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BRAND EXTENSIONS IN CONFECTIONARY; THE MARS DELIGHT

ABSTRACT

The concept of brand extension has been considered for several decades, drawing of work by Tauber (1981). Effective branding requires an understanding of areas such as segmentation, targeting and positioning which are critical in developing a successful brand management strategy. This research has focused on the unique nature of the highly competitive confectionery market, looking at recent brand activity by Masterfoods with emphasis on the launch of the Mars Delight, a brand extension recently launched in the UK and Ireland.

The methodology utilised both qualitative and quantitative techniques to satisfy the research objectives. Initially the core purpose of this study was to investigate the alternative brand strategies available to drive growth in the competitive UK confectionery market. However, in conducting the initial research it became apparent that a particular model used as a basis to support brand strategy development was not adequate for this highly competitive, dynamic market sector. Therefore this study strove for a better understanding of brand management with the aim of providing an updated framework to guide brand strategy. The proposed Jigsaw Brand Matrix aims to extend the existing literature on brand portfolio strategy, and is hoped that it will be a valuable contribution to marketing theory.

David Lane & Antonia Sutcliffe
Leeds Metropolitan University
Leeds
LS6 3QS
United Kingdom

Tel. +44-(0)113 2837544
E-mail: d.lane@leedsmet.ac.uk

INTRODUCTION

The basis for this study was an investigation into recent brand activity adopted by Masterfoods following communication with brand and product managers and the Irish launch of the Mars Delight bar prior to its' UK launch. Masterfoods is a prime example of a company with an extensive portfolio of brands, including the Mars bar, which is part of our popular heritage. After extensive research and interaction with the company it was identified that the company throughout the last decade have adopted several extension strategies on their core brand the Mars bar. It was apparent that due to the intensely competitive nature of the confectionery market that extension strategies are necessary in order to extend the life of a brand and drive growth in this sector. "There has been little innovation this year with most new product development driven by new packaging and brand extension" (The Grocer, 2003; 47). It is clear that an extension strategy is increasingly popular within the confectionery market in comparison to new product launches and that all manufacturers seem to be following the same strategy.

The authors used the recently launched Mars Delight (extension of the Mars bar) product for both primary and secondary research to verify and corroborate any new conceptualisation of brand extension management. The Mars Delight brand was used to exemplify the competitive dynamics of a brand extension in a fast moving consumer goods market (Keynote, 2005), i.e. in the UK chocolate confectionery market. It is clear that the management of brands in isolation has slowly been replaced with brand portfolio management where an integrated management procedure is adopted to manage several brands (Kotler et al; 1996), covering a range of issues (Aaker, 1990; Kapferer, 1991; Keller, 2003). However, recent research into brand extension and brand associations has become one of the most significant topics in branding research in the 1990's (Grime et al, 2002) as brand managers seek to utilise brand extension for relative lower-cost brand launches as these build on already established brand equity and present almost immediate consumer awareness, simple market entry and transferable customer perceptions from the parent brand. However, potential effects of cannibalisation of the parent brand need to be considered as simple brand extension may not always be the holy grail it first appears.

The objectives of this study can be summarised as:

- To explore alternative brand strategies which could be successfully adopted in the mature UK confectionery market.
- To determine from the extant literature review whether existing conceptual tools on brand extension strategy are effective when utilised on the unique and dynamic nature of the UK confectionery market
- To examine and provide an overview of the unique and dynamic nature of the UK confectionery marketplace
- To examine consumer evaluations and perceptions of the Mars Delight brand extension in relation to the parent brand, the Mars bar
- To determine whether gender and age affects perceptions and attitudes towards diet and snacking, with a particular emphasis on perceptions of the Mars Delight

There is considerable evidence for the shortening of the product and brand life cycle in the confectionery market. To some extent this is a factor of the intense competition in the marketplace which means that new products have to prove themselves very quickly or be de-listed. We are already seeing the launch of products that are promoted as limited editions and are designed for a short life especially in the chocolate confectionery market, for example Limited Edition Mars Midnight which is a dark chocolate variant of the Mars bar. This is particularly important in the impulse market where new product development and associated promotional activity are crucial in driving visibility at point-of-sale. Short life-cycle products will require quick payback. Successful brands of this sort will make profits and then disappear or be quickly updated and reinvented.

Although brands and branding are not new ideas, the role of brands and brand extensions is becoming paramount within the plethora of confectionary availability. Cadbury, Masterfoods and Nestle Rowntree dominate the chocolate confectionery market, and in all cases it is clear that branding is their key strategic tool and is a major driver of consumer purchase with their focus on the brand, design and symbols associated with these brands (O'Malley, 1991). These brands also incorporate Kotler's 6 levels of meaning (2000) of attributes, benefits, values, culture, personality and the user, with the concept of sensory branding forming an important component of their activities. Successful branding requires a strategic perspective (de Chernatony, 1998) and a strong brand should have a rich and clear brand identity – a set of associations the brand strategist seeks to create or maintain. This was the basis for the re-branding of Cadbury's chocolate bars in the summer of 2004 to centre around the Cadbury's Dairy Milk brand with associated brand extensions. This meant the withdrawal of existing brands such as Cadbury's Wispa to ensure corporate brand fit.

This study deals with companies with powerful brands which have high brand equity. It is the relationship between customers and brands which produced the term 'brand equity' in marketing literature. Brand equity can be defined as "the set of associations and behaviours on the part of a brand's customers, channel members, and parent corporation that permits the brand to earn greater volume or greater margins than it could without the brand name and that gives the brand a strong, sustainable, and differential advantage over competitors" (Marketing Science Institute, 1988 in Chay, 1991; p. 30). The three major players in the chocolate confectionery market all possess high brand equity as their consumers have positive associations related to the brand name. It is clear that when looking at the chocolate confectionery from a brand perspective it is a very competitive sector with the three major players investing heavily in research and development in order to maintain and try to grow their competitive position. Branding is a complex tool and there are a range of strategies available to both compete and achieve growth in a competitive market-place. Tauber's Growth Matrix (1981) indicates four main choices that a company has when it comes to brand strategy, which will be further investigated in this study.

FIGURE 1 – ADAPTED TAUBER'S GROWTH MATRIX (1981)

		PRODUCT CATEGORY	
		NEW	EXISTING
BRAND NAME	NEW	NEW BRAND	MULTI-BRANDS
	CURRENT	BRAND EXTENSION	LINE EXTENSION

NOTE: Tauber uses the term 'new product' where we have used 'new brand', and 'franchise extension', where we have used 'brand extension'.

As seen in the growth matrix above Tauber categorises a firm's growth opportunities using two dimensions; product category, and brand name, with a key distinction between brand extension and line extension. Due to the high development and growth cost of a brand, extending an existing brand is perceived as a lower-risk branding approach (Economist, 1991; Tauber, 1981; McWilliam, 1993). Although line extensions are by far the most popular way of introducing new products (Green and Krieger, 1987), most of today's brand activity is focused on brand extensions (Doyle,

2002). However, this carries the risk of cannibalisation of the major brand. The latter effect of extension to a company tends not to occur too prevalently for the key players in the chocolate confectionery market due to the strong brand equity they have already acquired and the nature of the market. An example is the launch of the Mars Delight in Ireland, where Masterfoods maintained growth on the standard Mars bar (parent brand), whilst building Mars Delight in its own right (Masterfoods, 2003). In line with Tauber's (1981) a brand extension involves using an established name as an entry point into a new category. A key example of brand extension (as defined by Tauber) in the chocolate confectionery is the launch of the Mars Ice Cream which was launched in 1989 by Mars Confectionery as they were then known, in competition with the two existing major suppliers, Birds Eye Wall's and J Lyons & Co (Lyons). This brand extension of the best selling Mars bar was widely seen as a major innovation within the food retailing industry because for the first time it was an ice cream product made with both real chocolate and dairy ice cream. Before long Mars Confectionery, realised the enormous potential of such an initiative and Snickers, Twix and Galaxy were joining the ice cream Mars bar in the freezer scene. This brand strategy adopted by Mars is a key example of a large company with an extensive and established portfolio of brands attempting to drive growth in a highly competitive market. However Masterfoods are not the only ones adopting brand extensions with Cadbury extending its Dairy Milk brand into ice cream also with the launch of three new variants; chocolate, shortcake biscuit and caramel (The Grocer, 2004).

An alternative branding strategy that can be used is line extension which can offer many benefits as a form of product development as it requires limited resources, has a relatively quick introduction pace and is relatively low-risk (Samli et al, 2000). In today's confectionery market where competition is high and variety is demanded this is an option (Guiltinan, 1993; Datta, 1996), with opportunistic activity in confectionery occurring (Samli & Weber, 2000). In the chocolate confectionery market line extensions are used frequently, even on mature products such as the Kit Kat produced by Nestlé. Kit Kat is the UK's best-selling chocolate bar and in the late 1990's continued to be the Number one confectionery brand, however volume sales were falling due to changing consumer tastes, therefore Nestle in 1999 decided to extend the line and develop a new product extension to complement the existing four-finger Kit Kat. Although the four-finger Kit Kat continued to be highly popular with its core target of 25-40 year olds, younger customers were selecting other 'bar'-type snacks; a single-finger Kit Kat Chunky was the resulting product which provided an opportunistic line extension and raised interest in the Kit Kat brand as a whole.

The third opportunity is that of a multibrand using more than one brand in a product category (Kotler, 2002). This offers a method of segmentation within a particular category, although it is vital to manage these flanking brands and their relationship with the parent brand (Keller; 2003). Launching a new brand is the final strategy in Tauber's matrix. In the chocolate confectionery market there has been much activity with new brand launches such as the Cadbury Dream and Nestle Double Cream. In addition to the launch of Cadbury Dream which is aimed at adults the bar has also been extended with the launch of Cadbury Dream Cake Bars and in New Zealand tests are being carried out on an Almond Biscotti Dream bar which combines white chocolate with nuts and biscuit. However extensions (either successful or unsuccessful) may potentially dilute the equity built up by the brand (Aaker, 1990) and cannibalisation of the parent brand could occur as a result.

THE CONFECTIONARY MARKET

Confectionery is one of the most dynamic and innovative sectors in the UK food industry and it comprises of two main sectors: chocolate confectionery and sugar confectionery. The UK confectionery market has grown at an average of +1% per annum over the past 5 years, however within the overall confectionery market different sectors have grown at different rates. The gum sector, which includes chewing and bubble gums is the fastest growing sector with an average annual growth of +8% between 1998 and 2003. Over the same time period sugar confectionery has

grown at around +2% per annum and the largest sector which is chocolate confectionery, has only grown at 0.1%. This research has focused on the chocolate confectionery market which accounts for approximately two-thirds of the total confectionery market, being worth close to 3.6 billion pounds out of the total confectionery market worth of nearly 5.4 billion pounds. (Euromonitor, 2003). The chocolate confectionery market principally involves products that contain either real chocolate or a chocolate compound containing substitute ingredients such as cocoa butter extenders. The UK chocolate market is largely consolidated, with a high level of brand recognition. Cadbury, Mars (Masterfoods) and Nestle dominate the chocolate confectionery market, these multinational companies trade globally, with strong brand images and a wide portfolio of confectionery products. The major players invest heavily in branding and promotional activities every year, while smaller brands rely on availability and appropriate pricing for retail sales. It is clear that brand and line extensions are of great significance to the key players in the chocolate confectionery market as “all manufacturers seem to be following the same strategy” (The Grocer, 2003; 47). The key growth drivers of the market are a snacking and grazing culture, ease of access and availability of confectionery products. In addition to this with the recent breakdown of formal meals, consumers are increasingly tending to eat a number of smaller snacks during the day rather than three full meals. Furthermore, in an increasingly 'cash-rich time-poor' society, there is growing demand for snacks that are easy to buy, store and eat, with an increasing number being eaten 'on the move'. Confectionery sales are driven by impulse purchasers and, the market is therefore highly dependent on branding – especially in the chocolate confectionery sector.

THE MARS DELIGHT

A major influence on recent changing consumer requirements in the chocolate confectionery market are the “health concerns over weight problems associated with sugary and fatty foods which have turned consumers away from the traditional heavy “countlines” such as the Mars bar towards lighter alternatives (Marketing Week, 2003). The key players in the chocolate confectionery market in response to this health issue are in the process of developing lighter products or healthier alternatives such as Masterfoods who have launched Mars Delight. The Mars Delight product is a combination of ripple wafer, surrounded by nougat and caramel cream and Louise Ryan, Marketing Manager, Masterfoods' says the “Mars Delight offers a new taste experience for those who love the unique taste of Mars” and is expected to appeal more to the female consumer as it is a much lighter texture than the Mars bar countline (Retail News, 2003). Mars Delight is the latest in a series of offshoots from the Mars bar brand in order to grow in this highly competitive and mature chocolate confectionery market. Throughout this study it has been a difficult task in categorising the particular brand strategy adopted on particular chocolate confectionery items when utilising Tauber's Matrix. The Mars Delight is a key example as it cannot be classed as a definite multibrand, brand extension or line extension but it is related to its parent in terms of brand name and product category. The Mars Delight is in between being categorised as a multibrand and line extension, with the key recommendation being a development of Tauber's matrix.

RESEARCH METHODOLOGY

It was decided to utilise both primary and secondary research in order to achieve the objectives set using a combination of qualitative and quantitative techniques. There is strong suggestion within the research community that research, both quantitative and qualitative, is best thought of as complimentary and should therefore be mixed in research of many kinds, which influenced me to utilise both types. Bateson (1988) cites that an integrative approach to primary research is required to gain a holistic picture and overview of the research objectives being studied. To achieve the research objectives the use of focus groups has been identified due to the simultaneous involvement of a number of respondents in the research process to generate the data. The distinguishing feature

of focus groups is the explicit use of the group interaction to produce data and insights that might be less accessible without the interaction found in the group (Morgan, 1988).

FOCUS GROUPS – TESTING THE MARS DELIGHT

For the research on the Mars Delight a combination of qualitative focus groups are being combined with quantitative data to answer the key objectives which is to compare the Mars Delight with its parent brand. The five focus groups consisted of females between 18 and 24 years old who are the target market for the product, as identified by Masterfoods. The aim was to establish the groups' opinions on snacking, chocolate and brands with the principal objective of finding out their reactions, perceptions and overall acceptance of the new Mars Delight bar in comparison to its parent brand the Mars bar. The aim is to test their perceptions of the parent brand together with evaluations of both products and the degree of "fit" between the extension and parent brands. The level or degree of fit between the two products and their different evaluations was examined by product testing and score sheets. The key points raised were:

- What type of snacks are preferred by the group
- The reasons for snacking
- Frequency of snacking
- The groups attitudes towards chocolate and the various brands
- Which products and formats of chocolate were preferred by members of the group and why?
- What attributes the group look for when purchasing snacks or more specifically a chocolate snack.

The group were provided with a score sheet which had several positive statements about the bar, in which they were asked to grade from 1 to 7 depending on the extent they agreed or disagreed. The group were asked about their opinions on the texture, taste, size, contents, packaging etc. of the bar which would then be compared to the Mars Delight with the same questions being asked. The test on the Mars Delight was first on the groups presumptions of the new product by showing them a photo of the packaging followed by a tasting session identical to the one undertaken on its' parent brand (the Mars bar). The aim of comparing the two sample sessions was to see if the Mars Delight appealed to females aged between 18-25 more than the Mars bar.

QUANTITATIVE RESEARCH

For the purpose of this study it was decided to utilise questionnaires as a quantitative research methodology to complement the qualitative focus groups. For this questionnaire it was decided that rating scales would be used which are a form of multiple-choice questions. These are widely used in attitude measurement, motivational research and in situations where a number of complex, interacting factors are likely to influence a situation. The questionnaires were targeted at both male and female adults selected through a convenience random sample totalling 250 individuals; 125 male and 125 female.

The questionnaire was designed to obtain data on the demographics of each respondent, and measured perceptions, opinions and attitudes towards their snacking habits and their diet. The second half of the questionnaire took the form of likert summated ratings with statements in which the subjects graded on a seven-point scale according to whether they agreed or disagreed. The results would then be analysed looking at the different responses by age and sex which could then be compared and conclusions could be made.

ANALYSIS OF QUESTIONNAIRES

The questionnaire was then analysed using a T-Test, one-way Anova procedure tests the significance of the difference between two sample means. The test will show the significant levels of the mean differences between males and females and between different age groups. To further evaluate primary research, company data provided by Masterfoods was used in combination with The Grocer and Marketing Week.

FINDINGS - QUESTIONNAIRE RESULTS

INDEPENDENT T TEST

In terms of responses, the data collected reflected an equal split between male and female respondents and allowed detailed statistical analysis. The Independent T Test procedure has shown the statements where there is significance between the two sample means.

I NORMALLY LOOK FOR PRODUCTS WHICH ARE OF LOW CALORIE VALUE:

The mean for females (2.99) and for male (2.15) indicates that females look for products which are of low calorific value compared to males. This difference has been shown to be significant by an Independent-Samples T Test which gave a Sig. (2-tailed) value of **0.08**. The average mean value for females was **3** whereas for males was **2.2**.

I NORMALLY LOOK FOR PRODUCTS WHICH ARE LOWER IN FAT VALUE:

The mean figure for females (3.03) and for males (2.05) indicates that females look for products that are lower in fat content in comparison to males. This difference has been shown to be significant by an Independent-Samples T Test which gave a Sig. (2-tailed) value **0.01**. The average mean value for females was **3** and for males **2**.

I ENJOY 'LIGHTER' SNACK PRODUCTS:

The mean for females (3.40) and males (2.55) shows that females enjoy 'lighter' snack products more than males. This difference has been shown to be significant by an Independent-Samples T Test which gave a Sig. (2-tailed) value of **.001**. The average mean value for females was **3.4** and for males **2.6**.

I THINK IT'S IMPORTANT TO EAT A HEALTHY DIET:

The female mean (4.30) and male mean (3.65) shows that there is a significant difference between males and females regarding the importance of eating a healthy diet. The significant difference has been shown by an Independent-Samples T Test which gave a Sig. (2-tailed) value of **.003**. The average mean value for females is **4.3** and for males **3.7**.

I AM CONCERNED ABOUT THE FAT CONTENT IN FOODS:

The female mean (3.73) and male means (2.60) indicates that females are more concerned about the fat content in foods than males. A Sig. (2-tailed) value of **.000** was found by the Independent-Samples T-Test which indicates there is a significant difference between the two sexes. The average mean for females was **3.7** and **2.6** for males.

I TRY TO EAT 'HEALTHILY' BUT FIND IT DIFFICULT:

The mean figure for the females (3.25) and for male (3.90) shows that more females than males agree with the statement "I try to eat 'healthily' but find it difficult. The Independent-Samples T-Test shows a Sig. (2-tailed) value of **.018** which indicates there is a significant difference between the two sexes when responding to the statement. The average mean for females was **3.25** and for males **3.9**.

I ALWAYS EAT WHAT I WANT WHEN I WANT:

These figures of female mean (3.10) and male mean (3.75) show males tend to eat what they want, when they want indicating they are not particularly concerned about their diet in contrast to females. The Independent-Samples T-Test shows a Sig. (2-tailed) value of **.011** which indicates there is a significant difference between the two sexes. The average mean for females was **3.1** and for males **3.8**.

I TRY TO CHOOSE ‘LIGHTER’ LOWER CALORIE SNACKS:

The means for females (3.20) and males (2.40) indicates that females are more interested and try to choose ‘lighter’ lower calorie snacks than males. The significant difference has been shown by an Independent-Samples T Test which gave a Sig. (2-tailed) value of **.007**. The average mean value for females is **3.2** and for males **2.4**.

I AM NOT WORRIED ABOUT HEALTHY EATING:

Here the female mean (2.20) and male mean (2.75) shows more females are worried about healthy eating than males. The Independent T-Test showed that there was a significant differences between the two sexes with a Sig. (2-tailed) value of **.029**. The mean value for males was **2.8** and for females **2.2**.

I CHOOSE SNACKS THAT I FANCY NOT BECAUSE OF NUTRITIONAL CONTENT:

The female mean (3.20) and male mean (3.80) shows that nutritional content is important when choosing a snack to females in contrast to males who choose snacks because they just fancy it. The Independent-Samples T Test showed that there was a significant difference between the two sexes with a Sig. (2-tailed) value of **.024**. The mean value of males showed **3.8** and for females **3.2**.

I WOULD NEVER PURCHASE HIGH CALORIE PRODUCTS:

The female mean (2.70) and male mean (2.15) demonstrate that males are more likely to purchase food that are of high calorific value. The Independent-Samples T Test showed that there was a significant difference between the two sexes with a Sig. (2-tailed) value of **.030**. The mean value of males showed **2.15** and for females **2.17**.

ONE-WAY ANOVA

The application of the One Way ANOVA showed that significant differences exist between the age groups for the following 3 perceptions:

- I am concerned about the fat content in foods
- I am not worried about healthy eating
- I would never purchase high calorie products

The One Way ANOVA test does not indicate “within group” differences, which in this study the aim is to find differences between the three different age groups regarding their answers to questions 6, 7 and 9 of the study. The ANOVA Contrast test was conducted to give a more in depth picture of “within group” differences.

I AM CONCERNED ABOUT THE FAT CONTENT IN FOOD:

CONTRAST 1: ANOVA Contrast test was conducted to see if there was a significant difference between 27-30 year olds and 22-26 year olds regarding their response to the question regarding their concern about the fat content in food. The results showed a significant difference of **0.19**. Therefore from my quantitative research using questionnaires, it appears that 27-30 year olds seem to be more concerned about the fat content in foods than 22-26 year olds.

CONTRAST 2: ANOVA Contrast test was then conducted between 27-30 year olds and 18-22 year olds which showed there was not a significant difference between the two groups with Sig. **.146**. These results show that although there is a difference between 27-30 year olds and 18-22 year olds it is not significant therefore the difference could purely be due to chance.

I AM NOT WORRIED ABOUT HEALTHY EATING:

CONTRAST 1: ANOVA Contrast test was conducted to see if there was a significant difference between 18-21 year olds and 27-30 in response to whether or not they are worried about healthy eating. A significant difference value of **.178** was the result. This indicates that this difference between the two age groups could possibly be due to chance as the significant value was more than 0.5.

CONTRAST 2: The test between 22-26 year olds and 27-30 year olds also showed a significant difference with the value **.002**. These ANOVA Contrast results indicate that more 27-30 year olds worry about healthy than 22-26 year olds and that these results are not due to chance.

I WOULD NEVER PURCHASE HIGH CALORIE PRODUCTS:

CONTRAST 1: ANOVA contrast test carried out on 22-26 year olds and 27-30 year olds regarding the fact they would not buy high calorie products showed there was not a significant difference between the two age groups. The non-significant value was shown to be **.008**. The results indicate that there is not a significant difference between the two age groups in response to the question and that the difference may be down to chance.

CONTRAST 2: ANOVA Contrast test was then carried out on 18-21 year olds and 22-26 year olds which did show a significant difference with **.001** as the value. This shows that 18-21 year olds are less likely to purchase high calorific foods in contrast to people in the 22-26 year old age group, and that these results are not purely down to chance.

KEY POINTS & FINDINGS FROM FOCUS GROUP ACTIVITY

The key themes that have emerged from both the qualitative and quantitative sections of the focus group are essentially two-fold:

The Mars Delight was perceived as a female alternative to the Mars bar parent product primarily due to its positioning (Eurofood, 2002), but also its packaging, two piece format, texture and size. The word 'Delight' achieved the desired affect because the group instantly assumed the product would be 'light' and perhaps lower calorie even before given the opportunity to sample the product (i.e. during the pre-trial session of the focus group when group was presented a photo image of the Mars Delight). The fact the Mars Delight was perceived as a 'lighter' alternative to the Mars bar is a major factor when considering its positioning, as it proved popular with all the female respondents. Therefore the results show that the Mars Delight would perhaps be more successful being positioned as a female alternative in contrast to its parent brand which 'seems' to have a more generic appeal for males. The second theme that can be concluded from the focus group results is the contrast between the parent brand (Mars bar), and the Mars Delight. It seems the greater the perceived contrast with the parent brand the more favourable the perceptions of the Mars Delight brand. The respondents confirmed this as they showed an instant dislike to the Mars bar but found the Mars Delight much more favourable.

The Independent T-Test was conducted to test whether gender perceptions and opinions regarding diet and snacking are different with the T-Test showing that there is a significant difference

between gender regarding their attitudes towards lighter healthy snacks. The results from the questionnaires showed that females are more concerned about their diet than males. It is particularly significant that more females would prefer lighter, low calorie products and are particularly conscious about healthy eating and nutritional content in their snacks. The final statement relating to the Mars Delight indicates that more females would be keen to sample a lighter version of the Mars bar which justifies the new bar being positioned as a lighter female alternative to its parent. Clearly, this shows that Mars Delight's current positioning to females was the right brand management choice.

The second test carried out was the One-Way ANOVA which indicated that significant differences exist between the three age groups for the following perceptions:

- I am concerned about the fat contents in foods
- I am not worried about healthy eating
- I would never purchase high calorie foods

The results showed that the older age group of 27-30 show more concern about fat content and healthy eating than the younger age group of 22-26 year olds. In addition the results indicated that the 27-30 age group are less likely to purchase high calorie foods than the 22-26 year olds. It appears that the oldest age group are more sensitive than the two younger age groups to healthy eating. Therefore, the Mars Delight, could be targeted specifically at the older age group of 27-30 year olds, drawing other age groups as an additional response.

Clearly, Mars Delight current positioning strategy is justified; in the target segments are appropriate for this product. The diagram in chapter two reminds the reader of the pathways from segmentation to positioning. We have only explored two segmentation criteria variables (gender/age); however, various other demographic and socio-graphic variables could be incorporated in a more in depth study into the relationships between perceptions of confectionary purchasing habits and family structure or even psycho-graphic variables such as personality and confectionery preferences. Clearly, the challenge is to integrate any segmentation strategy with the positioning of the new brand extension. What this study shows is the utility of segmentation in brand extension management.

CRITICISMS OF TAUBER'S MATRIX

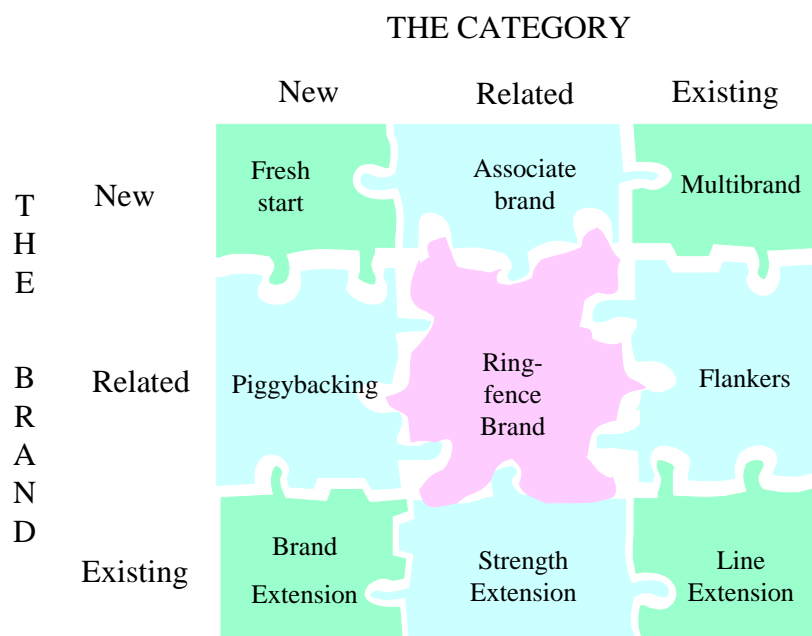
As discussed earlier Tauber categorises a company's growth opportunities using two dimensions: product category and brand name, with a key distinction between brand extension and line extension. We have found throughout the research, especially on confectionery brand strategies, that many extensions cannot be categorised as a definite line extension, brand extension or multibrand, some can have elements of each. It is evident that definitions and classifications are quite clear in theory but the boundaries are definitely less clear in practice. It could be questioned whether Tauber's matrix could be divided further into more specific categories; for instance more applicable to different industry contexts such as the confectionery market. The crossover between segments and use of multiple line extensions create significant difficulty in application to Tauber. Throughout the study it has been a difficult task when deciding the specific strategy that has been adopted when using Tauber's matrix. In addition a survey of the trade and academic literature reveals that each concept has been given a variety of definitions and that the terms are often used interchangeably. In the trade press, for example, the launch of flavours by the premium ice-cream brand Haagen Daaz (i.e. same brand, same category) was labelled the brand's first "brand extension" (Dwek, 1993). In contrast, the launch of Procter & Gamble's Oil of Ulay Hydra-Gel, a moisturizer like the original range of product's (i.e. also same brand, same category) was labelled a "line extension". It is clear that brand strategy cannot be divided into four distinct boxes like

Taubers' matrix with existing and new product category and brand name. There are definitely grey areas and a suggestion would be to perhaps have nine boxes adding an area for related product categories and brand name. An adapted model is presented in the discussion section as it combines the gaps and grey areas from both the literature review and this studies primary research.

ADAPTATION OF TAUBER’S MATRIX (1982)

Tauber’s matrix (1982) has been used throughout this study on confectionery and branding, however in today’s competitive environment it is clear that brand strategy cannot be categorised in four distinct boxes. This is evident from the restrictions that Tauber’s model places on the brand researcher when exploring, for instance brand sub-categories and crossovers between brand categories. This therefore led to a re-evaluation in conceptualising a working branding matrix, which could guide future researchers in evaluating brand extension work more easily with the conclusion that Tauber’s current growth matrix is inadequate for brand extension researchers.

FIGURE 2 – JIGSAW BRAND MATRIX



The adaptation of Tauber’s Matrix includes five additional categories for brand strategy to formulate the ‘Jigsaw Brand Matrix’. The two dimensions of product category and brand name have been kept the same for my adaptation, however we have introduced relatedness into the equation. Throughout the research it is evident that particular brand strategies, adopted by the key players in terms of product category are neither existing or new but they can be classed as related. In addition a company may also choose to use a related brand name not the exact name of the parent. The most important area of the adapted matrix is the middle, termed a ‘Ring-fence brand’; a brand introduced in a related product category with a related brand name. The ring-fence brand also has elements of the peripheral brand strategy options around it. A key example of a ring-fence brand in line with Jigsaw Brand Matrix is the Mars Delight which was the focus of the primary research on Masterfoods. The Mars Delight can be seen as a product in a related product category to the parent brand (Mars bar) as it is still a chocolate bar, and has similar attributes which enables the brand to stretch and target alternative consumer segments. We have concluded from our primary research using focus groups and questionnaires that the Mars Delight should be positioned as a lighter version of the parent, targeting females and that the use of the related brand name ‘Mars

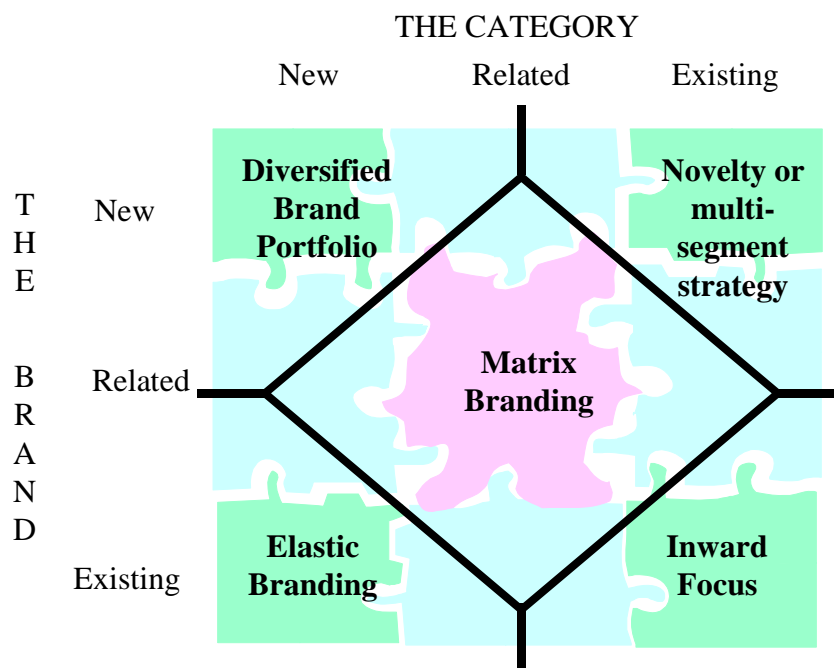
Delight' distances it from its parent without diminishing the positive association and strong brand equity of the parent (The Times, 2004).

In line with the Jigsaw Brand Matrix there are four additional growth options which are:

- **PIGGYBACKING** – ‘A strategy when a product enters a new product category with a related brand name, the related brand name is used as a launch pad into the new category’.
- **SIDE-KICK** – ‘A strategy involving the launch of a product in a related product category, with a new brand name, therefore the new product works side by side with its parent and can extend to new consumer segments’.
- **STRENGTH EXTENSION** – ‘A strategy using an existing brand name in a related product category in order to capitalise and strengthen the parent brand’.
- **FLANKER** – ‘A product with a related brand name in an existing product category which can fight for a focused niche within its parents category’

As this study is focused around confectionery we have use recent product extensions and launches in this market to demonstrate and provide further understanding to how this adapted Matrix works. The lack of theory on brand strategy and the options available for growth (Grime et al, 2002), has provided an ideal opportunity to re-evaluate and adapt Tauber’s Matrix, drawing on the research examining the confectionary market which has undergone rapid re-branding, re-packaging and re-positioning in recent years (Keynote, 2005).

FIGURE 3 - STRATEGIC DIRECTIONS USING THE JIGSAW BRAND MODEL



Utilising the adaptation of Tauber’s (1981) model provides an opportunity to further develop strategic branding directions. These take five different routes:

- **MATRIX BRANDING** - this strategic direction utilises elements of brand and category extension without adopting a fully diversified or multi-branding category approach.
- **DIVERSIFIED BRANDING** - This approach creates a range of unrelated brands in partly related and unrelated segments which is an extremely risky strategy to adopt, due to lack of expertise and knowledge in the specific segment.
- **ELASTIC BRANDING** - This involves developing a wide range of related and unrelated product extensions centred around the core brand name.

- **FOCUS STRATEGY** - The development of any product or service centred around the existing core brand and category. It involves any line extension or brand development being allies to the core product or service.
- **MULTI-BRANDING STRATEGY** - The frequent development of new brands focused on the companies' core product category.

The recommendations are essentially three in nature; firstly, to empirically validate the proposed modified Tauber's Matrix within the confectionery market, secondly to test its portability in various other commercial branding contexts and thirdly to incorporate brand management with basic and complex segmentation criteria such as demographics and socio-graphics. Indeed, it is commonly accepted that the practical usefulness of extension research, is vital to carry out further replication studies to verify the key concepts and whether they hold true across different consumer segments, product categories and industries (Lynch; 1989). The literature on branding is replete with studies on 'brand personality' (e.g. Aaker, 1997; Jones et al; 1997). De Chernatony and Rowley (1986) recognise the value of brand personality as a key differentiation tool and further more Diel (1993) recognises brand personalities utility as a central driver of consumer preference and usage. There is a clear lack of research into effects and the management of brand extensions and their relationship even with brand personality. For instance, further research into this area would be required to assess the relationship of the brand extension with brand personality. The Jigsaw Brand Matrix certainly provides a useful conceptual framework in order to guide further researchers in synthesising the currently disjointed and fragmented work on branding in strategies in general.

LIMITATIONS

As with any study there are limitations. This study assumes a sector specific position i.e. confectionery, if product concentration was not an issue we would have liked to test the portability of the Jigsaw Brand Matrix on various other industry contexts to add more validity to the model presented in the research. A greater number of focus groups or expanding focus groups to include the male non-target population for Masterfoods would generate a greater number of testable hypotheses and their validation or rejection, as would a wider sample population for questionnaires. Indeed, Grime et al (2002) also recognises that the 'literature review revealed a lack of clear distinction between different dimensions of fit' (Grime et al; 2002; p.1423). They do not, however propose a conceptual framework to fill this gap in the literature. A structured empirical investigation using a number of focus groups combined with quantitative data could solve some of these issues of further verification of the model.

CONCLUSION

The research strives for a better understanding of brand management of confectionary products. The proposed Jigsaw Brand Matrix extends the existing literature on brand portfolio strategy and is verified by the author's primary research; in particular the focus group analysis. The focus group results indicate that perceptions of different brand categories are vague to say the least; and this is supported by the extensive literature which refers to various brand sub-sets in terms which overlap and are often used to signify distinct categories but in other places are used to indicate synonymy. The quantitative research suggests that brand positioning is intrinsically linked with segmentation and any brand manager should incorporate segmentation into brand management. It, therefore, raises issues for further research by combining research on brand extension and brand personality positioning. Differences in gender and differences in age were shown to be positive discriminators of perceptions influencing confectionary decision-making. Hall (1992) stipulates that the way most companies manage and utilise their brand portfolios is often driven more by company tradition and policy rather than by the consumer. This study shows there are high risks linked to taking such an approach to the important and complex area of strategy development. Qualitative and quantitative

research have much to offer the brand manager in managing his/her brand extension. This study shows that brand management of a brand extension product in isolation must be viewed in combination with other brands; in this case with the parent brand. The quantitative research further shows that those consumers that have tried the parent brand before have more favourable perceptions than those that have not done so; clearly, exposure precedes further positive reinforcement of the brand.

Brand extension management, in conclusion, is not a simple management procedure but must take into consideration the parent brand and other related brands as well as view perceptions against the back drop of a segmentation criteria which can guide the brand personality positioning towards the desired marketing objectives.

Throughout this project regular contact has been maintained with Alison Robb who is involved in Product Development at Masterfoods, and Fiona Downie who is the Strategic Planning Manager at Masterfoods. Indications are that the new model will be utilised for further research and verification of current brand extension management practice. In this study basic segmentation criteria; gender and age; were posited as positive predictors of positive confectionary purchase behaviour. This has already confirmed and verified Mars original positioning of the Mars Delight product as a product for the 'health conscious female consumer'. Hence, a greater number of females had already tried the Mars Delight compared to males. The questionnaire employed utilised question batteries which assessed perceptions of positive confectionary purchase behaviour amongst other things. It is vital for any confectionary marketers to be aware of perceptions of industry wide issues as well as organisational, i.e. Branding in this case, issues to gain a more holistic picture of the brand within the confectionary sector.

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