

What is Customer Based Brand Equity (CBBE) Model?

Customer Based Brand Equity or the CBBE Model explores the overall brand equity through the customer perspective in order to create a strong and a sellable brand in the market. It was first proposed and developed by marketing professor and expert Kevin Keller in 1993. The CBBE Model has 4 distinct levels across 6 branding components.

There are 3 main models of assessing and understanding the brand equity-Financial based, customer based and employee based. CBBE model focuses on the customer's perspective.

Importance of Customer-Based Brand Equity (CBBE) Model

Keller's CBBE model states that creating a positive and strong brand image or equity requires focusing on customers and how they perceive, experience and position the brand in their mind. The overall brand identity of the products or the brand should be such that the customers respond positively to it. The CBBE model helps in making a strong brand equity from customer's perspective so that the brand becomes an important brand in the category and leads to higher sales of the products. The model helps to see a brand from various factors so that the overall brand equity can be created from customer's perspective.

The 4 Stages or Levels in the Customer-Based Brand Equity (CBBE) Model

There are 4 levels in the Customer based Equity Model - Identity, Meaning, Response and Relationships. The stages are made up of 6 components which are discussed after the stages.

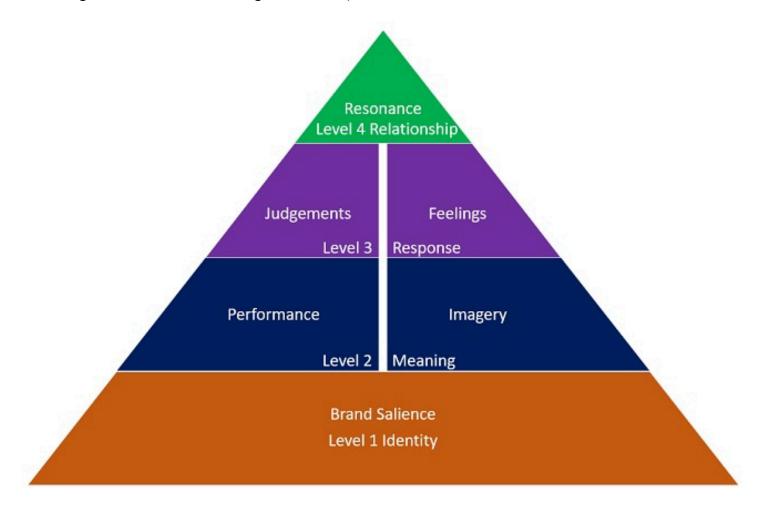
Stage 1 - Identity

Brand identity is where the brand salience is established so that the customer is aware about the brand and makes it part of the consideration set. Brand identity is the first step where a company puts together different brand elements in order to create a positive brand image. The expected output is enhances image, awareness and recall.

Stage 2 - Meaning

This stage in the model talks about the Performance and Imagery of the brand. This is still controlled by the brand managers in order to create a positive brand experience and makes sure

that the brand meets the customer requirements as expected with a positive brand experience. This stage leads to the third stage called response.



Stage 3 - Response

A response stage is where the customers now respond to brand's existence along with its performance and image. The response is in terms of first the judgements and then the feelings. Positive Feelings about a brand is big win for a brand and as per this model leads to loyalty and eventually improvements in sales and repeat customers

<u>Stage 4 - Relationships</u>

This is the final stage in the CBBE model where the customer forms a relationship with the brand. The customer is loyal and shows positivity towards the brand. Few brands manage to reach this stage in the market. More than customer loyalty, brand advocacy is a true measure of a strong brand relationship.

6 Constituents of the CBBE Model

As per the stages above the following 6 components are part of 4 levels:

1. Brand Salience

Salience is about brand awareness, identification and recall from customer's perspective. Salience should be such that customer considers the brand when planning a purchase.

2. Performance

Performance in the model talks about the ability of the brand to meet the needs as well as wants of the customer in terms of functions, branding, packaging, pricing etc.

3. Imagery

Imagery deals the with the overall brand image in the mind of customers through identity created in the way customer identifies the brand as positive. The imagery should match and appeal the target audience so that the customer can identify with it through his or her own experiences

4. Judgements

After imagery, an important and a higher level component of the CBBE is brand judgement. It talks about complex image of brand in the mind of the customer based on one's own opinions and decisioning. It is built on top of the performance and imagery of the brand

<u>5. Feelings</u>

Similar to judgements, brand feelings are also complex form of creating brand equity. Feelings can be of fun, adventure, warmth, security etc. on associating with the brand. Feelings and judgement together form an important layer of the CBBE model as seen in the image.

6. Resonance

Brand Resonance is the ultimate step or stage in the CBBE model. Built on top of salience, performance, imagery, judgement and feelings, the Resonance is where the customer is totally in sync with the brand equity. The customer is not only loyal to the product but becomes an advocate of the product and responds to the changes perfectly.

Here's a breakdown of each level and the associated brand-building blocks:

1. Brand Identity (Who are you?)

o **Salience:** This is the foundation of the pyramid. It represents how well the brand is recognized and how easily it is recalled by consumers. It's about ensuring the brand stands out and is memorable.

2. Brand Meaning (What are you?)

- Performance: This block focuses on how well the product or service meets customers' functional needs. It includes quality, reliability, durability, and service effectiveness.
- o **Imagery:** This block deals with the extrinsic properties of the product or service, including how it meets customers' psychological and social needs. It involves user profiles, purchase and usage situations, personality, and values.

3. Brand Response (What about you?)

- o **Judgments:** This block captures customers' personal opinions and evaluations of the brand. It includes quality, credibility, consideration, and superiority.
- **Feelings:** This block refers to the emotional responses and reactions customers have to the brand. It involves feelings such as warmth, fun, excitement, security, social approval, and self-respect.

4. Brand Resonance (What about you and me?)

 Resonance: This is the pinnacle of the pyramid. It represents the ultimate relationship and level of identification that customers have with the brand. It includes behavioral loyalty, attitudinal attachment, sense of community, and active engagement.

Example: Apple Inc.

Brand Identity

• Salience: Apple is a globally recognized brand known for its innovative technology and distinctive logo.

Brand Meaning

- **Performance:** Apple products are known for their high quality, reliability, and user-friendly interfaces. Their devices, such as the iPhone, MacBook, and iPad, consistently perform well.
- **Imagery:** Apple is associated with innovation, creativity, and a premium lifestyle. The brand is often linked with a sophisticated, tech-savvy user base.

Brand Response

- Judgments: Customers generally perceive Apple products as superior in terms of design, functionality, and innovation. The brand is seen as credible and high-quality.
- Feelings: Apple evokes emotions of excitement and anticipation with its new product launches. It also fosters a sense of security and confidence in its users due to its reliable customer support and secure ecosystem.

Brand Resonance

 Resonance: Apple has a highly loyal customer base that exhibits strong behavioral loyalty (frequent repeat purchases) and attitudinal attachment (preference for Apple products over competitors). The brand also fosters a sense of community through events like Apple's Worldwide Developers Conference (WWDC) and active engagement via social media and customer feedback platforms.

Conclusion

Thus we can say that, Keller's Customer-Based Brand Equity (CBBE) model provides a structured approach for building and managing strong brands. By following the four levels of the pyramid—Brand Identity, Brand Meaning, Brand Response, and Brand Resonance—marketers can systematically develop a deep, meaningful connection with their customers.

