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METHODS OF BRAND VALUE VALUATION

Introduction

A brand is the name which makes a given product or manufacturer individual from among those products or manufacturers which can all be the same or similar.[1]

A well-known brand guarantees that the goods will be recognized, sold quickly, and that less money will have to be spent on advertising. A brand guarantees that needs are fulfilled with the expected quality and for an acceptable price. One may know what to expect from the company without knowing its offer well.

A commercial brand, although it does not have any material form, it does have a value which can be expressed by means of money. It constitutes one of the most effective ways to obtain and strengthen a competitive advantage, which consists in obtaining a higher rate of return on the capital invested than in the case of the competitors. This in turn leads to the fulfillment of the basic goal of the company's activity: maximization of the value for the owners[2].

The literature frequently uses the following terms interchangeably: the brand and the trademark[3]. However, other terms are also connected with the brand, which can be considered to be types of brands. These can be the following: the commercial name, the certificate mark, collective brands, the utility model, the industrial model, the geographical designation[4].

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[1] M. Marcinkowska: *Shaping of the Company's Value*, PWN Scientific Publishing House, Warsaw 2000, p. 136.

[2] G. Urbanek: *Valuation of Brand, Accountancy No. 10/2004, p. 23.*

[3] M. K. Witek-Hajduk*: Management of Brand*, Difin, Warsaw 2001, p. 24.

[4] E. Radawiecka, M. Foremna-Pilarska*: Issues of Identification of Brand and Its Position in the Balance Shee*t, [in]: Accountancy in Theory and in Practice, Gabrusewicz W. (ed.), Publishing House of the Academy of Poznań, Poznań 2007, p. 287.