsch 2006,162).

Continuity should be kept in a company's brand plan, because it can help ensure the position it wants to stand for. In order to become a strong brand and gain the customers' trust, it shouldn't change simply for the sake of change. (Kotler & Pfoertsch 2006,162).

Visibility; obviously, attracting more customers depends on a stronger brand exposure. In order to have more marketing share, the most important is to make sure the customers pay high attention to the brand and that it sticks to their mind. To accomplish this, the marketer has to design an efficient communication channel and enhance the brand visibility towards the target customers. (Kotler & Pfoertsch 2006,162)

Maintaining brand authenticity requires the whole company to have a sound knowledge of what they represent and focus on originality. Everyone should perceive the brand like a customer does (Kotler & Pfoertsch 2006,163)

2.33 Brand Analysis

"Brand building starts with understanding the key attributes of your products and services as well as understanding and anticipating the needs of your customers." Philip Kotler (Kotler & Pfoertsch 2006,165.)

To establish a proper brand-building strategy, the first action should be to analyze the internal and external market research, including customers analysis, competitors analysis, and self analysis. An effective market research could help marketers know their business, their industry, their products and their service better - not to mention help the marketer understand his competitors, current situation, brand and, most importantly, to determine the customer's needs (Kotler & Pfoertsch 2006,164).

Try to know itself and its competitors in a clear way, there is a commonly used formula (Brand Sales/Category Sales= Brand Share) in brand portfolio analysis which can assert a position in the market. (Kotler & Pfoertsch 2006,165)

Subsequently, marketers should pay more attention to the brand power, and how to create a powerful brand. As shown below in Figure 6, four key elements included in brand power and the key to creating a powerful brand is to define and develop those elements.

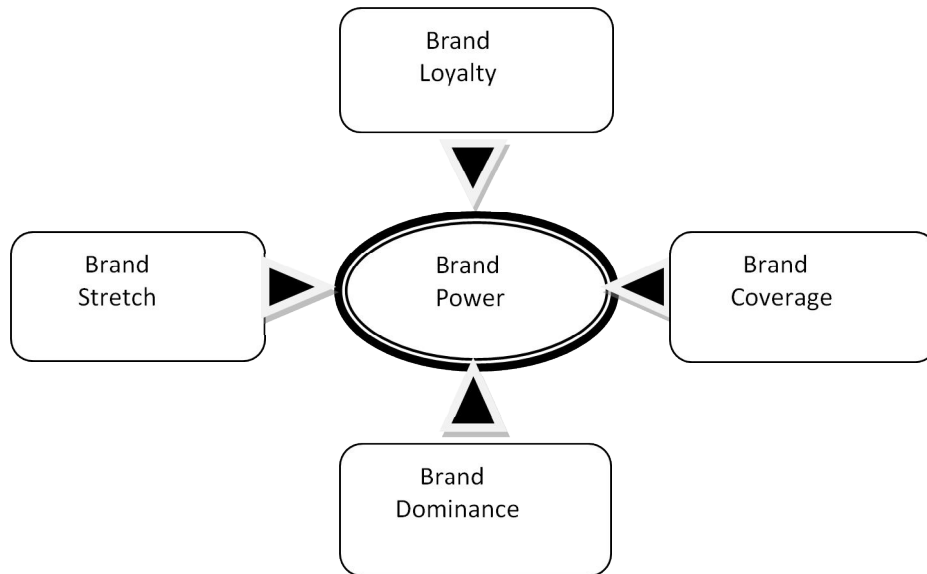


Figure 6. Creating brand power
(Kotler & Pfoertsch 2006,165)

2.34 Brand Strategy

Brand is a complex symbol which integrates the following aspects: products attributes, name, packaging, pricing, history, reputation, and advertising model. The most powerful communication tool one which companies should not ignore is the position of brand. Thus, an effective brand strategy also plays an important role in the marketing strategy. The brand strategy model depicted in Figure 7 clearly reveals that a brand is always supported by a brand strategy, brand association, product and values. Similarly, an effective brand strategy is always based on brand positioning, brand mission, brand value proposition, brand promises and brand architecture. (Kotler & Pfoertsch 2006,168)



Figure 7. Brand Strategy Model.
(Kotler & Pfoertsch 2006,170)

As mentioned before, “brand positioning is about finding the right spot in customers’ minds in order to create the desired associations”. Firstly, a marketer should correctly define the target customer to then ensure a clear segmentation is employed to treat customers indifferently. In order to create a competitive advantage in business-to-business markets; an effective segmentation is an indispensable element which allows the marketer to position the brand in the right direction. A good example of the principle of power positioning depicted in Figure 8, where deep understanding of your brand equity or essence links directly to a core consumer insight or value. (Kotler & Pfoertsch 2006,172)

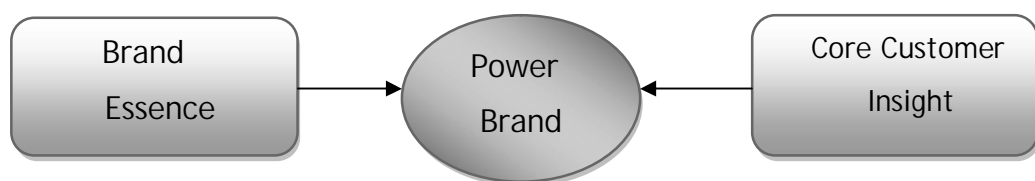


Figure 8. Principle of power positioning
(Kotler & Pfoertsch 2006,173)

The second important task, after positioning the brand, is to decide what the brand mission is. The brand mission is the core element and guidance for brand strategy: only after the mission is accomplished can one know when and how goals will be achieved. The objective of brand value proposition is to find answers as to why customers prefer a brand or why certain companies manage to survive despite the failure and disappearance of, many others.

Customers don’t just buy a product: they buy a complete package: the service, the warranty period, etc. Gaining customer’s trust depends on how one manages its value-delivery system.

Alternatively, a marketer can also define characteristics as the brand personality which represents the brand as human. This makes a distinctive differentiation from other brands, allowing you to describe a brand personality as charming, trustworthy, elegant, and youthful. This technique can make a brand more interesting and memorable. Asking the customer to describe a brand personality type can provide helpful answers to improve a brand constantly.

Brand Promise is another important aspect the marketer should consider to support a brand strategy. It consists on all the promises a brand delivers to customers- not just a product promise but also delivery promise, service promise as well as all tangible and intangible product or service delivered to customers along with the core product. If the company is unable to deliver more interesting and memorable core products or services than those of other competitions, then more emphasis must be placed on aspects such as a fast delivery system and better after-sales services.

Frontline employees play an important role in brand promise. A strong brand promise is always supported by an organization and a useful brand strategy system. The last support brand strategy factor is brand architecture. Clear-cut brand architecture can be extremely advantageous for a company; an harmonious and consistent brand architecture is also a key element to a company's success (Kotler & Pfoertsch 2006,174-178).

Three structures are mainly used by the company to establish brand architecture, the first is corporate dominant, this pattern has a clearly defined target customer and the products and product division are relative, like in IBM or Lenovo. The second is product dominant, which is rarely used in B2B market. The third is hybrid or mixed structures, the most commonly used. It includes a mix of global corporate, regional, and international product level brands as well as corporate products and different products in different divisions.(Kotler & Pfoertsch 2006,178-179)

2.35 Brand Building

As stated before, no brand can be built overnight. Not only does it take a long time to build one, but also it must be continually maintained so as to adapt to market changes and gain more market share. When establishing a successful brand building strategy, a marketer should consult and follow a customer based brand equity model and its four logical steps as shown in Figure 9. First step is brand salience or brand identity. A marketer should establish a clear and proper brand identity; the purpose is to create deep and memorable brand awareness. The second step is brand performance and brand imagery. The first is related to the satisfaction of customer functional needs. The latter relates to when customer's psychological satisfaction. A marketer should create a proper brand meaning, by building a

strong, memorable, valuable and unique brand association and by providing a clear answer to “what are you”? In order to establish a strong brand, customers’ feedback is very important to a marketer. The third step is a brand response consists of customer’s judgments and emotions. In this case, a marketer should focus on the customers’ answers and opinions about the brand performance and brand imagery. Creating brand emotions should be based on the customer’s emotional response and feedback about a brand. The fourth step is brand resonance is about brand relationships. A marketer should find the right answer to “what about you and me”? Thereby creating a proper and long term relationship with customers and ensuring customer’s loyalty. As Roger Giffin points out “Branding is a long term initiative that is predicated on building a relationship, based on trust, respect and consistency”. Therefore, in order to achieve success in brand-building, a marketer should follow and combine those four steps with brand strategy and brand architecture. A marketer must take time and pay attention to the process, and devise a brand-build management concept for a strategy. (Kotler & Pfoertsch 2006,185)

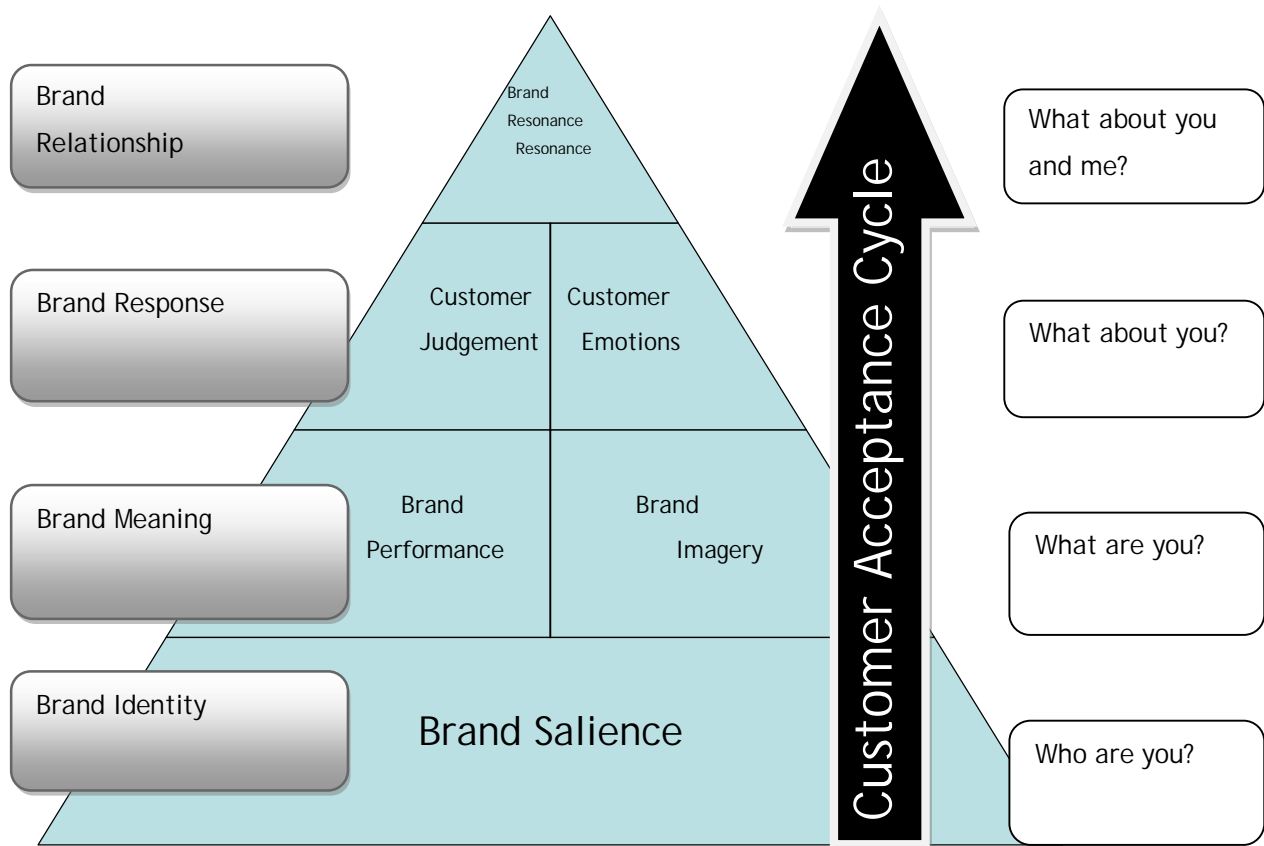


Figure 9. The brand building pyramid with brand strategy and architecture (Kotler & Pfoertsch 2006,185)

2.36 Brand Audit

For the purpose of building a strong brand, all companies should carry out a brand audit in order to evaluate brand performance. The main purpose of a brand audit is to find out the strength and weakness of a brand. (Kotler & Pfoertsch 2006,191)

The brand audit could start by collecting data, identifying participants, scheduling interviews, and make review sessions. It consists of internal descriptions and external investigations. The first phase is brand inventory, focuses on the company's description and on how to market a brand, The second is about external circumstances and requires the company to ensure a focus group and subject it to a serious research by using all available research methods: questionnaires or interviews, etc. Brand exploratory aims to define the brand meaning, to customers. The final step consists of results' analysis and interpretation (Kotler & Pfoertsch 2006,191-196)

By combining the results of a brand audit, a company can establish or modify the marketing strategy, so that brand audit can be used to direct the strategy. Two audits can help a company develop a marketing program to maximize long-term brand equity. (Kotler & Pfoertsch 2006,192)

The compliance audit is an audit performed from bottom to top to examine and verify each individual brand as a part of the overall brand architecture of the company. In order to establish a useful brand audit which properly assesses a brand's performance, situation and function, three key steps of audit compliance may guide a marketer's action (as introduced by Kotler):The first is Collection of information that establishes how the brand has been used in each country that it is marketed in. The second is Assessment of deviations from its established position in the structure and reasons. The other one is Evaluation of the brand's performance.(Kotler & Pfoertsch 2006,193)

The strategic audit has different ways with compliance audit, and pursues multiple levels. The company should modify the company's architecture. If the result of an audit reveals the existing company's architecture, then it is not suitable to satisfy the basic aims nor the current market situation.(Kotler & Pfoertsch 2006,193)

2.4 Theoretical summary

In this case study a theoretical framework was clearly defined: start with the concept of marketing as well as some differences between business-to-business marketing and business-to-consumer marketing. Business marketing mix is subsequently introduced and followed by a description of marketing communication. Finally, brand concept and brand image are

explained and the theory concentrated on building strong brands in business-to-business market and in the processes of building brands; each process explains in depth the necessary conditions for brand building.

3. RESEARCH APPROACH AND METHODOLOGY

The American Marketing Association formally defined marketing research as follows:

“Marketing research is the function that links an organization to its market through the gathering of information. Marketing research as a process could help company conscious of market-driven problems and opportunities via gathering information and analysis result.”

(Hair, Bush & Ortinau 2003,4).

Hence, marketing research is also defined as a “critical part of such a marketing intelligence system, it helps to improve management decision making by providing relevant, accurate, and timely information” (Aaker, Kumar & Day.1997,77)

According to David’s definition, marketing research could help companies define the market problem, making decisions and establishing or adjust marketing strategies. In business-to-business market, marketing research is more complicated than in consumer market the most important problem being a researcher’s need to find the right respondent, because respondents are often busy and sometimes refuse to answer. In order to obtain valid answers, the researcher must find the correct way to encourage respondents’ collaboration and frank feedback.(Marketing Research 2010)

3.1 Research Process

The process of research shown in Figure 10 indicates that the first step should be the choice of the research topic. At the beginning, the researcher’s complete understanding of the phenomenon or the case company’s structure is necessary as well as an interesting topic choice, for instance, the company’s marketing strategy.

The research problem will follow. A research problem is a question posed by the research topic and results from the research topic selection indicating the researcher’s specific interests in the research topic area, after the researcher selects a problem to be solved, the research design will provide a framework which outlines an overall plan about data collection and result analysis (Ghauri & Gronhaug 2005,29-35).

In order to obtain valid results, the research should follow a series of steps: measurement, collection data, response reception, and result analysis.

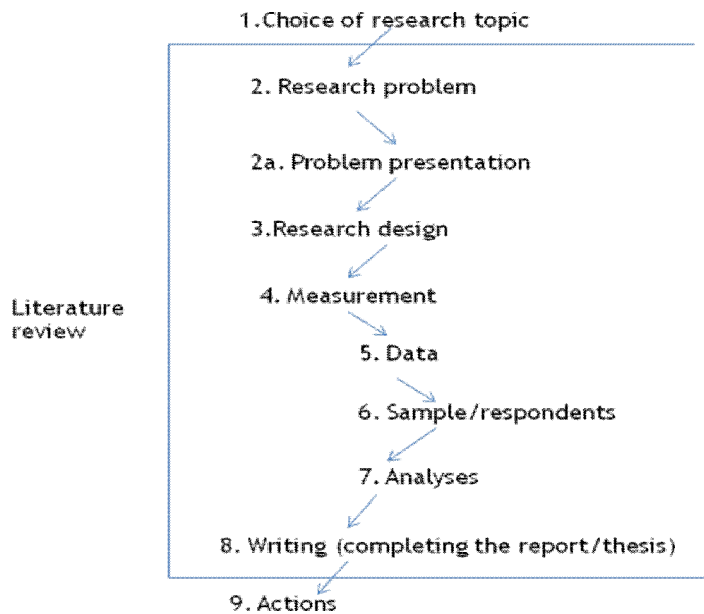


Figure 10. Research Process
(Ghuri & Gronhaug 2005,30)

3.2 Research method

Research methods refer to systematic, focused and orderly collection of data with the objective of gaining information necessary to solve a particular research problem or question. There are two main research methods: the qualitative research method and the quantitative research method. The qualitative research method is a mixture of the rational, explorative and intuitive, where the skills and experience of the researcher play an important role in the analysis of data; it is flexible and unstructured, emphasis is placed on understanding the respondent's point of view, on interpretation and rational approach; the data is often collected through interviews and observations and findings are not arrived at by statistical methods or other procedures of quantification. The quantitative research method, however, places emphasis on testing and verification; it focuses on facts or reasons for social events, logical and critical approaches; the main data collection method is done through questionnaires. (Ghuri & Gronhaug 2005,109-121). It refers to the systematic empirical investigation of quantitative properties and the objective of quantitative research is to develop and employ mathematical models, theories and/or hypotheses pertaining to phenomena. (Quantitative research 2010) In this thesis, the information was collected mainly by using the quantitative research method and, given the large target group; the quantitative research method was also used to produce the results for analysis of the research problem.

The data collection of this thesis could be divided into three different sections; literature used in the theory section, questionnaire sent to a target group of Future Cola's business-to-

business customers by email, the information received via a phone interview with Wahaha Group Marketing Manager Assistant, Feng Wei.

The Wahaha Group Co. Ltd Marketing Manager Assistant, Feng Wei, offered to assist the research by providing customer's email addresses and engaging in a telephone interview with the author. The questionnaires were sent by email to a total of 201 chain-supermarkets belonging to the most popular supermarket brands in Shanghai: Tesco, Carrefour, Hualian. After two and half weeks a sufficient quantity of responses was received. The results were then analyzed with Excel and the final thesis was completed in March 2010.

3.3 Reliability and Validity

Marketing research must be tested for reliability and validity. Reliability checks how similar the results are if the research is repeated under similar circumstances. Validity asks whether the research measured what it intended to. (Johnson 2009)

Reliability refers to the stability of measurements (Ghauri & Gronhaug 2005, 80). The reliability requirement of the research made for Wahaha Co, Ltd's by retail market store managers was met due to a good response rate. The questionnaire was sent via email to 201 supermarkets in Shanghai. After two and half weeks, 67 responses were received, a response percentage of 33%, so that the number is reliable enough for statistical analysis. The reliability is good if the questionnaire is repeated and provides the same results. The validity of the research is meaningful since the questionnaire questions were strictly related to the subject, the questionnaire had been considered for a long time and all of the questions were designed carefully before being sent out to the customers.

4. EMPIRICAL STUDY

It is in China that the carbonated drinks' market share is highest. Coca-Cola, Pepsi Cola and Future Cola are the top three brands and detain more than 90% of the carbonated enterprises' brand market (Gao & Ge 2006, 17). The performance of carbonated drinks and brand image development are typically steady, inclining the market to oligopoly. The Chinese tea drinks market reveals a similar condition: Uni-president, Master Kong, Kirin, Wang Lao Ji, Suntory and Nestle market share is more than 90%. In the pure water market, Nongfu spring (a domestic brand) has the leading position. Together, Master Kong, Nestle and Wahaha account for more than 80% of the Chinese market share. For fruit juice drinks, Huiyuan's 100% pure fruit juice and concentrated fruit juice have the total market share rating 42.6% and 39.6% respectively and have become best sellers in the Chinese fruit juice drinks industry (Gao & Ge 2006, 17)

Future Cola was launched in 1998. After 10 years of existence, Wahaha considered it was time to develop competitive products for international brands. It took Wahaha two years of careful research and design to deliver Future Cola. The product was named "Future Cola" with the hope that it would become mainstream in the Cola industry in the future. In Chinese, the brand name is "Feichang Cola" - "Feichang" meaning "super" or "very". In Chinese, the complete product name translates as "very happy", or "super happiness". With the brand image of "Chinese people's own Cola", triggered a new challenge for two of the world's biggest beverage companies: Coca-Cola and Pepsi. However, it was not easy to compete with two brands deeply appreciated by people.

Some weakness were found : although it has an identical taste to Coca Cola's and is cheaper than Coca Cola or Pepsi, people still prefer to buy them over Future Cola. Future Cola had to consider the most important: how to become a stronger brand?

Future Cola has two strengths: one was a supermarket price about 20% lower than Coca-Cola's and Pepsi's-a pricing advantage for the product in this channel; the second was the originality of the Chinese ingredients.

During the fiscal year 2008, Wahaha achieved a beverage sales volume of 8.32 million tons (with a growth of 20.83% compared to that of last year), and it represented 13% of the whole Chinese beverage market. Last year, it achieved total sales of 32.83 billion RMB (about 3.20 billion Euro), and a net profit of 5.05 billion RMB (approximately 0.49 billion Euro). It now ranks 185th in the top 500 Chinese enterprises and 93rd in the top 500 Chinese manufacturing enterprises. Hence, for the case company, the most important is how to become a power brand in order to attract more potential customers, how to keep the existing customers and capture even more market share. These are the main purposes of this research.

In this thesis, prior to the study, there was a telephone discussion about Future Cola's current situation with the marketing manager assistant Feng Wei who has been working for Wahaha for three years. He reported on the current situation of Future Cola's competitors' conditions, customers' attitude and Future Cola's current marketing strategy.

Generally, Future Cola yearly sales range between 2 to 3 billion RMB occupying the third place in the cola market. Currently, Future Cola owns about 15% of the whole cola market share, while the Pepsi's was approximately 20% in 2007. Presently, Future Cola has the worlds' most advanced production lines, which are not worse than those of Coca Cola and Pepsi's. Future Cola is now producing over 2 million tons of cola annually, which is approaching that of Coca Cola's. Future Cola is gaining most of its popularity in northern

China, while in southern China (in the Guangdong and Fujian Province) Future Cola's popularity is almost null. Feng Wei, Future Cola's marketing manager assistant, believes that, since the main distribution channels of Future Cola are supermarkets where it must compete against Coca Cola and Pepsi, Future Cola has to face some problems, especially how to improve brand image in the consumer market and business market in order to enjoy popular support and profit more .(Feng Wei 2010)

Therefore, the purpose of this thesis was to generate more ideas for this company's brand building in the business-to-business market; the main objective of the marketing research was to collect ideas and suggestions from supermarket supervisors who are the main customers of Future Cola in the business-to-business market and whose answers will support the case company to modify the marketing strategy. Having 201 supermarkets as target customers made time and place not ideal for interviews. Hence, the quantitative research method presented the best and fastest research method for this thesis. The questions in the questionnaire were based on the theoretical knowledge, related to product attributes, brand image, and also business-to-business brand management. The objective is to compare the product attributes between Coca cola, Pepsi and Future Cola, and make suggestions about how to improve Future Cola brand image.

4.1 Result of the research and analysis

As mentioned above, a total of 201 emails were sent to 201 supermarket supervisors of the food and drink sections. 67 replies were obtained but only 43 supervisors have actually sold Future Cola in their supermarket, meaning that only 43 replies can be used as valid responses for the further analysis. The results of the questionnaire are summarized in the following sections.

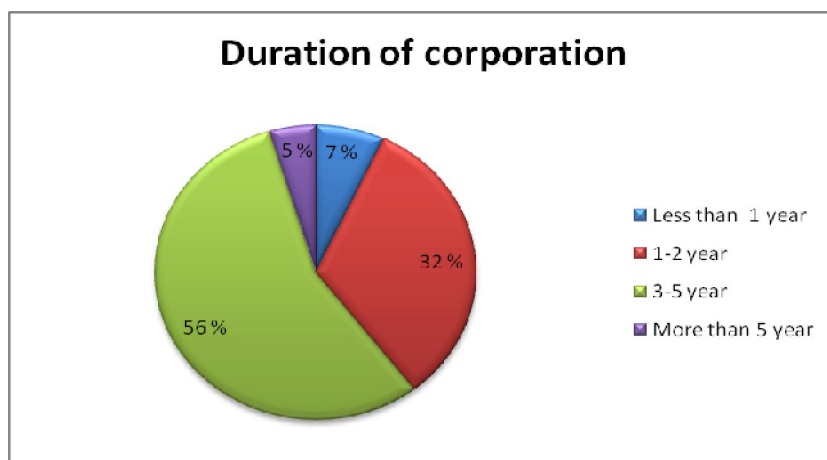


Figure 11. Duration of Corporation

The Figure 11 shows the duration of cooperation with Future Cola among all the valid-replied supervisors is listed: 3 supermarkets cooperate with Future Cola less than a year; 14 supermarkets cooperate with Future Cola 1-2 years; 24 supermarkets cooperate with Future Cola 3-5 years; and only 2 supermarkets more than 5years.

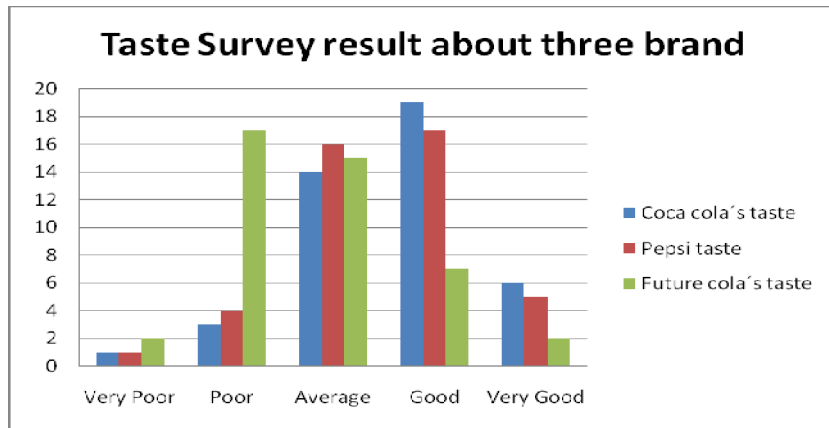


Figure 12.Taste Survey

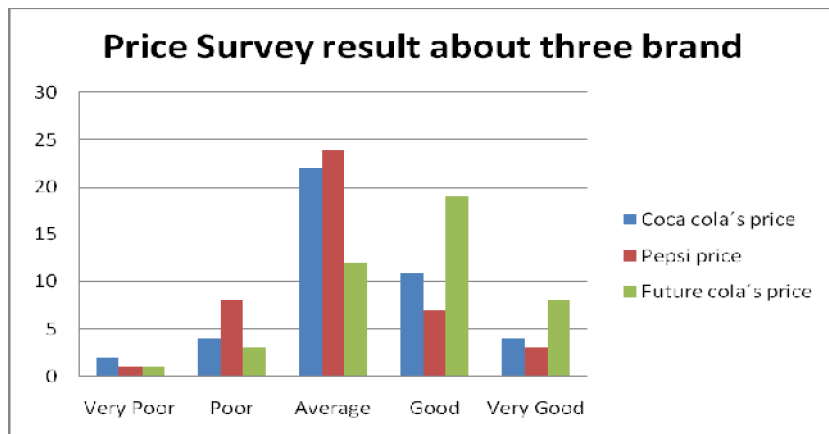


Figure 13.Price Survey

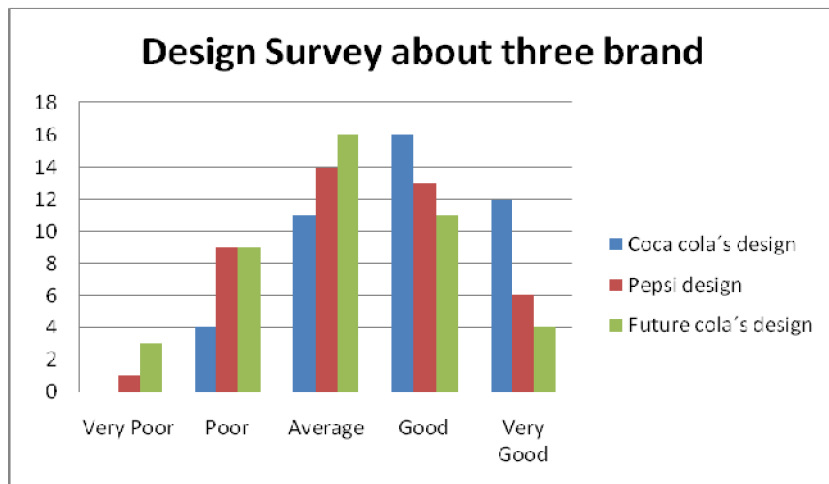


Figure 14.Design Survey

The Figures 12, 13, 14 above represent basic product attributes of three main cola brands. The lower score in terms of its flavour is Future Cola’s. This might be alarming as it claims the flavour of this product is specially designed to suit the Chinese palate. The lower price, however, brings Future Cola a certain marketing advantage over Coca Cola and Pepsi, although it also brings problems such as lower profits, or lower customer loyalty (which will be analyzed in the following sections).

Another product attribute researched was the bottle design and packaging. Future Cola markets itself as “Chinese Own Cola”- therefore focusing its package designing on a Chinese motif. Although it has been confirmed as a Chinese image brand, Future Cola fails to better Coca Cola’s package design as shown by the lowest design score among all three brands. This situation was unexpected and considered potentially alarming.

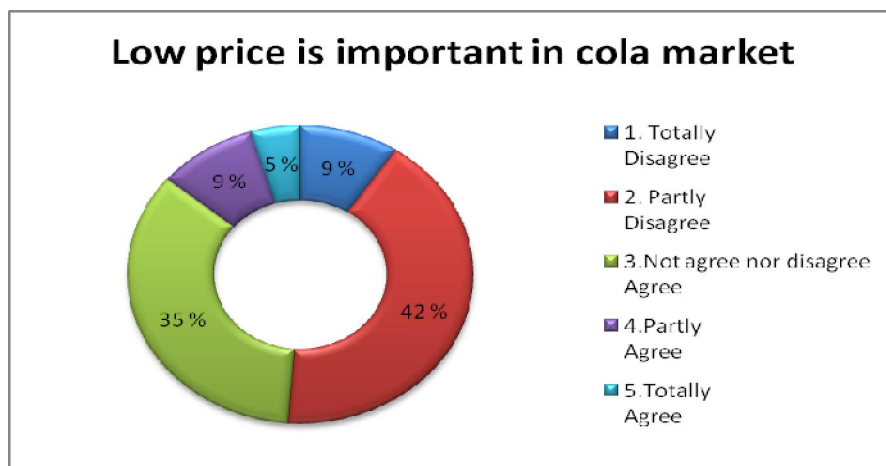


Figure 15. Low price is important in Cola Market

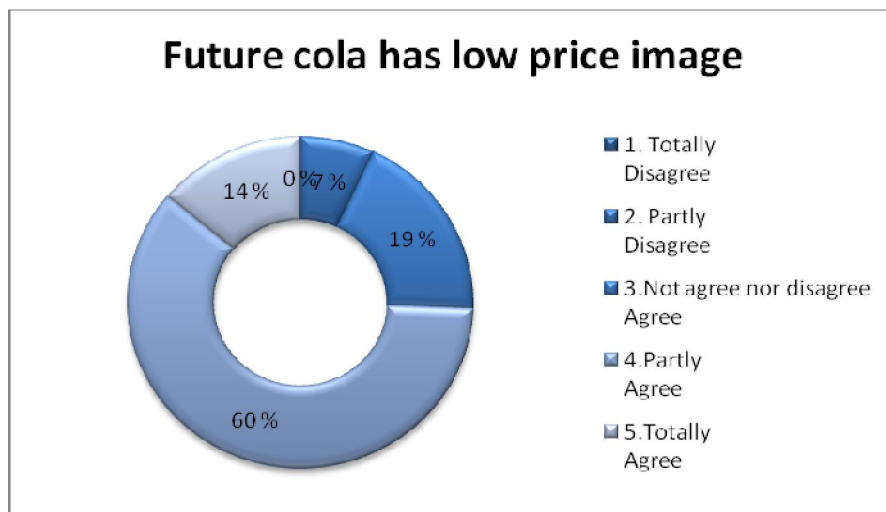


Figure 16. Future Cola has low price image

According to the result of Future Cola price survey, Future Cola’s price is lower than others, and considered reasonable by most customers. However, a low price is not a sufficient

advantage under the current marketing situation. Figure 16 clearly shows that only 5% of the customers see a low price as advantageous in the cola market whereas 42% of the customers disagree with this view for multiple reasons. Marketers should consider that a low price is not always a positive factor.

Figure 15 reveal that most customers disagree that low price is an advantage in marketing. And Figure 16 shows that 60% of the customers consider Future Cola’s low price image; price is but an integrated concept in considering many aspects such as services, advertising, and promotion; therefore the low price strategy is actually lowering the quality of service both for customers and for retailers.

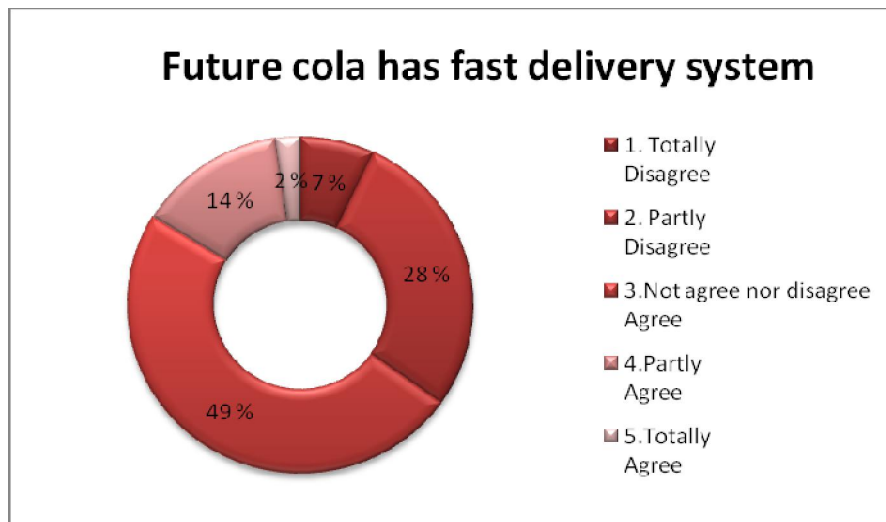


Figure 17. Future Cola has fast delivery system

Figure 17 refers to Future Cola’s delivery system. The chart shows that only 2% of the customers acknowledge Future Cola’s fast delivery system. In the business-to-business market, the core product is included in all seller offerings: from financing, service personnel training, delivery, etc. 49% of the customers think Future Cola doesn’t have a fast delivery system that means most customers are not very satisfied with the products.

Figure 18 shows clearly the answers whether Future Cola’s advertising supports the sales. Advertising should be taken seriously by the marketer since almost half of customers disagrees that the Future Cola’s advertising supports sales. Advertising as a tool of promotion does not only play a role in consumer marketing, but also is important in the business market; it is still an effective way to divulge the brand. Therefore, the creation of an effective advertising should be part of the agenda.

Figure 19 addresses the promotion of Future Cola: from staff to advertising and sales promotions. The results seem good, as 44% of customers partly agree and 12% of customers totally agree with the promotion supporting the sales. If combined with the previous question

(about personal sales and sales promotion utility) the only thing a marketer should be worried about is advertising.

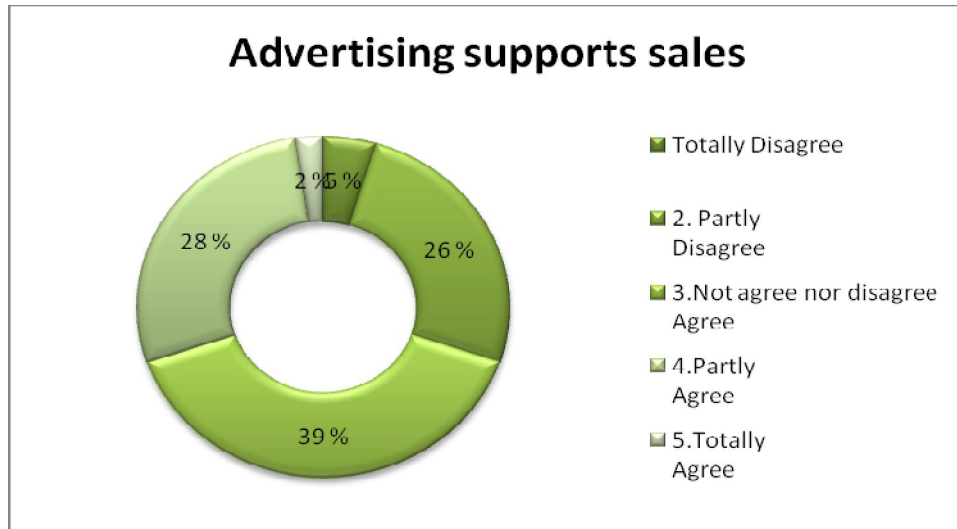


Figure 18. Advertising supports sales

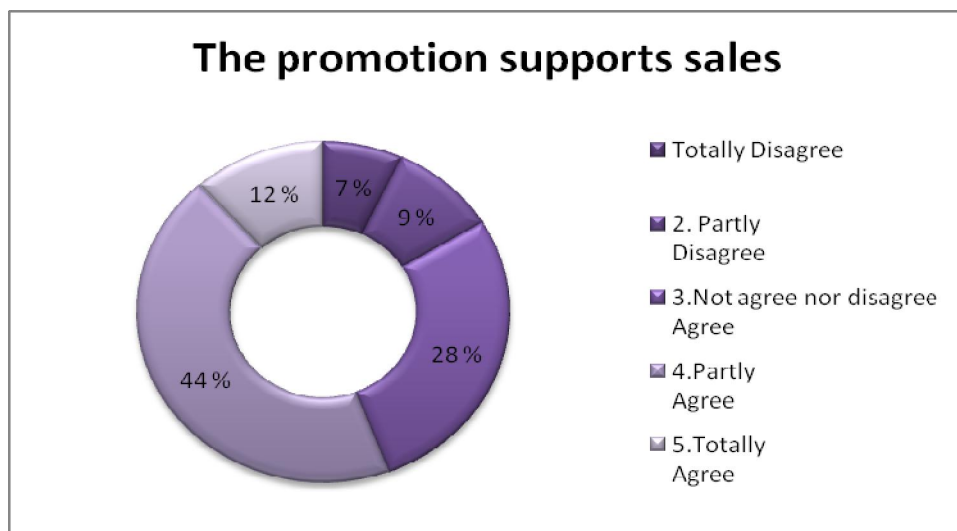


Figure 19. The promotion supports sales

Chinese image is very important for Future Cola. Figure 20 shows the survey result whether Chinese image is important, as most of the supervisors show a positive attitude towards this topic: nearly 65% agree partially and 12% of customers totally agree that Future Cola’s Chinese image is important. According to the chart analysis, a solution may be found if Future Cola makes better use of the Chinese element in its advertising and stay stable in its advertising strategy.

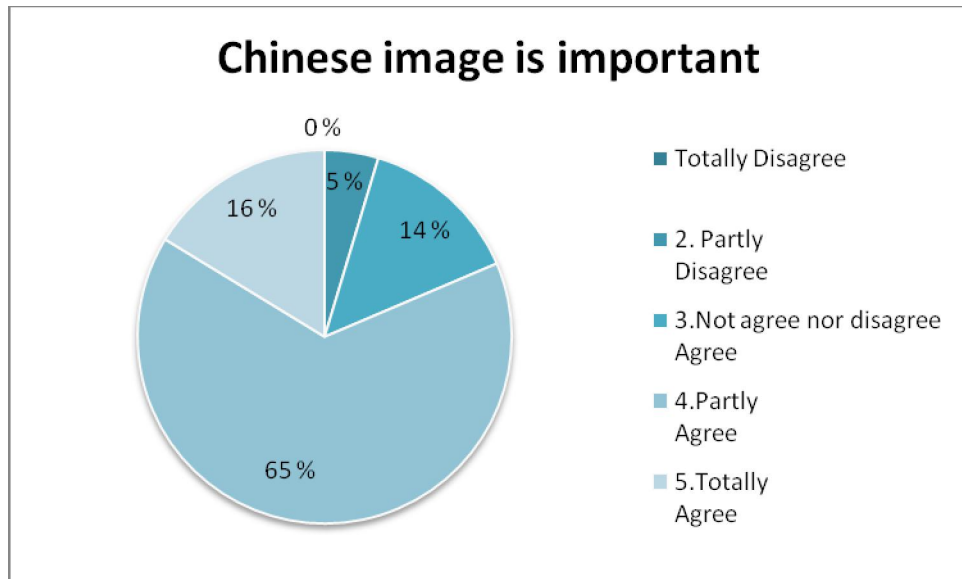


Figure 20. Chinese image is important

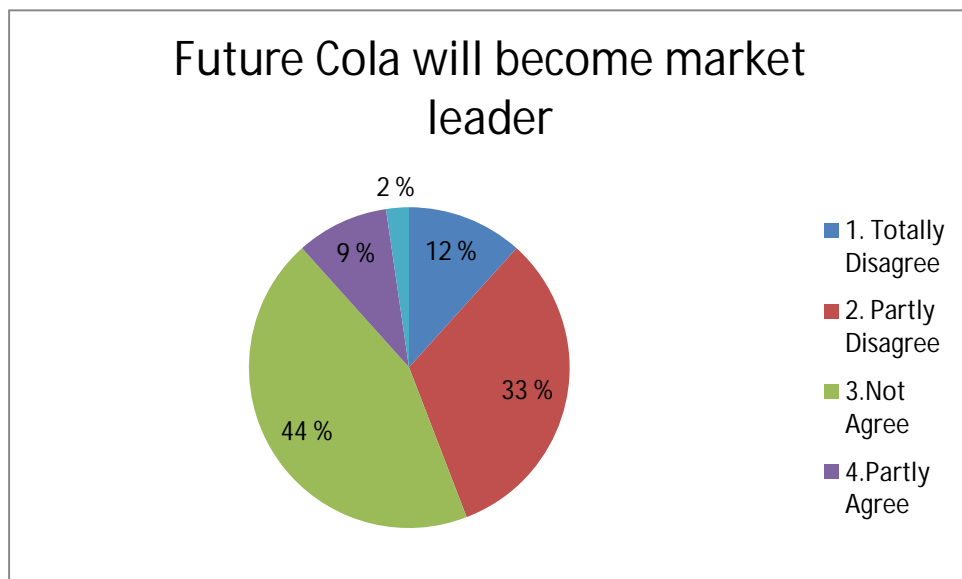


Figure 21. Future Cola will become market leader

This question considers the future of Future Cola. Seemingly, as Figure 21 shows Future Cola still needs to struggle a long time in order to become the market leader in the Chinese beverage market: 44% disagree with this view meaning that Future Cola's brand build strategy is not perfect and has failed to reach people. A lot of work is still necessary to bring the brand building plan to full completion.

"If the Future Cola was a human being, what characteristics could describe it?" As mentioned in the theoretical section, a marketer can also define characteristics as a brand personality; representing the brand as a human being, thereby making it more interesting and memorable.

Figure 22 shows the result can also help the marketer improve products, half of the customers think Future Cola is not trustworthy, charming, nor elegant and not even successful, potentially the reason why Future cola is a market failure.

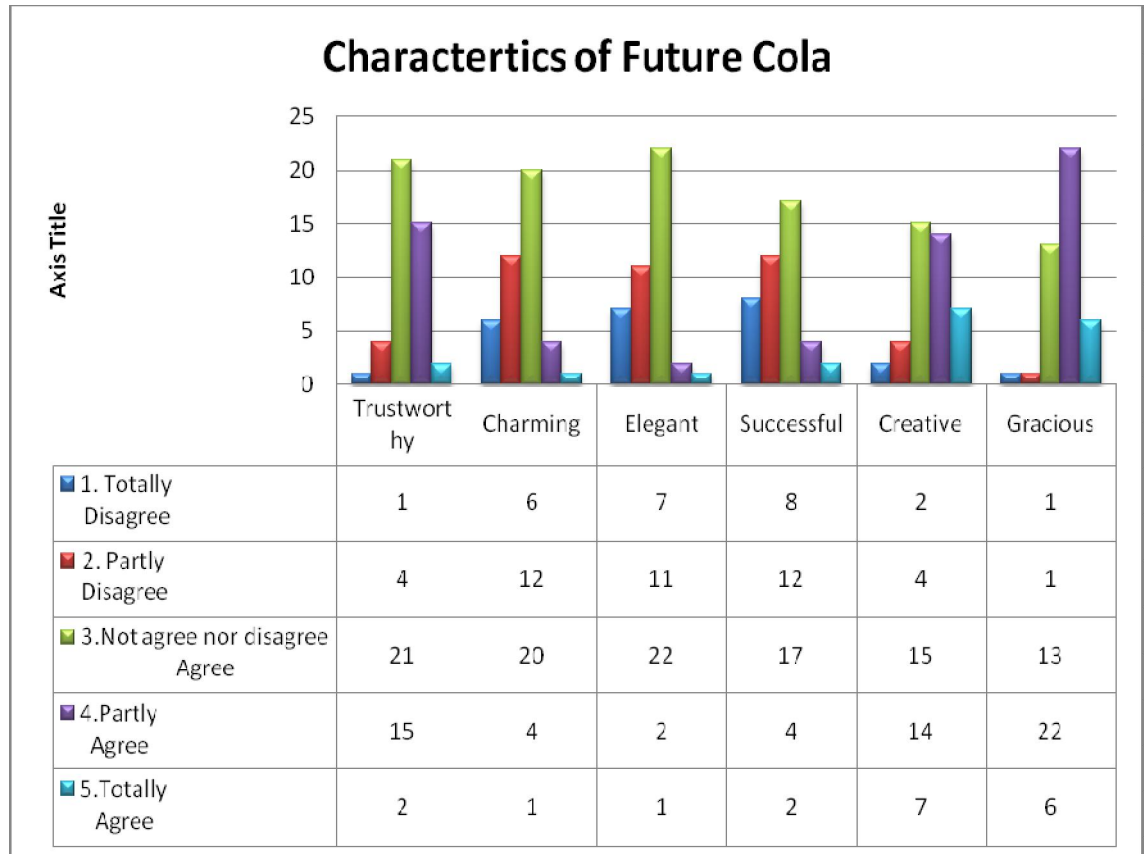


Figure 22. Charactertics of Future Cola

Question 6 is an extension of charactertics of Future Cola, asking customers what characteristics a successful soft drink should have. The most frequent options were honest, pushy and precise. These answers show customers' expectations which the marketer should relate to improve the products and to fulfil the brand's promise.

Figure 23 indicates that more than half of the customers regard Future Cola's promotion strategy as limitedly effective. This shows that personal sales, advertising, promotional sales and advertising improvement are matters of great urgency.

As Figure 24 shows, question 8 analyzes the communication frequency between supplier and the three cola brands. Of these, Future Cola is the one that least communicates with the supplier leading to poor outcomes, All companies making business-to-business communication should periodically contact or communicate with the suppliers, consequences can be positive. In fact, this allows marketers to better understand what suppliers want, the sales feedback;

the current situation, aspects that can help the marketer modify the marketing strategy, product and services as soon as possible.

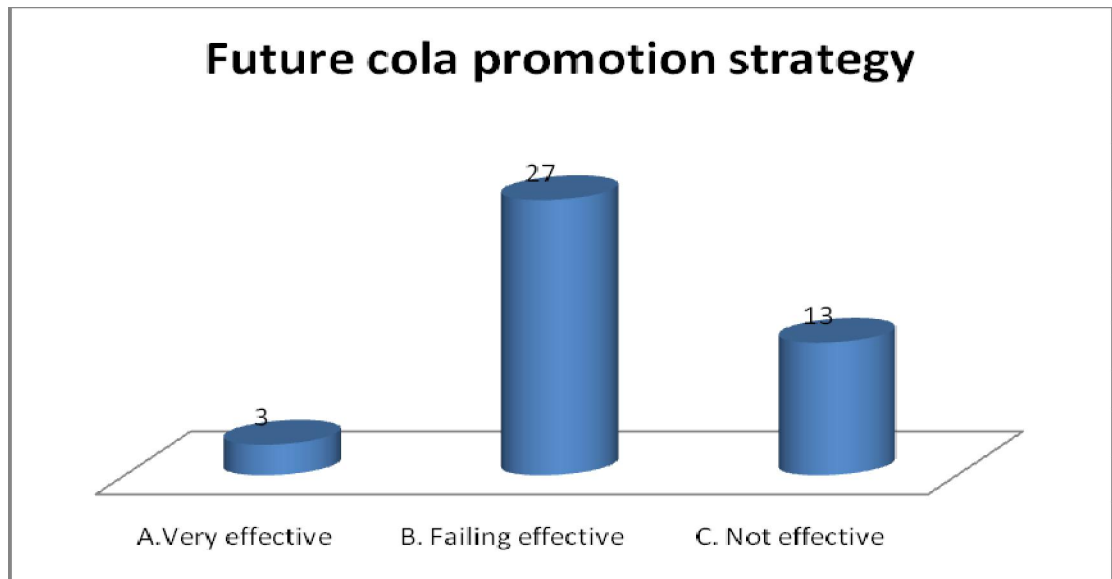


Figure 23. Future Cola promotion strategy

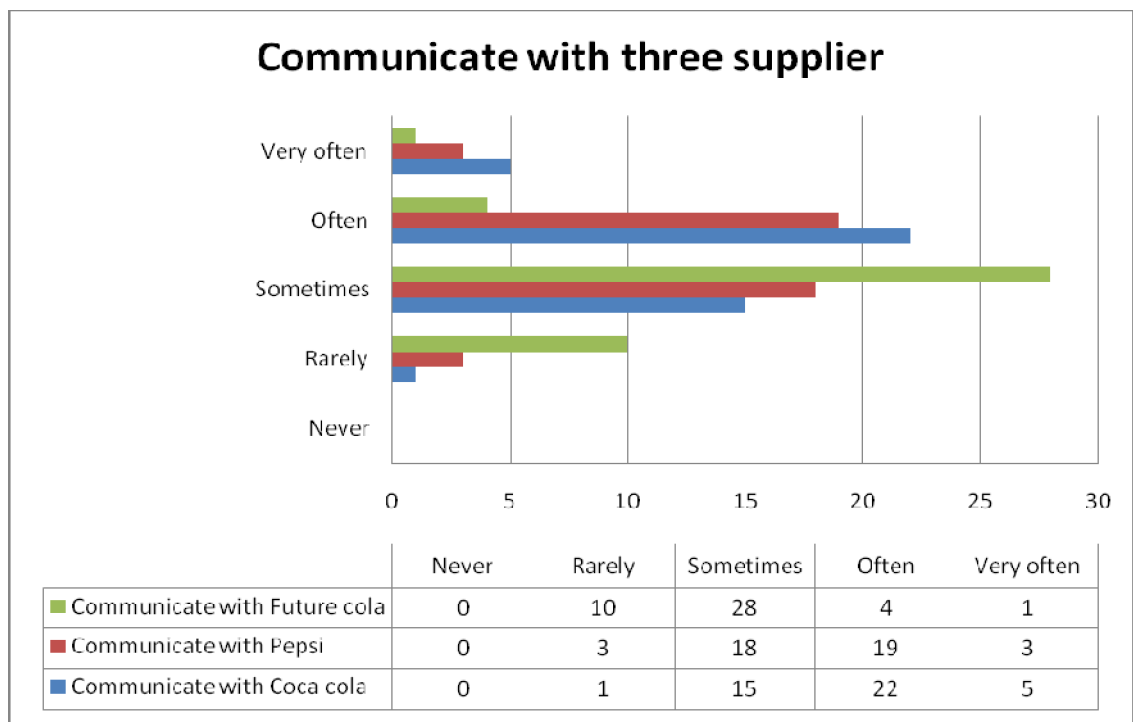


Figure 24. Communication with three suppliers

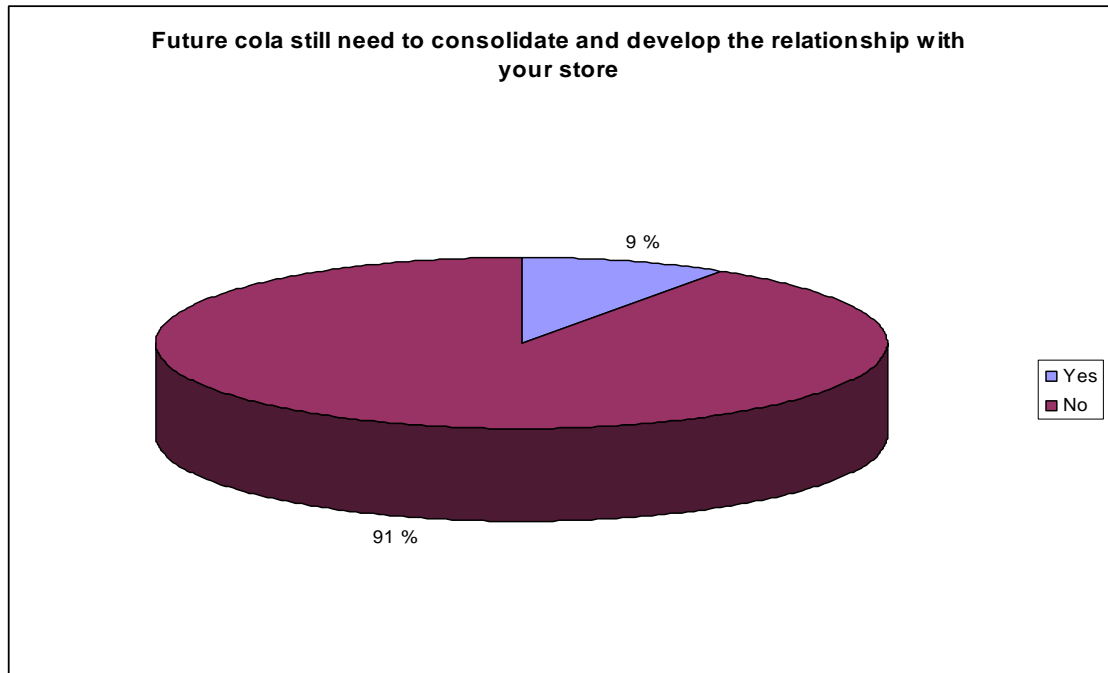


Figure 25. Consolidate and develop the relationship

It can be seen from Figure 25, 91% of the customers think Future Cola still needs to consolidate and develop customer relationships, regardless of their financing, promotion, delivering, or communication problems. Future Cola or even Wahaha must improve the communication with the supplier in order to ameliorate the marketing plan.

In the end of the questionnaire an open question asked "in what ways can Wahaha enhance its brand image?" in all 43 questionnaires returned, 17 stated "nothing" or "Wahaha is already having sound brand image" or "No suggestions". The remaining 26 answers can be divided and summarized within the following three main directions: 10 answers suggested that Wahaha should deploy a durable and uniform brand image for all its sub-brands, also pay more attention about communication; 9 answers suggested that Wahaha should invest more money in advertisements and promotions; 4 answers suggested that a low price strategy doesn't guarantee a good image. On the contrary: low price makes customers doubt about the product's quality - which lowers the profit margin in comparison to that of the competitors. Consequently, Wahaha does not have enough money to invest in promotion; 3 answers suggested that Wahaha should stop developing new products so fast, and save time and strength to make the existing products stronger.

17 supervisors have no opinion on this subject or probably consider Wahaha is already doing their best to promoting its brand image. 26 supervisors (60.5%) believed there were still some problems in the area of Wahaha's brand image. Firstly, 10 supervisors suggested Wahaha should deploy a durable and uniform brand image for all its sub-brands; 3 suggested Wahaha

should slow down in promoting new products while focusing on the existing products. Their suggestions can reveal one of the problems in Wahaha's brand image: Wahaha now has too many products with different brands and for each brand it failed to deploy a durable and uniform brand image- which confuses customers and makes Wahaha's products unrecognizable.

The blank of "additional comments", was filled by three supervisors with similar comments which reveal the fact that they met customers who do not know the relationship between Future Cola and Wahaha. 9 supervisors believe Wahaha should invest more money in advertisements and promotions, and also 4 supervisors share almost the same views. According to former suggestions this can be easily understood: Wahaha is busy with promoting new products, thus it can be inferred that Wahaha has limited money to invest in advertisement and promotions.

5. FINDINGS AND SUGGESTION

5.1 Finding

From the above analysis, several important conclusions can be draw from the research supported with the theoretical framework: although Future Cola has been developed for more than ten years, the duration of cooperation for supervisors with Future Cola is not as long as expected; Future Cola should do more research on its products' flavors, as the popularity of its tastes is lower than that of Coca-cola and Pepsi. Additionally, the delivery system is also weaker than competitors'; Low price image can damage multiple areas of the business operations- including the advertising and promotion and also the service quality for customers and retailers; Chinese image should be more effectively used in Future Cola's advertising; Future Cola can only gain sustainability by building up unique characteristics that are suitable for the domestic market; Future Cola should communicate more with supermarkets' supervisors to make in-store promotions' perform more effectively; Future Cola still needs Wahaha's support, especially on the part of communication with the supervisors.

5.2 Suggestions

According to these findings and research analysis, combined with the theoretical information studied, there are some suggestions for Wahaha and Future Cola.

Firstly, as mentioned before, Kotler introduced that "Brand building starts with understanding the key attributes of your products and services as well as understanding and anticipating the needs of your customers" So that suggestions will start with business-to-business marketing mix first.

In the business-to-business market, the core product is not just a product but also includes total offering of sellers. In this case, Wahaha not only sell Future Cola, but also sell a series of services. Based on the results of the research which requires Wahaha to improve the products quality, Chinese customers already adapted to the flavor of Coca cola and Pepsi, Future Cola could revise in order to differentiate from its competitors, although the differentiation should not be extreme. The company could make some marketing research about their products in order to better satisfy customer's needs. Naturally, the presence of Chinese elements remains indispensable and could be strengthened in terms of the packing. Additionally, keeping a fast delivery system is also necessary. As in the business-to-business market the product also consists of services and good services will not only attract more customers but also ensure old customer's loyalty.

The customers prefer to buy low priced products, but this fact is usually based on the preconditions that products have the same or higher quality than the competitors'. To keep a low price and increase the products quality is crucial to success. Prices are often fixed for customers, but in the business-to-business market, the company could provide an allowance or a total price reduction for suppliers. The will to make commissions or profit sharing with suppliers is likely to make the supplier publicize Future Cola more than before.

In the business-to-business market, place includes chain supply management, inventory services and material resource planning. All of these factors act as reminders that companies must improve the supply chain management in order to deliver goods timely.

According to the results of this research, supervisors are not at all satisfied with Future Cola's advertising. The present advertising is unable to attract more customers and is not playing the most important role in the business-to-business market. Suppliers depend on attractive advertising to bring more customers; therefore the case company should consider investing more money in advertising improvement. In my opinion, celebrity branding is also a good choice for Wahaha as it can achieve the best result in terms of attracting more customers in the business-to-business market, personal selling is the most used and effective promotion tool. Thus, the case company should hire more experienced sales persons or train them to increase their product knowledge and improve their communication skills so that the customers feedback and opinion is rapidly assimilated by the case company to improve the work quality.

Moreover, some suggestions on how to build a power brand for the case company. The first is positioning B2B brands, Wahaha Co.Ltd is a big and widely known Chinese company, and is already known by all supermarkets that sell their products. As a strategic brand of Wahaha,

Future Cola is not convincing in terms of its branding strategy. In order to build a strong brand, Wahaha should clarify and segment the target groups before positioning the brand. Future Cola is suitable for everyone regardless of gender, age or occupation which means that segmentation could be based on geography instead. The Chinese market is very complex, most famous chain supermarkets are usually built in the downtown area, usually surrounded by business districts. Apart from supermarket chains, there are also several convenient stores and local shops where credit card payment is not possible. So, if Future Cola wants to become more trustful and fashionable, the company should choose supermarket chains as its only supply chain. The second is a clear brand mission, for example, if Future Cola is going to be representative of the Chinese beverage market, the company should not only cling to the Chinese image but even reinforce the Chinese elements presence in the product and in the whole marketing strategy. The third is creating a positive brand personality, as mentioned in the questionnaire; a top brand of soft drink should be honest, precise, pushy and trustworthy. However, Future Cola lacks customer's trust. A good choice for the case company is to carry out a research in order to determine the reasons why customers consider Future Cola not very trustworthy. Product or services should be adjusted according to the results. The fourth is keeping a strong brand promise, brand promise was mentioned before in the theoretical. A strong brand promise should have the ability to differentiate the brands based on functional attributes. The biggest difference between Future Cola and competitors are the Chinese elements and low price. Wahaha should also pay more attention to frontline employees by improving their communication skills in order to efficiently deliver the right brand promise to customers. The last is harmonious and consistent brand architecture, since Wahaha Co.Ltd is a big and famous company, it is better for Future Cola to make evident the connection between the two; this will make Future Cola trustworthiness increase sooner.

6 . SUMMARY

To summarize, this dissertation aims to deliver a stronger brand-building strategy for the Future Cola brand with detailed designed qualitative and quantitative researches among supermarket supervisors. Initially, Future Cola was a success when it first entered the Chinese beverage market in 1998, developed by the largest Chinese food and drink manufacturer: the Wahaha Group. However, this cola brand current sales are not promise anymore, and popularity amongst customers has declined significantly in the main marketing fields. From all the possible reasons, the business-to-business brand-building strategies are emphasized in this dissertation- as, currently, it is very important for fast consumption goods (such as cola products) and most of Future Cola's product to be sold through retailers.

However, considering the problem and information research above, the theoretical information in this dissertation, based on the review of related literature, has managed to

establish a theoretical structure for the primary research and analysis within the aspects of business-to-business marketing, differences between business-to-business market and business-to-consumer market, the brand concept and image and business-to-business brand management.

Both the quantitative and qualitative research offered a solid support for the study; a semi-structured questionnaire was designed and sent to 201 supervisors in 201 main supermarkets in Shanghai; with 43 of all the feedbacks considered effective for result analysis, several problems and corresponding suggestions were concluded as follows: although Future Cola, has ten years of history, the duration of cooperation between this brand and supermarket supervisors is not as long as expected. The supermarket supervisors' loyalty is actually very low and damaging for both product display and in-store promotion activities. Additionally, Future Cola has established a low price image amongst both the customers and the retailers such as supermarkets, even though a low price image is actually damaging multiple areas of the business operation, including advertising and promotions as well as a lower service quality for customers and retailers. Furthermore, the Chinese image initially adopted by Future Cola as one of the biggest competitive advantages and promotion strategy inside the Chinese market, is currently weakened by other brands' developments of a Chinese image with a successful localization in the Chinese market. Seemingly, Future Cola's communication with supermarkets' supervisors is inefficient, as can be inferred from both the poor salespersons' qualifications and inadequate communication strategy within the brand itself are perpetuating this vicious cycle. Finally, Future Cola still needs support from its brand owner, Wahaha, especially regarding supervisors' communication. In conclusion, Future Cola needs to find solutions that strengthen the brand's image in terms of business-to-business brand building strategies capable of attracting more potential customers.

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APPENDIX

Questionnaire for Supermarkets' Supervisors
- Research about Cola Products

Dear Sir or Madam:

This is Jianfei Sun from Laurea University of Applied Science. It would be my honor if you can spend some times to read this E-mail. The main aim for this questionnaire is to inquiring your views as experienced supervisor about cola products and Future cola's brand image. Please be patient till the end of this questionnaire, thanks a lot for your cooperation!

Q1. Have you sold the Future cola?

- A. Yes B. No

Q2. How long have you sold the Future cola?

- A. Under 1 year
B. 1-2 years
C. 3-5 years
D. More than 5 years

Q3. From 1 to 5 representing Poor to Good, what mark will you give for?

Taste

- | | | | | | |
|---------------|---|---|---|---|---|
| ■ Coca-cola | 1 | 2 | 3 | 4 | 5 |
| ■ Pepsi | 1 | 2 | 3 | 4 | 5 |
| ■ Future cola | 1 | 2 | 3 | 4 | 5 |

Price

- | | | | | | |
|---------------|---|---|---|---|---|
| ■ Coca-cola | 1 | 2 | 3 | 4 | 5 |
| ■ Pepsi | 1 | 2 | 3 | 4 | 5 |
| ■ Future cola | 1 | 2 | 3 | 4 | 5 |

Design of bottle

- | | | | | | |
|---------------|---|---|---|---|---|
| ■ Coca-cola | 1 | 2 | 3 | 4 | 5 |
| ■ Pepsi | 1 | 2 | 3 | 4 | 5 |
| ■ Future cola | 1 | 2 | 3 | 4 | 5 |

Q4. Please tell how much you agree with following statement

1. Totally Disagree 2. Partly Disagree 3. Not Agree nor disagree
4. Partly Agree 5. Totally Agree

Low price is important in cola marketing

- 1 2 3 4 5

Future cola has a low price image

1 2 3 4 5
 Future cola has a fast delivery system
 1 2 3 4 5
 The advertising of Future cola support the sales

1 2 3 4 5
 The promotion in stores supports the sales of Future cola

1 2 3 4 5
 The Chinese image of Future cola is important

1 2 3 4 5
 Future cola will become the market leader of the Chinese local beverage market in the near future.

1 2 3 4 5

Q5.If future cola were a person what kind of person would it be? Rank the following descriptive adjective with 1 to 5, 1 is totally disagree, 2 is partly disagree, 3 is not agree, 4 is party agree . 5 is totally agree.

Trustworthy	1	2	3	4	5
Charming	1	2	3	4	5
Elegant	1	2	3	4	5
Successful	1	2	3	4	5
Creative	1	2	3	4	5
Amiable	1	2	3	4	5

Q6. What do you think are the top character tics that a successful cola drink brand should own?

- A. Honest B. Practical C.Trustworthy D. Positive E.Elegant F. Conservative G. Discreet H .Greedy
- I. Aggressive J. Precise K. Energetic

Q7. What do you think about Future Cola promotion strategy?

- A. Very effective B. Have limited effective C. No effects at all

Q8.How often do you communicate with those cola supplier?

Coca cola

- Never Rarely Sometimes Often Very often

Pepsi

Never Rarely Sometimes Often Very often

Future cola

Never Rarely Sometimes Often Very often

Q9. Do you think Wahaha still need to consolidate and develop the relationship with your store?

- A. Yes
- B. No

Q 10. In your opinion, how could Wahaha enhance its brand image?

Additional comments

Thank you for your attention.