

## ADVISOR'S REFERENCE

### **to the Master's thesis by the second year student Zaverskaya Yulya of MIB Program (POST-DAMAGED BRAND-MANAGEMENT: ROLE OF BRAND EQUITY)**

Zaverskaya Yulya's thesis is divided into 4 parts and devoted problem of post-damaged management.

Chapter 1 is devoted to the relevant theoretical background of brand equity brand performance failure literature. The emphasis is given to those theories and models, which lead logically to derivation of the questionnaire and the methods applied in the empirical part of the research.

Chapter 2 describes the methodology of the empirical study. All elements of the questionnaire used for data collection are discussed in details and justified with explanations of reasons for their inclusion in the questionnaire. This chapter gives detailed description of the work process for the study and the elaborated from the literature review hypothesis are presented at the end of it.

Data analysis is discussed in Chapter 3. The results of the questionnaire analysis are presented and the conclusions on the acceptance or rejection of the hypothesis are included in this chapter.

The last Chapter of the thesis refers to the conclusions of the study. In this chapter main findings are presented with the supposed explanations for them. Limitations of the study are discussed and directions for further research are suggested. The final section of this chapter is devoted to managerial applications of the results of this thesis.

The topicality of the research problem has been proven by practitioners and academics. One of the consequences of failures is the increase of operating costs, as the process of dealing with these situations implies requirement of employees' time and customer remuneration. Therefore, the research is needed in order to identify strategies and techniques which are most successful at mitigating the negative consequences of brand performance failures.

Moreover, another consequence of any negative incident is the impact it has on brand equity. Some researchers studied the interplay between brand equity and performance failures and received quite ambiguous results. On one hand, negative incidents customers experience with the brand produce unfavorable consequences. On the other hand, if consumers held positive and favorable associations prior to the performance failure, these associations may offset some of the negative effects of the failure episode.

The research goal of this thesis is to study the impact of a set of recovery techniques on brand equity and to compare brand equity held by the consumers with experience of brand performance failure prior to the research and without such. The brand chosen for the research is Media Markt and the consumers of it were presented with a scenario of the brand performance failure and recover technique and questioned on the impact of this failure episode on the brand equity they hold about this brand.

The object of the research is the recovery strategies and techniques implemented by the companies in the case of brand performance failure.

Subject of the research is the influence of these strategies and techniques on brand equity held by the consumers of the brand.

The research is especially important for the Russian market, because it studies the techniques, which are actually implemented by the retailers in the case of brand performance failure and the sample of respondent is from Russian population. However, these techniques are pretty much the same worldwide, the only difference may be in the reaction of the respondents to such an event and its handling.

The strong point of this research is its practical application. The research fills in the obvious gap in the literature and at the same time is valuable from practical side for the companies working in the retailing. The research goal was achieved and the conclusions were made according to each hypothesis tested. The major problem with the research is the very limited amount of the respondents with previous negative experience with the brand, which may not be enough for making conclusions, but the author also mentions it in limitations. Another problem is the chosen method of research – experiment. Since the situation is imaginary, the responses may be not very reliable. However, it is also mentioned in the limitations

Author of the thesis has shown her abilities to analyse market research results. The thesis shows practical orientation. The Research Advisor especially mentions profundity of the thesis content and clear statements of research goals and objectives made by the Author.

The Master's thesis of Zaverskaya Julia meets the requirements for master thesis of MIB program.

(16/06/11)

Research advisor:

Senior Lecturer, PhD

Bogomolova L.N