

# The Internal Branding Process: Base On Brand Audit ( Empirical study on traditional snack food In Bandung-Indonesia)

Dani Dagustani.<sup>a,1</sup>, Herry A. Buchory<sup>b,2</sup>, Mutia T. Satya<sup>c,3</sup>

<sup>a,b,c</sup>Business and Management Program STIE EKUITAS, PHH Mustafa 31, Bandung, 40124, Indonesia

<sup>1</sup>dagustani@yahoo.com, Tel 6281214095120, <sup>2</sup>achmad\_buchory@yahoo.com, Tel 6287823303169

<sup>3</sup>rafi\_afia@yahoo.com, Tel 6281220468369

**Abstract** Small Business Borondong snack been there long enough in the District Ibum Bandung Regency has no 1960 late, but has not shown a good development. One problem has been that these products do not have a well-known brand, while strengthening the brand has significance for the development of marketing strategies, especially strategies positioning and marketing communications.

The purpose of this study was to perform an internal process to build the brand through brand audit to brands of employers in the district of borondong, Ibum. It is observed that the unknown condition of the company's internal strength in an objective and external conditions such as market attractiveness of the borondong business.

This research was conducted with descriptive method through surveys and data analysis using matrix mapping analysis 9 cell from the general electric, by mapping the results of the audit to the brand.

Results of this research generally shows the external brand strength is high position and medium except the brand Az-zahra, meaning that the traditional food business borondong brand still reliable, especially when calling BorondongMajalaya for internal positions of employers existing brand at medium and high levels. Each brand is highly recommended to make a differentiation that is unique and relevant to the needs of its target market so that products borondong not become generic.

*Key Word : Internal Branding Process, Brand Audit*

## 1. Introduction

The resulting product is simply something the factory while the brand is something that is bought by consumers. If the product can be easily imitated competitors, the brand has always had a uniqueness that is relatively difficult to trace. Brand closely associated with perception, so that real competition between companies is not just a battle of perception and product competition. Companies that are able to build its brand with the well will be able to face any attack from its competitors so it can continue to maintain its customers.

Although the brand is very much benefit for a product, but not all businesses realize the importance of brand. Most businesses, especially

small industry, prefer to sell products without a brand name. It is unfortunate that efforts have been initiated a long time not been able to generate added value created from the power of the brand that have. The condition happens to many small entrepreneurs or artisans Borondong often called a kind of snack, which is made from raw material of roasted glutinous rice mixed with liquid palm sugar into dough that is molded in the shape of a ball. Borondong used as snacks and has been already commercialized since 1960. As a result of not yet understood the importance of a brand most of these products have not been pursuing a strategy of strengthening field proven brand of form very simple brand plus packaging less attractive. One basic strategy is important; at this early stage of the strategy to strengthen the brand for small business is a traditional snack do the brand audit.

This study aims to determine the objective conditions of health brands of small businesses through a traditional snack brand audit so that it can be made an appropriate business strategy for each brand business strategy for each brand.

## 2. Literature Review

### 2.1 The Process of building a brand

Internal process of brand building is the activity of the company before the brand are implemented. This research was carried out based on the perspective of the company not see the impact on the brand image perceived by consumers. The results of this study help practitioners how to handle the complexity of the business environment in brand building. A structured approach to building brands from the

internal side companies are often portrayed in a certain stage. Based on this study, there are three (3) stages to be passed, namely: 1) Brand Audit 2) Brand Identity, and then 3) Brand Position Statement. As in the model developed from the model developed by Wallstrom, Karlsson and Sangari (2008), based on empirical course of a study on the various different companies in the services sector in Sweden, which explores the process of building a brand from the internal side of the company as follows:

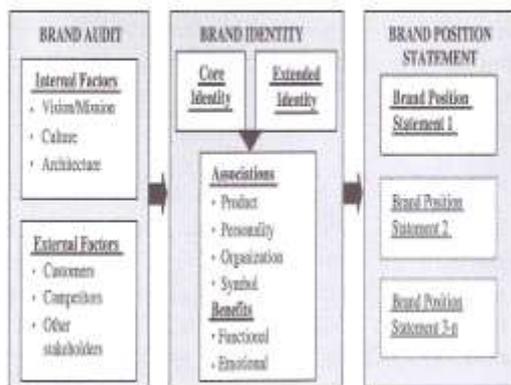


Figure 2.1 The Internal corporate brand-building process: A conceptual frame work.

1. Brand audit taking into account internal factors on the company's vision, culture and brand architecture, in an external perspective to see customers, distributors (resellers) other stakeholder. This was done to determine the objective conditions of the brand at the moment.
2. Brand Identity (Brand Identity), after conducting an audit of need identified brands identity that are forming the core and which will be developed with the aim of forming associations that are meaningful to customers
3. Brand Positioning, form a positioning statement that reflects how the brand should be seen by stakeholders and internal company, through a communi- cation strategy.

## 2.2. Brand Audit

Internal process of brand building starts with an audit of the brand which includes two important things, namely internal and external conditions. Internal conditions there are three factors to consider: the vision or mission, organizational culture, and architecture of the brand itself. On the external side there are two

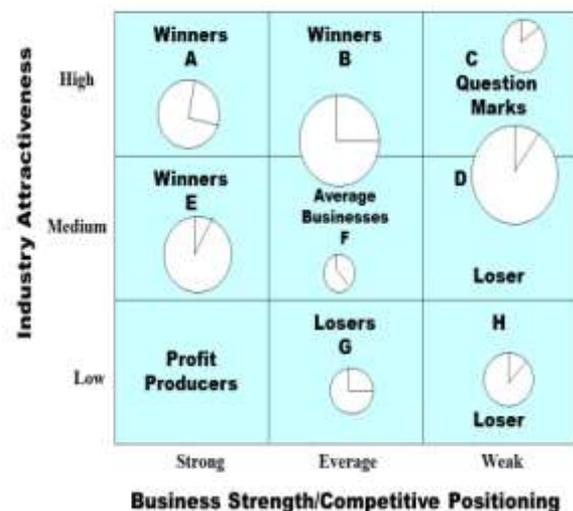
main factors to note are customers and competitors, and if necessary can be considered other stakeholders eg local government. The data obtained from the results of audits brand allows the company to understand the context and the situation when the brand will be built. In this model the brand audit results will affect the next step in the series of this process is to determine the identity of the brand (Brand Identity). According to Campbell (2002) Audit brand is an effective tool to diagnose the brand architecture firm that has entered the market. Often we find certain situations where the company's sales declined, what factors make the brand become more powerful or conversely, what the newly formed association, the association difference what should be built and raised, to solve these problems required an audit of the brand. The mergers between the internal and external condition are mapped by 9 cells matrix of electrically general developed by Hunger an Wheelen as follows:

Gambar 2.2

9 cells matrix of GE

Source: Wheelen,T.L and Hunger,J.D

General Electric's Business Screen



## 3. Methodology

### Brand Audit Analysis

Carried out brand audit based on two perspectives: internal and external dimensions and indicators revealed to be. The total samples of 262 respondents as consumers and 15 employersin the district borondong,Ibun,Majalaya. Sampling is done on a cluster random.

Table 3.1 Variable Operation for Brand Audit

Perspective Variables	Dimension	Indicators
<b>Internal, referring to the perspective of the company, such a vision, it is believed, culture, employee behavior, communication material</b>	Company	The message is quite clear and easy to understand
		The promise of a brand or company to the consumer
	Product	Superior quality products
		price advantage
		Product sales performance
	brand differentiation	The focus of the uniqueness of the brand to make
		The uniqueness of the product can be communicated clearly
		Consumers understand the uniqueness of your product
	Brand Identity	Identity has been described efforts borondong of Majalaya
		Value - value that is believed sublime businessman
	Brand Communication	Color component has solidified the brand
		The idea of the brand message
		Pictures and photos on the brand
		Appropriateness of materials and packaging design with the brand concept
The accuracy of the media used		
<b>Externally, referring to the perspective from the outside of the company such as customers, competitors, middlemen</b>	Brand Awareness	Depth know brand
		Knowing the depth of the message
		The depth of understanding the message
	Brand perception	Depth understanding of the meaning of borondong
Quality of	Brand performance	

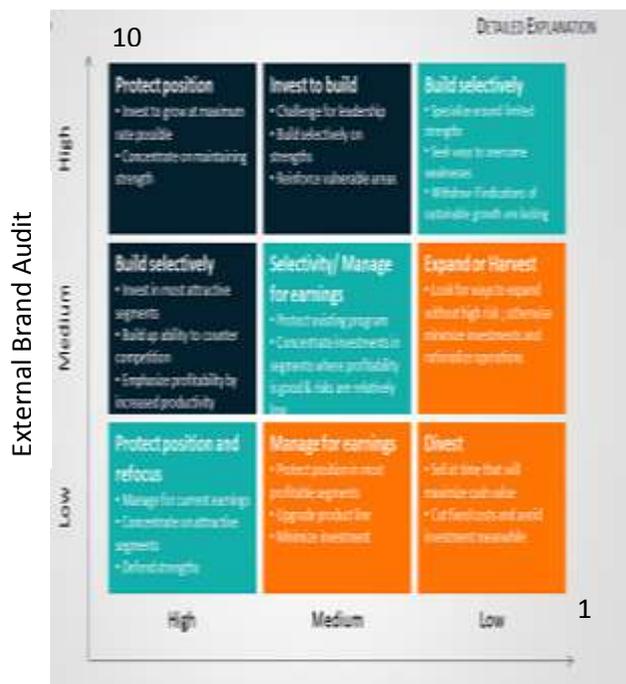
(re-seller) brand compared with and stakeholders regarding the perception of the brand, the brand message and promise of the company competitors from other brands

Source: A modification from [www.ignitiongroup.com](http://www.ignitiongroup.com) downloaded September 2014

All data that has been obtained from the results of audits brand then divided into two groups: internal and external perspectives then tabulated and searched the average score for each – each dimension then on each dimension rated rating. The rating result is then multiplied by the weighting into the score. As shown in the following table:

No	Audit dimensions	Weight
A. Internal Perspective		
1	Company	0.2
2	Product	0.25
3	Brand differentiation	0.25
4	Brand Identity	0.1
5	Brand Communication	0.2
Total		1.00
B. External Perspective		
1	Brand Awareness	0.3
2	Brand perception	0.4
3	Quality of brands	0.3
Total		1.00

Table 4.2. Weights For dimensions on Brand Audit Borondong



Internal Brand Audit

Figure 4.1

Brand and company profile strategy

Source : <http://www.mckinsey.com>, downloaded on September 2014

#### 4. Research Result

Brand Audit Borondong on Brand "Madu Rasa"

Table 4.1. Brand Audit "Madu Rasa".

	Audit Dimension	Weight	Rating	Score
<b>A. Internal Perspective</b>				
1	company	0.2	4.9	<b>0.97</b>
2	product	0.25	7.3	<b>1.82</b>
3	Brand differentiation	0.25	5.9	<b>1.46</b>
4	Brand Identity	0.1	4.3	<b>2.42</b>
5	Brand Communication	0.2	2.8	<b>2.55</b>
	<b>Total</b>	<b>1</b>		<b>9.24</b>
<b>B. External Perspective</b>				
1	brand Awareness	0.3	6.4	<b>1.92</b>
2	Brand perception	0.4	6.1	<b>2.44</b>
3	Quality brands	0.3	6.7	<b>2</b>
	<b>Total</b>	<b>1</b>		<b>6.36</b>

Table 4.2. Brand Audit Score Recapitulation

Borondong Brand	Audit	Audit
-----------------	-------	-------

Table 4.3 Resume on Brand Audit Result and the Strategic Recommendation

	Internal Score	External Score
<b>Madu Rasa</b>	9.24	6.36
<b>ARS</b>	5.32	8.9
<b>Sari manis</b>	5.24	8.03
<b>Az Zahra</b>	5.2	3.03
<b>IbuCicih</b>	5.33	5.39
<b>Madu Rasa Putra (Unbranded)</b>	5.24	6.36
<b>Rindu Rasa</b>	5.28	5.45

Then the brand audit conducted for each brand in the plot into a matrix of nine cells that can be seen in the following figure:

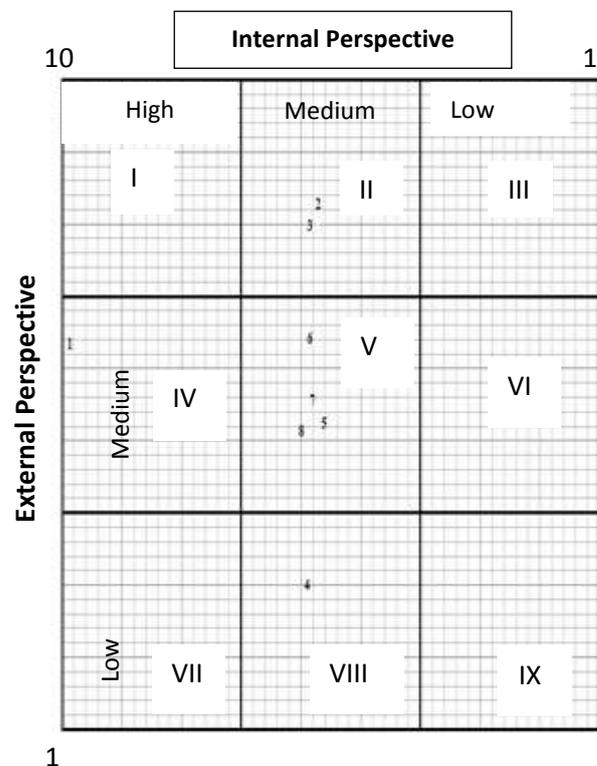


Figure 4.2. Brand profile and the Company's brand Audit results information: 1.Madu rasa. 2. ARS 3. Sari Manis. 4. Az-zahra. 5. IbuCicih. 6. Madu Rasa Putra (Unbranded).7.Rindu rasa

No	Food brands of traditional snacks	Quadrant In Brand Audit	Information	Strategic Recommendation
1	Madu Rasa	IV	Strong Internal perspective, the indicators: the purpose of the company, the brand promise, the characteristics of the product, price and product benefits, differentiation, brand identity, brand communication External perspective of medium on the indicators: awareness / recognition of the brand, the general perception, the quality of the brand.	Expansion, with selective brand building in the profitable segment. Brand communication with the right positioning strategy.
2	ARS	II	Internal perspective is medium, and strong external Perspective	Expansion through strengthened internal position with more clear differentiation against competitors. Brand communication with the right positioning strategy
3	Sari Manis	II	Internal perspective is medium, and strong external Perspective	Expansion through strengthened internal position with more clear differentiation against competitors. Brand communication with the right positioning strategy
4	Az-Zahra	VIII	Internal perspective is medium, and low external Perspective	Surviving in the existing segment, improve product quality focus to match the expectations and interests of consumers, or can switch to another more appropriate business
5	IbuCicih	V	Internal perspective is medium, and medium external Perspective	Surviving on profitable segment, improve product quality focus to match the expectations and interests of consumers. Communication strategy is to appear consumers positive desire.
6	Madu Rasa Putra (unbranded)	V	Internal perspective medium, medium external Perspective	Surviving on profitable segments, improvement in product quality to better focus on the needs of consumers, Communication on stage to introduce and understand the brand
7	Rindu rasa	V	Internal perspective medium, medium external Perspective	Surviving on profitable segments, improvement in product quality to better focus on the needs of consumers, Communication on stage to introduce and understand the brand

## 5. Conclusion

Brand Audit results with using 9 cells matrix showed almost all the brands that are in the moderate and high external perspective except the brand Az-Zahra, meaning that the business brand can still be relied upon when the employers have internal perspective medium and strong brand being. Although there are different brands

but borondong relatively similar products, there is no differentiation among the brands of products which stand out from one another. As a result, products and brands becoming generic, and consumers tend not to pay attention to the brand on the packaging.

## Recommendation

Generic product known as Majalaya Borondong, that is strong enough to be used as a master brand for all brands in the business district Ibum. Employers strongly suggested to make an effort to differentiate the product to be more unique but relevant to the requirements of their customers. Especially for brand Zahra can diversify product lines into new product for a new segment when it is difficult to increase market opportunities for the business at the moment. The next research needs to be done to determine the conduct repeated customer profiles and exact positioning of each brand on the traditional snack "borondong" as the basis of brand communication strategies.

## Reference

- Aaker, David A. 1995. *Building Strong Brands*. The Free Press: New York
- Al-Abdallah, Ghaith Mustafa, dan Abo-Rumman, Assad H. 2013. *The effect of brand Association on Customer Loyalty: Empirical Study on Mobile Device in Jordan*. American Academic and Scholarly Journal. Vol 5 No 1,
- Balakrishnan, Melodena Stephens. 2009. *Strategic Branding of destinations: a framework*. European Journal of Marketing. Vol 43 No 5/6, pp. 611-629
- Bilson Simamora. 2002. *Panduan Riset Perilaku Konsumen*. PT Gramedia Pustaka Utama, Jakarta
- Campbell, Margaret C. 2002. *Building brand equity*. 2002. International Journal of Medical Marketing. Vol 2, No 3 p 208
- Gertner, David. 2011. *Unfolding and configuring two decades of research and publications on place marketing and place branding*. Place Branding and Public Diplomacy Vol 8, 2.91-106
- Gras, Megan K. 2008. *Determining The Relationship Between Destination Brand Image And Its Components With Intention To Visit*. Thesis. Wilmington: University of North Carolina
- Harun Al Rasyid. 1995. *Teknik Penarikan Sampel dan Penyusunan Skala*. Bandung: PSIPS, Bidang Kajian Utama Sosiologi Antropologi Pasca Sarjana. UNPAD
- Hayes, D. & MacLeod, N. 2006. *Packaging Places: Designing Heritage Trails Using An Experience Economy Perspective To Maximize Visitor Engagement*. Journal of Vacation Marketing, 13(1), 45-58.
- Henderson, Joan C. 2007. *Uniquely Singapore? A case study in destination branding*. Journal of vacation marketing. Vol 13 no 3, pp 261-274
- Hosany, Sameer and David Gilbert. 2009. *Dimensions of Tourists' Emotional Experiences towards Hedonic Holiday Destinations*. Working Paper Series: School of Management, Royal Holloway University of London
- Husein Umar. 2008. *Metode Riset Bisnis*, Jakarta: PT. Gramedia Pustaka
- Keller, Kevin Lane. 2003. *Strategic Brand Management: Building, Measuring, And Managing Brand Equity*. Prentice Hall: New Jersey
- Kouris, Alexandros. 2011. *Destination Brand Strategy: The Case of Greece*.
- Kozak, M. *Destination Competitiveness Measurement: Analysis of Effective Factors and Indicators*. Diunduh 20 November, 2012 dari <http://www.sre.wu-wien.ac.at/ersa/ersaconfs/ersa99/Papers/a289.pdf>.
- Kozak, Metin and Mike Rimmington. 1999. *Measuring Tourist Destination Competitiveness: Conceptual Considerations and Empirical Findings*.

- Hospitality Management 18 (1999)  
273}283
- Rangkuti, Freddy, (2008). *The Power of Brands*.  
Jakarta: PT. Gramedia Pustaka. Utama.
- Rubicam and Young , 2000. *Brand Asset  
Valuator*, Young and Rubicam Inc,
- Ryan, Chris. 2005. *The Tourist Experience: A  
New Introduction 2<sup>nd</sup> edition*. Thomson:  
London
- Saaksjarvi, Maria and Samiee, Saeed . 2011.  
*Relationship among brand identity, brand  
image and brand preference: Differences  
between Cyber and Extension Retail  
Brands over Time*. Journal of interactive  
marketing, vol 25, pp 169-177
- Sasikala,D. 2013. *Brand Asset Valuator-  
Measuring Brand Value* . International  
Journal of social science and  
interdisciplinary research. Vol 2 (6)
- Saxena, Rajan, (2009). *Marketing Management  
4<sup>th</sup> Edition*. New Delhi: Tata  
McGraw-Hill Education
- Schmidt, Berndt H. 2010. *Customer Experience  
Management: A Revolutionary  
Approach To Connecting With Your  
Customer*. John Wiley & Sons:
- Wheelen,T.L and Hunger,J.D.2006. *Strategic  
Management and Business Policy*.10th.Pearson  
Education Inc, New Jersey

<http://www.mckinsey.com>

[http:// www.ignitiongroup.com](http://www.ignitiongroup.com)