

Brand Construction of Small-scale Hydromechanical Companies

Shujing Gao*

Tianjin Normal University Jingu College, Tianjin, China

*Corresponding author e-mail: gashujing@gmail.com

Keywords: Hydromechanical Company; Small-scale Company; Brand Building

Abstract: Most of the small-scale hydromechanical companies are at a disadvantage in the market competition. Because consumers are faced with too many advertising products to choose from every day, they have not enough energy to remember too many similar products. They only recognize brands. Small hydraulic enterprise brand construction mainly influenced by the following four factors, namely: the small hydropower enterprise brand identification, small hydraulic enterprise brand planning, brand extension of small hydraulic enterprises and small hydraulic enterprise's brand assets. It can be expressed by the following formula: $B_c = f(B_i, B_p, B_e, B_a)$. As the homogenization of products becomes more and more widespread, brand building and differentiation have gradually become the core of small-scale hydraulic companies that have won the competitive position in the market.

1. Introduction

The large hydromechanical companies with strong brands have always been a minority, and most of the small-scale hydromechanical companies are relatively weak brands. They have relatively scarce resources, such as financial advantages, talent and sales channels, media attention and consumer ownership. As Pareto principle, a few large-scale hydraulic companies have occupied the major market share, and most of the small-scale hydraulic companies are at a disadvantage in the market competition. Because consumers are faced with too many advertising products to choose from every day, they have not enough energy to remember too many similar products. They only recognize brands. Small-scale hydromechanical companies do not have the ability to drive consumers like strong brands. The small hydromechanical companies are in an awkward position, both fearful of being squeezed by a strong brand and wary of being hit back by an equally weak competitor. Therefore, the small Hydromechanical Companies need to do a better job in brand building.

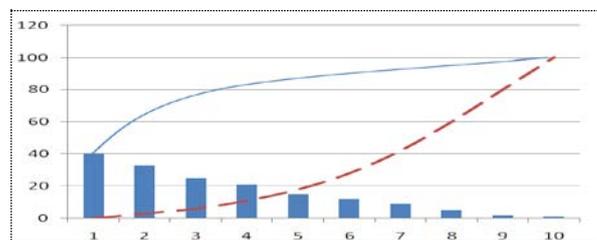


Figure 1. Pareto theory.

A hydromechanical brand is a name and symbol that distinguishes a hydromechanical product or hydromechanical service from a competitor's product or service, usually composed of elements such as words, marks, symbols, patterns and colors, or the combination of these elements. Brand is a set concept, which includes the two parts of brand name and brand mark. Brand name refers to the part of a brand that can be addressed by language; brand marks are parts of a brand that can be recognized, which easily memorized but cannot be addressed by words, usually made up of patterns, symbols or special colors. In essence, it represents a commitment to the consistency of product features, interests and services. Brand building refers to the behavior and efforts of small-scale hydromechanical companies in planning, designing, publicizing, and managing brands. Brand

construction includes the construction of brand assets, information construction, channel construction, customer expansion, media management, market activity management, brand reputation management, brand virtual experience management.

2. Importance of brand construction

Small hydraulic brand building is a long-term system project. Brand is the most important intangible asset of a hydraulic enterprise, the embodiment of its popularity and the source of its core competitiveness. Through brand building, the market competitiveness of hydraulic enterprises can be improved and the hydraulic enterprises can obtain high premium. Through brand building, the product performance and management concept can be explained and expanded at a higher level. The brand influence of small hydraulic enterprises is generally weak, and the brand consciousness of small hydraulic enterprises is not strong. Many small-scale hydraulic companies have not been able to pay attention to brand building that can increase the market share of small-scale hydraulic companies. Just like the long tail theory, small-scale hydraulic companies can accumulate large enough to even exceed the market share of large-scale hydraulic companies. Through the long tail theory, we can know, as long as the product storage and circulation channels is enough good, the market share of the products of small-scale hydraulic companies can rival or exceed that of a few large ones. That is, many small markets (niche markets) can generate market power that rivals the mainstream. Through the market segmentation, small hydropower enterprises can be more focus on a specific target market or strictly for a market segment and key operating a product or service to create products and service advantages. In the fierce market competition environment, the brand building of small hydraulic enterprises has certain urgency.

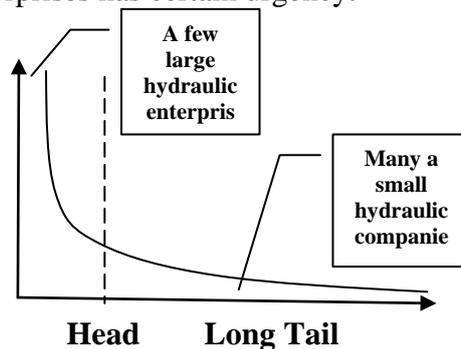


Figure 2. Long tail theory.

3. Brand building methods

A good brand makes people from outside envy and yearn for it, which not only improves the brand value, but also attracts talents, so that resources can be effectively gathered and rationally allocated. The cohesion of brand culture not only brings pride to team members, but also enhances the sense of mission and sense of belonging of employees in small hydraulic enterprises. This kind of cultural force is an invisible and huge driving force for the development of organizations. In particular, small hydraulic enterprise brand construction mainly influenced by the following four factors, namely: the small hydropower enterprise brand identification, small hydraulic enterprise brand planning, brand extension of small hydraulic enterprises and small hydraulic enterprise's brand assets. It can be expressed by the following formula:

$$\text{Brand construction} = f(\text{Brand identification, Brand planning, Brand extension, Brand assets}) \quad (1)$$

That is,

$$Bc = f(Bi, Bp, Be, Ba) \quad (2)$$

3.1. Brand identification

Brand identification of small hydraulic enterprises refers to the brand association that moves consumers with products, enterprises, employees and symbols, which is different from competitors.

It combines the core value of the brand to form the brand association. Brand identification can also be called the association that brand owners expect to stay in the minds of consumers. A strong brand is bound to have a full and distinct brand identity. The core value of brand can effectively docking daily marketing communication activities and the enterprise's marketing communication activities can have a clear standard and direction, when the small hydraulic enterprise scientific and complete planning brand identification system. Small-scale hydraulic companies must ensure that the benefits and value that can be achieved by the brand image embodied in the brand identity are consistent with the values of consumer interests. Maintaining consistent and consistent brand image is the key and difficult point in the branding of small-scale hydraulic companies. Visual identity is the first step in brand identity. The appearance of the norm is an expression of the brand's content. Brand identity helps build relationships between brands and customers by generating a valuable claim, including functional, emotional, or value self-reproduction benefits.

3.2. Brand planning

The brand planning of small-scale hydraulic companies is to establish a corporate strategy centered on building a strong brand. It sets goals, directions, principles, and guiding strategies for brand building and sets the action plan for future specific brand building tactics and behavior. The six core aspects of brand strategy planning are: first, to refine the core value of the brand as the soul of the company; second, to standardize the brand identity system and implement the elements of brand identification in all marketing communications activities of small-scale identification companies; Third, establish a branding model and optimize the branding strategy. Fourth, increase the brand value through the integration of all resources. Fifth, expand the brand rationally to avoid brand dilution and maximize brand value. Sixth, strengthen brand management to avoid the occurrence of brand crisis and accumulate abundant brand assets.

3.3. Brand extension

The brand extension of a small hydro enterprise is to expand a well-known brand or a successful brand with market influence to a product (or service) that is not the same as a famous product (or service) to launch a new brand with an existing successful brand. Brand extension is not simply based on the existing brand name, but on the strategy of brand assets. Brand extension strategy enables new products to enter the market smoothly with the help of the market reputation of successful brands. The brand extension expands the new product series and also includes the expansion of the emotional appeal of the brand. Brand extension helps reduce the market risk of new products. Brand extension can enhance the image of the core brand and improve the investment benefit of the overall brand portfolio. When the overall marketing investment reaches the ideal economic scale, the main brands of the core brands benefit from the brand extension. A successful brand has its unique core value. If this core value and basic identity can contain the products it extends, the brand extension can be carried out. On the contrary, brand extension should not conflict with the original core value and uniqueness of the brand.

3.4. Brand assets

Brand assets is an important new concept in marketing research and practice in the 1980s. The brand assets of small hydraulic enterprises are related to the brand name and logo of small hydraulic enterprises. It can increase or decrease the series of assets and liabilities of the value of an enterprise's products (or services). It mainly includes five aspects: brand loyalty, brand awareness, perceived quality, brand association, and other proprietary brand assets (such as trademarks, patents, channel relations, etc.) and brand premium, brand profitability. These assets provide value to consumers and small hydromechanical companies in many ways. Among the brand assets of small hydraulic enterprises, brand loyalty and brand premium ability are two assets that can bring feedback to brand owners and gain more market share. Brand loyalty and brand premium capacity belong to productive brand assets, which are the products of brand awareness, recognition and brand association. Brand loyalty is the core factor in brand assets. Loyalty measures reflect consumers' preferences, choices, attempts, repeat purchases, and commitment to the brand. Brand

awareness is the second most important part of brand assets. The brand popularity reflects the brand's representativeness to a certain kind of products and the consumers' familiarity with a certain brand and the goodwill it may cause. Quality awareness refers to the overall impression of consumers on the quality of a brand. Quality awareness is the basis of product differentiation positioning. It can reflect consumers' evaluation of a product's function, characteristics, trustworthiness, durability and enterprise service. Brand association is all associations attached to a brand, and these associations can combine some meaning (brand image). Brand image is the result of brand positioning.

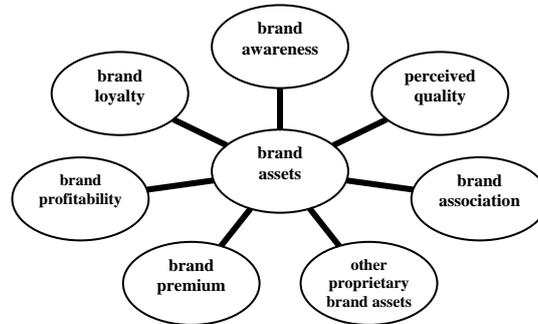


Figure 3. Brand assets composition.

4. Conclusion

As the homogenization of products becomes more and more widespread, brand building and differentiation have gradually become the core of small-scale hydraulic companies that have won the competitive position in the market. Therefore, small-scale hydraulic companies need to position themselves based on their own characteristics and refine their own brand core values. Small-scale hydraulic companies should conduct scientific brand research and diagnosis on their own brands. Small-scale hydraulic companies must provide detailed and accurate information-oriented strategies for brand building based on market conditions, industry characteristics, target consumer groups, competitors, and the state of the company itself. And on this basis, Small-scale hydraulic companies can refine the brand's core values that are highly differentiated, clear, and can infect consumers' hearts. In terms of sales channels, coupled with the eye-catching brand logo can enable Small-scale hydraulic companies to achieve good brand push and strengthen consumer brand awareness. Small-scale hydraulic companies also need to strengthen the management of their brand culture, actively undertake social responsibilities, and create positive brand associations. Finally, small-scale hydraulic companies need to develop appropriate brand crisis management plans to minimize the loss of intangible assets and maintain a good image of their own brand.

References

- [1] Lin Yang, Xiaorong Feng, Hui Wei, Thinking and Practice on Scientific and Technological Innovation Management of Large Hydropower Enterprises, J. Hongshui River, 35 (2016) 4-6
- [2] Galan Ladero M M, Galera Casquet C, Singh ,Understanding factors influencing consumer attitudes toward cause related marketing, J. International Journal of Nonprofit and Voluntary Sector Marketing. 20 (2015)52-70.
- [3] Dongjin Li, Contemporary advertising, China Development Press, Beijing(2015).
- [4] Chokkalingam T S, Ramachandran, The Perception of Donors on Existing Regulations and Code of Governance in Singapore on Charities and Non -Profit Organizations – A Conceptual Study, J. Asian Social Science, 11(2015)89.
- [5] Xiaobo Ren, Talking about the Establishment of Enterprise Brand and Marketing Work, J. Times Finance, 7(2012)287.

- [6] Jie Zhang, News Communication and Brand Building under Big Data, J. Enterprise Management, 1 (2018) 102-103.
- [7] Jianan Wu, Yuankun Nie, Marketing, Higher Education Press, China (2014).
- [8] Peng Ye, Qi Zhang, Thoughts and Practice on the Application of New Media in Propaganda Work of Hydraulic and Electric Power Development Enterprises, J. Sichuan Hydropower, 35 (2016) 102-104.