

**Model: Brand types and extension possibilities**

Type of model: Brand model (structure model)  
 Author(s): Jean-Noël Kapferer  
 Domain: Brand stretching

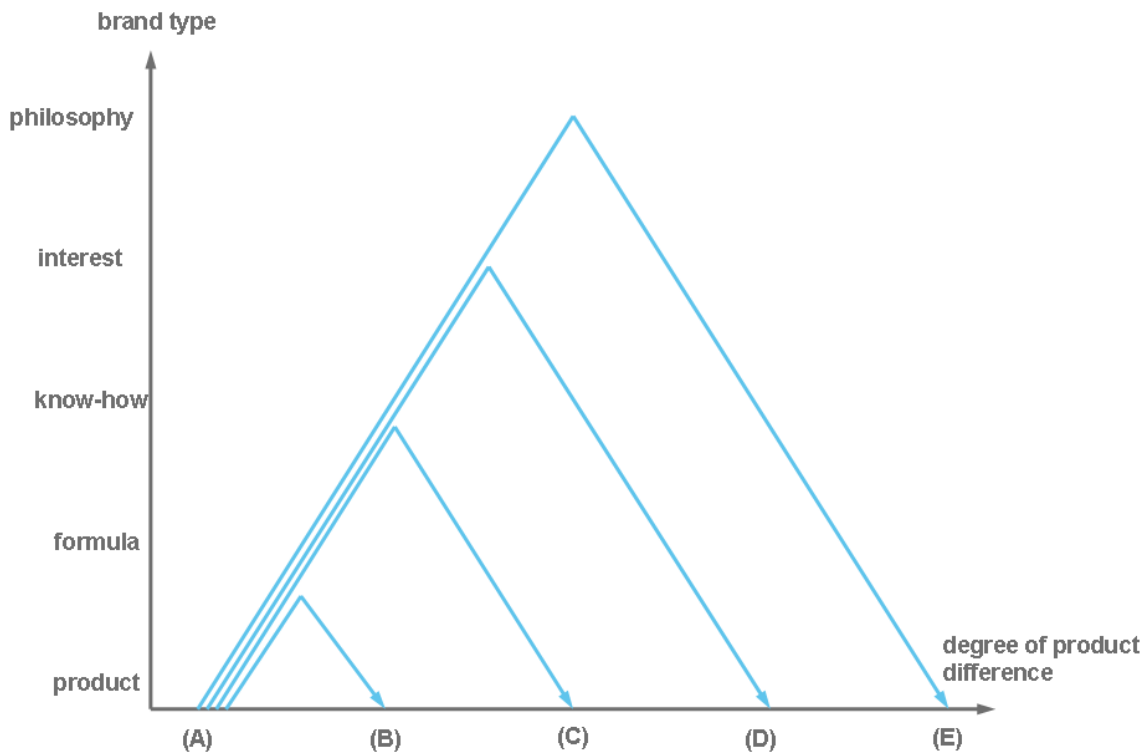


Figure 1: Kapferer’s ‘Brand types and extension possibilities’.

Brand extensions are a popular form of innovation. But not every brand lends itself for brand extensions, meaning that not all brands will be successful in their extension efforts. Kapferer developed a model mapping the boundaries of the scope of extension possibilities. In this model, brand meaning is a decisive factor for the brand’s scope for brand extensions. As a general rule, the more abstract the brand meaning, the greater its reach into other categories.

Kapferer’s model ‘brand types and extension possibilities’ is included here as Figure 1. The y axis lists five types of brands (ranging from concrete to abstract): brands that emphasise the product, a formula, know-how, a special interest or a philosophy. On the x axis, the degree of product difference is marked with an A, B, C, D or E, with A standing for the brand’s original product (i.e. the parent product or flagship product) and B, C, D and E standing for extended products, with E signifying the greatest possible difference between

flagship product and extended product. Brand extensions must – despite the degree of product difference – be compatible with the original product (A). That depends on the brand type; an abstract brand – such as one based on a philosophy – could still engender an extension (E) that differs greatly from the original product (A) (for example, brands such as Harley-Davidson and Apple).

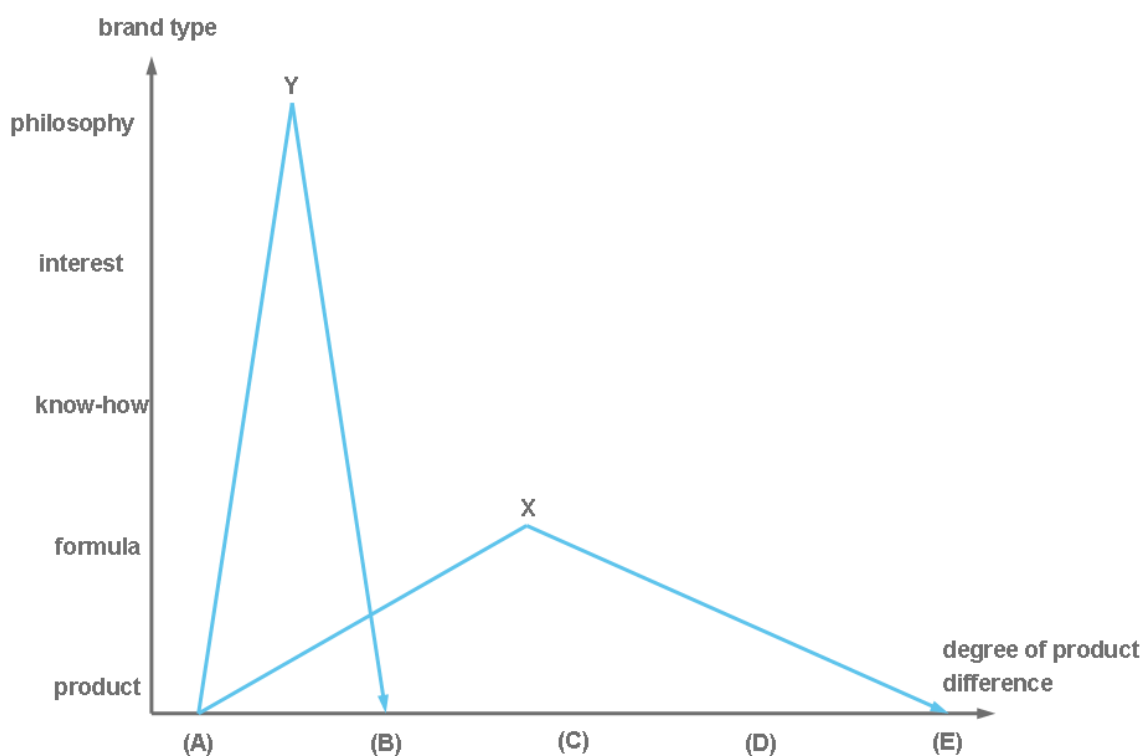
In the following we will further outline the five brand types, which, in principle, correspond to the different degrees of product difference:

- Formula brand / product difference B: extensions relate to a formula that was developed for the brand. In the case of Robijn fabric softener, the formula 'clean and fresh' was successfully transferred from fabric softener products (A) to detergents (B).
- Know-how brand / product difference C: extensions spring from the know-how the brand has managed to claim. This is a tactic mostly used by cosmetics brands. Bic can also be caught in this category. Bic is a brand that has developed a strange kind of know-how, based on the knowledge that you will eventually throw their product away and replace them by new ones: from pens (A) to disposable razors (C).
- Interest brand / product difference D: extensions are here rooted in an area of interest claimed by a brand. A fine example is National Geographic; from magazine (A) to travel guides and a TV channel (D). But certain sports brands also come under this category, such as Nike: from running shoes (A) to golf equipment (D).
- Philosophy brand / product difference E: extensions are here based on the brand's philosophy. The term 'philosophy' should not be taken as solemnly as it sounds. Examples are rather light-hearted and include Harley-Davidson, which attempts to exude 'freedom' through its motorcycles (A) and clothing (E), and Mattel's Barbie, with its principles of 'equality' and 'freedom' for girls.

Kapferer's model shows that a brand with many different product types will have to be defined by a common philosophy. Products that are seemingly different can be forged into a coherent whole when they are viewed from a higher perspective. Philips offers an example of this with its 'Sense and Simplicity' philosophy. The brand does not attract attention to physical features, but rather transmits a common value, which can encompass many different kinds of products.

In practice, it turns out that brand extensions often fail, and that they can even harm the brand. Figure 2 depicts two undesired outcomes of brand extension:

1. Brand X (overexploitation): this means an extension does not fit the brand type, causing the brand to dilute. This is mainly the case when a brand with strong physical features (product and formula) launches many different sorts of products. An example is Mitsubishi. This brand markets many different products in different product categories (cars, TVs, machinery etc.) lacking any kind of coherence (because there is no common philosophy underpinning the brand).
2. Brand Y (underexploitation): this is a brand that does indeed have a philosophy, but fails to use it. There are potentially a lot of chances for such brands.



**Figure 2:** Overexploitation and underexploitation of a brand.

*Reference(s)*

Kapferer, J.N. (1995), Strategic brand management: over het eigen vermogen van merken [about brand equity]. Academic Service, Schoonhoven. \*

\* : available in the EURIB library.