FROM MARKETING MIX TO BRANDS VALUES MIX OF AGRICULTURAL INTEGRATED UNITS (CASE STUDY AT S.C. AVI-TOP S.A. RĂZBOIENI-IAŞI)

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Abstract

To highlight the most significant aspects that aim the strategies development of agricultural integrated units regarding brand portfolio compared to values mix of brands, the authors conducted a case study at SC AVI-TOP S.A. Războieni-Iasi, Iasi County.
Issues discussed were aimed at elucidating the concepts of marketing mix and mix of brand values in accordance with practice a success management and marketing, leading to competitiveness, performance and efficiency.
There are detailed elements reveals differences between brand and mark and strategic branding process requirements related to quality, design, innovation and branding.
There are also detailed brand portfolio management issues and scope of each brand, brand building stages, objectives and role of brand portfolio, methods of strategic planning and management of brand portfolios and five forces competitive model.

Key words: brand, promotion, products news, meat poultry

A successful company like S.C. Avi-Top S.A. Războieni Iasi was not limited to a single brand management, but offers its customers a family of brands, of which **"leader"** brand is a result of simultaneous section of the entire brand family.

Owning a large brand portfolio, the management was concerned about brand positioning on the market (under the distinctive name) to differentiate them from other brands in the same category.

Although poultry meat market in Romania is an attractive segment, the company found that it is preferable to diversify its portfolio, launching new brands on the market.

Effective strategies for brand management addressed by SC "AVI-TOP" S.A. Războieni Iasi, calls attention to ensure harmony between each brand strategy and overall goals of the company, which required performance and profitability.

Therefore, **multi-brand strategy** adopted by SC "AVI-TOP" S.A. Războieni Iasi, covered various distribution channels and reduced the risks for the "leader" brand, multi-branding addressing to many types of consumers with different levels of revenues, which generated higher earnings.

To differentiate its brands, SC "AVI-TOP" S.A. Războieni Iasi focused on highlighting the emotional value of brands according to lifestyle and consumer preferences, based on differentiated strategies.

MATERIAL AND METHOD

The study was conducted at SC "AVI-TOP" S.A. Războieni Iasi and aimed to analyze the evolution of brands against product brand system from integrated livestock units.

Are detailed elements reveals differences between mark and brand, and strategic branding process requirements related to quality, design, innovation and branding.

There are also detailed brand portfolio management issues and scope of each brand, brand building stages, objectives and role of brand portfolio, methods of strategic planning and management of brand portfolios and five forces competitive model.

RESULTS AND DISCUSSIONS

The concept of marketing mix was introduced as a term in the '50s and has been suggested its author, **Neil Borden,** by a marketing article, stating that, marketing specialist should be an "artist", a "mixer of ingredients" sometimes uses recipes prepared by others, sometimes prepares the recipes alone, sometimes adapting recipes according to available ingredients, and sometimes experience or invent new ingredients.

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So the idea of a marketing mix suggests involvement in different combinations of marketing resources to get maximum response from the target market. Brand positioning is based on differentiation - good positioning can lead to successful brands, which are sources of competitive advantage.

Issues discussed were aimed at elucidating the concepts of marketing mix and mix of brand values in accordance with practice a success management and marketing, leading to competitiveness, performance and efficiency.

Marketing mix is a combination of the four basic elements of marketing policy, respective **product, price, distribution and promotion** (Balaure V., 2002, Brătianu, C., 2006, Diaconescu M., 2005, Pekar V., Smadici C., 1995) *(fig. 1).*

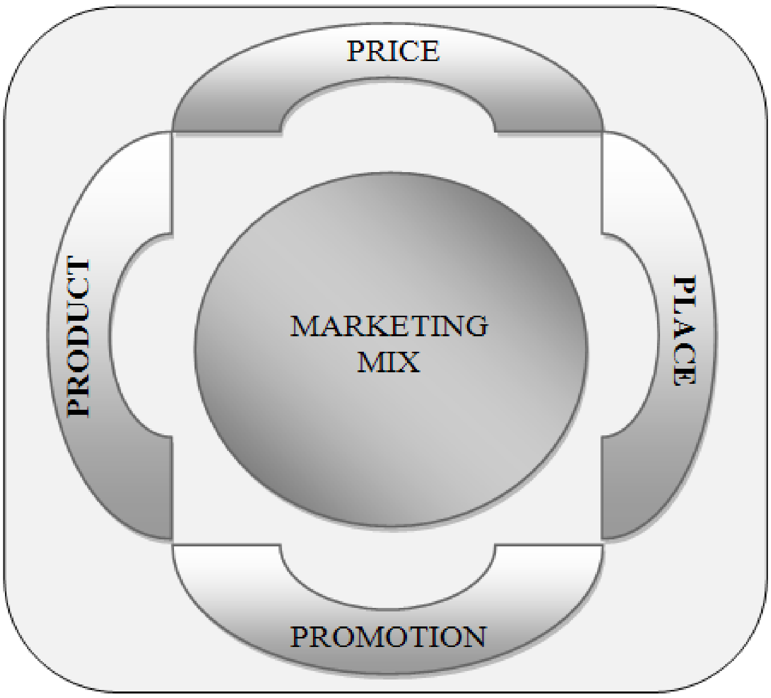


Figure 1 **Marketing mix**

The task of marketing mix is to bring together the four groups of variables in the action program to ensure maximum efficiency of the business. Each of the four components of the mix can be effective only with the support of the other.

When two or more promotional elements are combined is produced a *promotion mix*, sometimes called a media mix.

Promotional mix is designed according to the objectives that the company seeks, financial opportunities available and the target market which it is addressed (Gîndu Elena, Pandelea Monica-Ionela, 2009).

The mark, brand as image of products and services that has a long life, gained momentum in recent years as a result of globalization and progress of communication means.

The notion of brand appeared in Anglo-Saxon literature in a time in which was realized insufficient coverage of trademark concept which relate in particular to material symbols of the products, neglecting the many implications of how they creates perceptions, representations and images in consumer behavior.

The brand implies better symbol material duality - mental image, the complexity of building the brand more relevant and more comprehensive than the concept of brand, often limited to material symbols and their way of protecting the intellectual property rights.

The brand does not overlap the meaning of the term brand focused on material symbol attached to a product.

In terms of symbols, perceptions, images, branding is much more complex and includes brand particularities. Strategic branding process requirements relate to **quality, design, innovation and branding.**

In brand building, takes place sustainable positioning of a reputation or image quality based on strategic management, innovation and knowledge, which obviously does not exclude certain characteristics that mark means.

The strategic branding process begins with creating brand, continuing with promote and brand impact assessment and other management processes that support the brand, because at the end of a strategic cycle, the process is repeated continuously (Lianu C., 2010).

Well-managed brands as a result of coherent strategies and programs now allow obtaining sustainable competitive advantages and long term business sustainability.

Brands link and define the business scope increasingly integrating a business, linking it to its context. Brands are a company binder, business relationship and reputation represents what the brand is for people.

A valuable brand is that people trust and who would like to keep even if everything changes around them.

Strong brands, link business with customers and most importantly, ensure that promises become real in time.

Mark defines the organization and all stakeholders in collaboration with it. It overlaps with the business strategy and cultural values (Petrescu P., Gherasim T., 1981).

Crisis and global economic recession has not stopped the rise of brands, but rather amplified the very best phenomena. Marks offer a guarantee of quality (Pandelea Monica-Ionela, Chiran A., Gîndu Elena, Drobotă Benedficta, 2011).

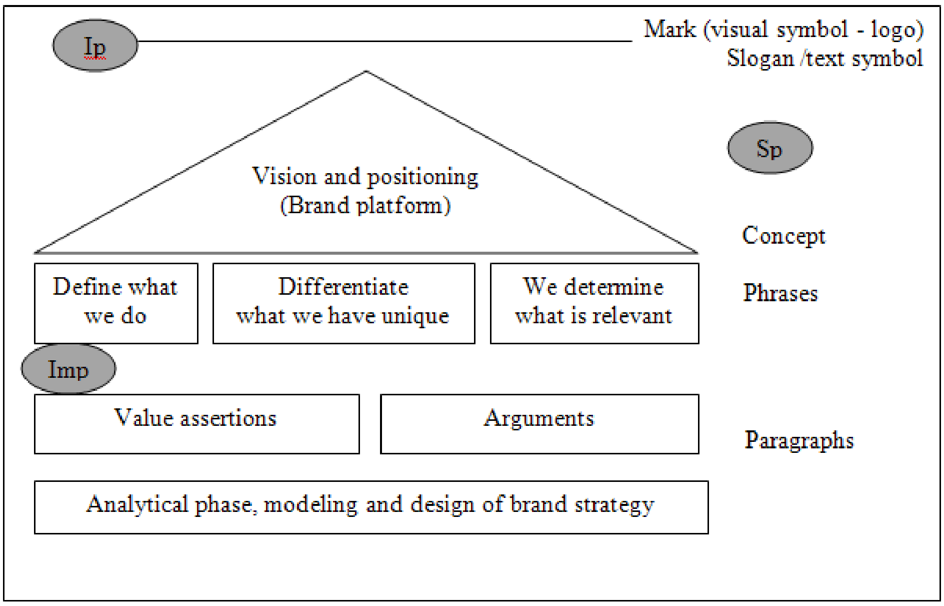
We can not consider as a brand the simply name given to a product because, in this case, they would completely lose its value. It should be based on a series of positive mental associations that would focus consumer attention on the brand. Tangible attributes can simply be incredibly copied by other manufacturers, and that is why the ideal would be to insist on those qualities that are just above the concreteness product (Aaker A David, 2006).

To meet both objectives and interests of businesses and consumers, a brand must possess many qualities - giving it the promotional strength: *high perceptibility, printed for readability, aesthetic and harmonious.*

Brand portfolio is all brand assets, managed by a company. It may include: *the main brands, sub brands, differentiated brand, cobrands or alliances brand, support brand and organization corporate brand.*

Brand portfolio management represent impose of a structure and discipline required to have a business strategy to ensure success. Portfolio of brands includes all brands managed by the company, including the main brands, those with supporting role, subbrands, differentiation brand factors, cobrands, energy of brands and corporate brands.

The task of any strategy is to enable the consumer perception of the company's brand when thinking about satisfying a certain utility. Branding strategy is an essential part of business strategy and competitiveness and first of the management team. Brand building is a strategic process that involves several distinct steps *(figure 2).*



Source: Victor Danciu, 2004

Figure 2 **Stages of building a brand**

The first section is the platform for brand identity, architecture and symbols **(Sp)** which must be based on a strategic process, led by construction and well aware of the image management **(Imp)** which, through appropriate strategy, tends to influence positive consumer perception **(Ip)** and **(Isp).**

The structure of portfolio formalize the relationship between the brands, and graphic shows how the portfolio should be presented as stand alone, but compared to other brands (Aaker A David, 2006).

Brand portfolio objectives are: the development of synergy and hierarchy between brands, brand assets support, creating and maintaining brand relevance in the market, building and supporting differentiated and energized brands and maintaining clarity.

The most important objectives of the brand portfolio cover:

1. establish portfolio structure - targeting strategic brand and support brand;

2. establish promotional arsenal brand portfolio and every segment of brand structure;

3. adjustments in the organization's internal processes.

The roles of brand portfolio are closely related to each other. We can not consider each brand as a huge distance from the other, as we can not believe that every brand is nothing more than possession of brand manager.

Portfolio roles can vary depending on the market and its level of development including: *strategic brand, a source of energy for the brand, a silver bullet brand, an adjacent brand and a cash cow brand.*

A portfolio in which each brand fulfills a clear role can create powerful competitive synergies. A key element of brand portfolio management is to ensure that each brand has a field and a well defined role, which takes in every context in which they participate.

Another role is to ensure that the brands, acting according to his role are reconsolidate and actively supporting each other to provide a strong synergistic team. Brand portfolio should be flexible and dynamic to respond to market fluctuations.

Construction, development and brands portfolio management has created a rich literature in the field and of an extremely creative practice. For example, one of the main functions of marketing, consumer knowledge, is intended not only to boost the acquisition and then repeat the purchase, but customer's loyalty to the brand (Wally O., 2006).

Brand loyalty of a customer base is often brand core equity. Long-term brand loyalty, a central component in marketing, is the measure of attachment to the brand.

Methods of strategic planning and management of brand portfolio includes the following: *SWOT analysis, portfolio methods: BCG, GE / McKinsey, the profit impact of marketing strategy (PIMS), Porter method.*

1. SWOT analysis aims to highlight strengths, weaknesses, opportunities and risks, which may be included in a matrix constructed according to the types of factors identified and their location *(tab. 1)*.

2. Portfolio methods used to assess company strategies in allocating resources to priority activities for a profitable marketing and giving up the ineffective ones.

The ideal portfolio of a company is the one that allows the company to capitalize the best available strengths, effectively using the advantages of target markets environment and reducing as much as weaknesses and threats in target markets.

3. Boston Consulting Group method allows coordination the portfolios of products for different markets and enables development product programs. It provides a framework for analysis and comparison of product portfolio based on market and competitors.

4. Profit impact of marketing strategy (PIMS) is a method that arises from a database on the performance of different firms and factors that causing them. The method consists in applying a questionnaire that analyzes the results, markets, competition, company, information on the industrial sector and company forecasts on prices and costs (Danciu Victor, 2004).

PIMS model have to analyze the results based on traditional criteria and how to enter the target markets to fulfill the purpose for which it was developed, providing information that managers, marketers and planners about the profits obtainable for different types of strategies in different competitive conditions (Schoeffler, Buzzel Heany, 1974, p.137).

5. Porter method or "five forces competitive model" refers to forces that determine the state of competition in a market and whose evolution determines its competitive profile: *rivalry between firms on the market, the risk of emergence of new competitors; pressure of substituted products, negotiate power of buyers and sellers* (*fig. 3*).

Strengths and limitations of the method

The method offers the advantage of a broader vision over the portfolio, in the same time, the weak point is the vision too broad in terms of competition analysis which can induce a degree of superficiality of the method.

Table 1

SWOT analysis matrix at S.C. AVI-TOP S.A. Războieni, Iaşi County

Localizarea factorilor	Favorable	Unfavorable
	STRENGTHS	WEAKNESSES
The company	Product quality; Product performance; Brand image; Modern technology; Own distribution network; Renewal rate and renewal of products; Marketing management; Competitive advantage; The position of challenger.	Very high interest rates on loans; Declining number of markets (caused by the economic crisis); High production costs; Low market share; Insufficient coverage of all channels of distribution;
	OPPORTUNITIES	RISKS
The environment	The rapid growth of the market; Unused market potential;	Reduced consumer purchasing power; Political and economic instability; Strong and growing competition through mergers, acquisitions alliances, imports; Market dominance by certain competitors

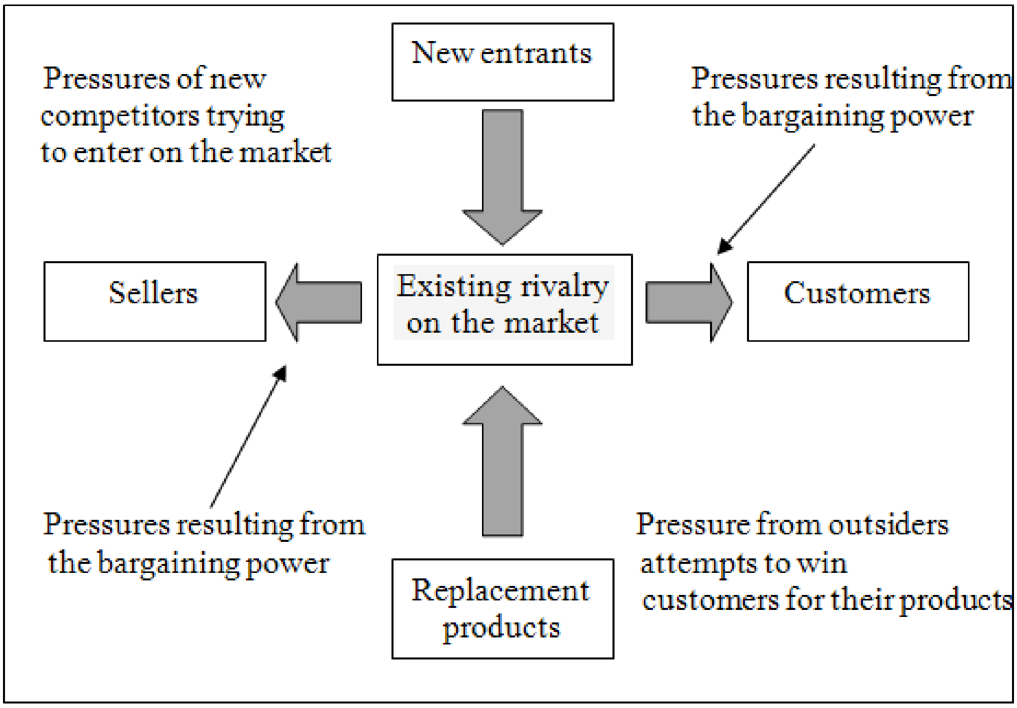


Figure 3 **Five forces competitive model**

CONCLUSSIONS

Allocation of resources for brand building should be determined in accordance with the roles of brands in the portfolio, strong brands will receive relevant resources and not only in terms of sales and profits that are generated in a given time.

Brand portfolio strategy can not be designed or modified in isolation, because it is closely related to the business and brand, and between brand portfolio strategy, business and brand strategy.

Brand portfolio objectives are needed in the construction and regular evaluation of portfolio strategy, in line with objectives to improve the synergy portfolio and commercial levers.

A brand must acquire and maintain a certain relevance, because otherwise they are useless both differentiation and brand loyalty that will allow to be taken into account in a product category or a subcategory.

Brands that aspire to move to areas of super market to get higher profit shares and to revitalize the brand, often lead to lack of credibility and the benefits speak for themselves.

These can be solved by moving the brand from the last position, re-positioning it so that can work vertically using a subbrand or creating a new brand.

Therefore, should be restricted portfolio tend to keep a brand or a weak subbrand.

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