

DEVELOPING A BRAND CONTROL MODEL USING THE ANALYTIC HIERARCHY PROCESS (AHP)¹

Marco Dietrich

Institute for Marketing and Strategy, University of Bern
Engehaldenstrasse 4, CH-3012 Bern, Switzerland
marco.dietrich@imu.unibe.ch

Reto Balmer

Institute for Accounting and Controlling, University of Bern
Engehaldenstrasse 4, CH-3012 Bern, Switzerland
reto.balmer@iuc.unibe.ch

Keywords: brand control, brand steering, brand valuation, integration of hard and soft factors, reduction of arbitrariness

Summary: *Although there is still no established and functioning market for intangible assets such as licences, trademarks or brands and the like, in particular brands are regularly worth huge amounts of money when a change in ownership occurs and thus represents a significant part of a company's value (Sattler 2001, pp. 19). Most research in brand valuation refers either to behavioural information or financial data. Combining both types of data is challenging. Behavioural (customer focussed) information is important as customers are the ultimate decision makers; a certain (positive) image should lead to buying intentions and finally to actual purchasing.² Financial information is crucial; it refers to economic well-being and is important for long-term survival. The Analytic Hierarchy Process (AHP) (Saaty 1980) is used to combine the behavioural and the financial view under consideration of standard marketing image concepts. The result is a brand value model based on the AHP, which is especially useful for enterprises to control their brand(s). The main difficulty however is the given interdependency of the selected criteria. In contrast to the AHP, the Analytic Network Process (ANP) (Saaty 1999; Saaty 2001) can deal with a much broader variety of such non-linear structures. Therefore in a further step the hierarchical model is extended to a network.*

REFERENCES

- Ajzen, I. (1988):** Attitudes, Personality and Behaviour, Bristol, 1988
- Saaty, Th. L. (1980):** *The Analytic Hierarchy Process: Planning, Priority Setting, Resource Allocation*, New York 1980.
- Saaty, Th. L. (1999):** *Fundamentals of the Analytic Network Process*, in: Proceedings of the 5th ISAHP, Kobe 1999, pp. 34-45.
- Saaty, Th. L. (2001):** *Decision Making with Dependence and Feedback: The Analytic Network Process*, 2nd edition, Pittsburgh 2001.
- Sattler, H. (2001):** *Markenpolitik*, Stuttgart 2001.

¹ **ACKNOWLEDGMENTS:** The authors would like to thank the "Stiftung zur Förderung der wissenschaftlichen Forschung an der Universität Bern" URL: http://www.unibe.ch/stiftungen/wiss_forschung/index.html [page view 2003-06-11] for its kind and generous financial support.

² The model which is going to be developed bases on the widespread and in marketing generally accepted hypothesis that a certain attitude leads to action (Ajzen 1988, pp. 117)

