

COURSE INFORMATION SHEET

| Course Information | |
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| Course Title | Brand Valuation |
| Code | |
| Degree | Master in Marketing (Máster Universitario en Marketing) |
| Year | 2015-2016 |
| Semester | 2nd |
| ECTS Credits | |
| Type | Optional |
| Department | Marketing |
| Field | Product and Brand Management |
| University | Pontificia Comillas |
| Hours/week | 2.5 hours/week |
| Teachers | María Gabriela Salinas Fabbri |
| Descriptor | |

| Lecturers Information | |
|------------------------------|--|
| Lecturer | |
| Name | María Gabriela Salinas Fabbri |
| Department | Marketing |
| Field | Product and Brand Management |
| Office | N/A |
| e-mail | salinasgabi@hotmail.com |
| Phone number | 639302917 |
| Tutorial Hours | Broad availability via e-mail |

DETAILED INFORMATION ABOUT THE COURSE

| Context of the course |
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| Contribution to the professional profile of the degree |
| Part of the itinerary of "Product and Brand Management", this course is aimed at providing students with the necessary tools to understand the process of estimating the fair value of a brand and introducing several methodologies used in practice for the financial valuation of brands, analysing their advantages and disadvantages for different types of objectives and applications. |

At the end of the course, students should be able to:

- Understand the key concepts and main applications of brand valuation
- Describe the main brand valuation models as well as their advantages and disadvantages
- Identify and apply appropriate valuation models for different business objectives
- Identify the most common mistakes in the practice of brand valuation
- Identify situations that require brand valuation, and discern them from those which only require brand evaluation
- Act as a connector between the Finance and Marketing Functions, providing a mutually intelligible language for marketers and finance teams
- Conduct basic modeling to estimate the fair value of a brand based on specific data
- Recognize the major trends in methodological terms, both at industry and academic level

In addition, they must also develop:

- Information management skills
- Critical thinking
- Ability to apply general concepts to a real-business life situation
- Analysis and synthesis ability
- Interpersonal skills: listening, discussion and argumentation

Prerequisites

Fundamentals of marketing

Accounting and Corporate Finance Basics

Skills - Objectives

Generic skills of degree programme

Instrumental Skills

CGI1. Analysis and synthesis ability

CGI4. Ability to manage information from diverse sources

Interpersonal Skills

CGP1. Interpersonal skills: listening, discussion and argumentation

CGP2. Leadership and teamwork

Systemic Skills

GS1. Creativity and ability to generate new ideas

Skills specific to the sub-field of knowledge

Learning outcomes (intellectual skills)

CE1. Understanding the relevance of brand valuation, as well as the key concepts and techniques associated to the discipline

CE2. Understanding the main applications of brand valuation, the main brand valuation models and the affinity between applications and methodology of choice

CE3. Identify the most common errors in the practice of brand valuation

CE4. Build a sound theoretical foundation that enables the student to act as a connector between the Finance and Marketing areas at any given brand valuation project

Learning outcomes (practical skills)

CE5. Be able to conduct basic brand valuation modelization

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| CE6. Identify mistakes at any given brand valuation model |
| Learning outcomes (attitudinal) |
| CE7. Improve analytical skills and understand the importance of articulating the benefits of any given decision in financial terms |

THEMATIC UNITS AND CONTENT

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| Content – Thematic Units |
| Topic 1: Introduce to basic brand valuation-related concepts |
| <ul style="list-style-type: none"> 1.1 Different perspectives to define brand: what are we valuing? 1.2. Brand and other related intangible assets 1.3. Brand and reputation 1.4 Brand value drivers: How do brands create value? |
| Topic 2: Brand evaluation |
| <ul style="list-style-type: none"> 2.1. What is brand measurement? 2.2. How can you measure a brand? 2.3. Brand valuation vs. brand evaluation 2.4. Brand evaluation providers |
| Topic 3: Brand Valuation concept and key inputs |
| <ul style="list-style-type: none"> 3.1. What is brand valuation? 3.2. Risk and return 3.3. What is brand valuation useful for? Objectives and applications of brand valuation 3.4. What do we need to know before valuing any brand? 3.5. Choice of the appropriate methodology. Affinity of methodologies and applications |
| Topic 4: Brand valuation approaches and methodologies |
| <ul style="list-style-type: none"> 4.1. Description of different approaches 4.2. Most commonly used approaches in the field of brand valuation 4.3. Most appropriate approaches for valuing brands 4.4. Main providers in the industry 4.5. In-depth review of selected proprietary methodologies: description and critique of methodologies widely publicized through magazine rankings: Interbrand (Demand Driver Analysis), Brand Finance (Royalty Relief) and Millward Brown (Multiples) methodologies 4.6. Taxonomy of brand valuation providers and models 4.7. Application of key general and proprietary methodologies |
| Topic 5: Most common mistakes in brand valuation |
| <ul style="list-style-type: none"> 5.1. Conceptual mistakes 5.2. Errors in managing the process 5.3. Errors in interpreting the results |

TEACHING APPROACH AND STRATEGIES

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| General learning and teaching approach of the course |
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The objective of the methodology is that students become familiar and be able to correctly apply the brand valuation theory and tools. To achieve this, a sequential methodology that allows to monitor student learning at different phases will be applied. The teacher will provide students with the basic content and concepts, basic and additional bibliography and other materials required to understand the different subjects under discussion. Selected classes will be dedicated to explain and discuss key concepts through case studies discussion, quizzes, debates and selected readings. The students are constantly encouraged to discuss current topics and news related to the subject. Practical activities in the classroom will reinforce the understanding of concepts. Individual and group assignments will help students to apply theoretical concepts .

| Class-based activities | Skills |
|--|---|
| Lectures Practitioner and expert talks Oral presentation Analysis and debate of case studies Test / Final Exam | CGP1 CGP1, CGS2, CGI4 CGI1, CGS1, CE7 CGP1, CGP2, CGI4 CE1, CE2, CE3, CE4, CE5, CE6 |
| Out of class activities | Skills |
| Book and paper Reading Debates, tests and quizzes Individual assignments Group assignment | CE1, CE2, CE3, CGI4 CE1, CE2, CE3, CE4 CGI1, CE1, CE2, CE3, CE4, CGI4 CGP1, CGP2, CGS1, CE7 |

ASSESSMENTS AND ASSESSMENT CRITERIA

| Assessment activities* | CRITERIA | Weight |
|--|--|--------|
| Final test | <ul style="list-style-type: none"> To measure understanding of key concepts | 40% |
| Group assignment / oral presentations | <ul style="list-style-type: none"> Creativity Dedication, preparation Correct application of theoretical concepts to come up with an answer | 20% |
| Individual assignments | <ul style="list-style-type: none"> Ability to solve problems Analytical skills Dedication and preparation Correct answers Dedication, preparation | 10% |
| Attendance and degree of participation | <ul style="list-style-type: none"> Ability to listen, argue and debate Perfect attendance | 10% |
| Reading discussion | <ul style="list-style-type: none"> Comprehension ability, ability to relate different concepts to come up with an optimal business solution | 20% |
| If you fail the course | CRITERIA | Weight |
| Final test | <ul style="list-style-type: none"> To measure understanding of key concepts | 50% |
| Individual assignment | <ul style="list-style-type: none"> Ability to solve problems | 50% |

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| | <ul style="list-style-type: none"> • Analytical skills • Dedication and preparation • Involvement, correct answers | |
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* There are two chances to pass the course and a student must pass each of the assessment activities in order to obtain the credits. If a student does not pass one of the assessment activities, s/he will re-sit it. If the student fails all of them, then s/he will have to sit the exam and do an individual assignment.

Students that have to re-sit the course the following academic year are exempted from attending lectures but will have to do a project (50%) and sit the exam (50%).

| SUMMARY OF STUDENT WORKLOAD | | | |
|------------------------------------|-------------------------------|-------------------|---------------------|
| CONTACT HOURS | | | |
| LECTURES | ACTIVITY BASED CLASSES | | TESTS |
| 15 | 11 | | 2 |
| Out of classroom hours | | | |
| INDEPENDENT STUDY | READING DEBATE | GROUP WORK | STUDY |
| 2 | 4 | 4 | 20 |
| CREDITS ECTS 4: | | | 3 (60 hours) |

RESOURCES

| Basic Bibliography |
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| Books |
| <ul style="list-style-type: none"> • Salinas, G. (2009), "The International Brand Valuation Manual: A complete overview and analysis of brand valuation techniques and methodologies and their applications", Wiley, 2009, Londres, Reino Unido ISBN: 978-0-470-74031-6, 432 pages • Salinas, G. y Pérez, C. (2008), "Valoración y evaluación de marcas: Medir para crear valor", Ediciones Deusto, 2008, Barcelona, España, ISBN: 9788423426751 • Salinas, G. (2007), "Valoración de marcas: Revisión de enfoques, metodologías y proveedores", Ediciones Deusto, 2007, Barcelona, España, ISBN: 978-84-234-2521-1 |
| Articles |
| <ul style="list-style-type: none"> • Salinas, G. y Ambler, T. (2009), "A taxonomy of brand valuation practice: Methodologies and purposes", Journal of Brand Management (2009) 17, 39-61. doi:10.1057/bm.2009.14 • Salinas, G. (2008), "Valoración económica de marcas: ¿existe un método óptimo para valorar marcas?", en La comunicación empresarial y la gestión de los intangibles en España y Latinoamérica, Informe Anual 2008, Pearson-Prentice Hall |
| Web pages |
| www.brandchannel.com www.interbrand.com www.brandfinance.com |
| Course materials |
| Summary notes available in Moodle |