

BUILDING IMAGE AND DIFFERENTIATION THROUGH PRODUCT BRANDING: A CONCEPTUAL ANALYSIS OF THE ROLE OF USP AND EXPERIENCE BRANDING

Silvia Ekasari

STIE Manajemen Bisnis Indonesia
silvia.ekasari@stiemb.ac.id

Abstract

This article conceptually examines the role of Unique Selling Proposition (USP) and experience branding in building image and differentiation through product branding. In the context of increasingly fierce market competition, brands can no longer rely solely on product attributes or price, but need to integrate unique selling points (USP) with a holistic consumer experience (experience branding). Analysis shows that USP functions as a cognitive pillar that highlights the rational differences of a product, thereby strengthening brand image and differentiating it from competitors. On the other hand, experience branding acts as an affective pillar that builds image and differentiation through a series of sensory, emotional, intellectual, and behavioural experiences that are consistent across all touchpoints. The combination of the two creates a more comprehensive, sustainable, and relevant product branding strategy in today's experience-oriented market.

Keywords: product branding, brand image, differentiation, Unique Selling Proposition (USP), experience branding.

Introduction

In an era of increasingly fierce market competition, companies can no longer rely solely on product quality or competitive prices to win consumers' hearts. The development of digital technology and ease of access to information has made consumers more critical, tending to compare various brands before deciding on a purchase. In this context, product branding has become a strategic instrument that not only shapes identity but also creates a strong image and differentiation in the minds of consumers (Keller, 2013). Without clear branding, a product risks being lost among the many choices that appear similar to consumers.

Brand image is consumers' perception of a brand, which is formed through a series of experiences, communications, and interactions with the product and/or company. A strong image enables a brand to be remembered, recognised, and chosen consistently, even when there are other alternatives with similar characteristics (Keller, 2013). On the other hand, product differentiation refers to a brand's ability to demonstrate meaningful differences compared to competitors, both in terms of functional attributes and emotional associations (Kotler & Keller, 2016). The combination of a strong image and clear differentiation is the foundation of sustainable competitiveness in the modern market.

One classic yet still relevant approach to building differentiation is the Unique Selling Proposition (USP), which is a claim of unique superiority that highlights the important differences between a product and its competitors (Trout & Rivkin, 2006). The USP serves as the main "differentiator" that helps consumers understand why they should choose a particular brand over another. In practice, a USP can take the form of product attributes (e.g., quality, materials, or technology), specific benefits, or promises that are difficult for competitors to imitate (Trout & Rivkin, 2006; Keller, 2013). However, in recent decades, the marketing environment has undergone a significant shift towards an experience-oriented paradigm. Consumers no longer just buy products but also "buy" the experiences that accompany them, from the selection process, purchase, use, to after-sales service. In this context, experience branding has emerged as an approach that places the consumer experience at the centre of marketing strategy ((, Bazha & Prohorova, 2020)). Experience branding emphasises that brand image is not only shaped by product attributes, but also by the sensations, emotions, and interactions experienced by consumers at all points of contact with the brand.

Experience branding encompasses several dimensions, including sensory experiences (visual, auditory, texture), emotional experiences (feelings of joy, pride, security), intellectual experiences (inspiration, insight), and behavioural experiences (ease of use, service, and interactive activities) (Brakus, Schmitt, & Zarantonello, 2009). Through these dimensions, brands can create deeper and more difficult-to-imitate differentiation, as experiences are holistic and related to the social, cultural, and emotional context of consumers (Pine & Gilmore, 2011) .

The development of USP and experience branding are not actually contradictory, but rather complementary. USP provides a cognitive pillar in the form of unique, rational advantages that are easy to communicate, while experience branding provides an affective and behavioural pillar in the form of memorable experiences that strengthen emotional bonds with the brand (Keller, 2013). The combination of the two allows companies to not only be "different" in terms of attributes, but also "different" in terms of the feelings and meaning that the brand brings to consumers.

In Indonesia, the dynamics of the SME and corporate markets show that many businesses are beginning to realise the importance of branding in building image and differentiation. Several studies conducted on SMEs show that the application of a clear USP can increase product appeal and strengthen brand position amid fierce competition (Dahlke, 2002) . On the other hand, brands that develop consistent customer experiences—through design, service, and communication—have been proven to create higher consumer loyalty and advocacy (Brakus et al., 2009).

However, there is still a significant research gap regarding the conceptual integration of USP and experience branding in the context of image building and product differentiation. Most studies tend to discuss the two separately: one group focuses on USP as a tool for differentiation and positioning, while another group

emphasises brand experience as a driver of loyalty and trust (Keller, 2013). There are few conceptual frameworks that explicitly explain how USP and experience branding reinforce each other in shaping brand image and differentiation. Furthermore, much empirical research that is more emphasises marketing effects (e.g., the influence of USP on brand equity or brand experience on brand trust), without building a clear integrative theoretical foundation (Brakus et al., 2009; (Pine & Gilmore, 2013)). However, to design a more holistic branding strategy, practitioners need a conceptual framework that explains the mechanisms of the relationship between USP, brand experience, image, and differentiation, not just correlational relationships alone.

Therefore, this article aims to fill this gap by presenting a conceptual analysis of the role of USP and experience branding in building product image and differentiation.

Research Method

The research method used in this article is a literature review with a conceptual analysis approach. The research was conducted through the collection, selection, and critique of various primary and secondary literature sources, such as international scientific journals, textbooks, and conceptual articles related to product branding, Unique Selling Proposition (USP), experience branding, brand image, and product differentiation (Eliyah & Aslan, 2025) . The collected data was then analysed descriptively and analytically to identify, classify, and integrate key concepts, thereby constructing a conceptual framework that explains the role of USP and experience branding in building product image and differentiation.

Results and Discussion

The Role of USP in Building Image and Differentiation

A Unique Selling Proposition (USP) is a claim of unique superiority that highlights the important differences between a product and its competitors, making it a key differentiation tool in marketing strategy (Trout & Rivkin, 2006). The USP serves as a rational differentiator that helps consumers understand why they should choose a particular brand over another, especially in crowded and choice-filled markets (Kotler & Keller, 2016). In this context, the USP is not merely a promotional slogan, but rather the foundation of a brand's strategic position in the minds of consumers.

The USP plays an important role in building brand image because it forms clear and consistent cognitive associations related to the specific advantages of a product (Keller, 2013). When consumers are repeatedly exposed to relevant and credible USP claims, they tend to associate the brand with certain attributes or benefits, such as high quality, innovation, or reliability (Keller, 2013; Kotler & Keller, 2016). Thus, USP becomes one of the main sources for forming a strong and memorable brand image.

In terms of differentiation, USP serves as a competitive differentiator that highlights uniqueness that is not easily imitated by competitors (Trout & Rivkin, 2006;

Kotler & Keller, 2016). In a saturated market, many products have similar basic attributes; a USP () enables a brand to stand out through one or more key advantages, such as specialised technology, unique design, or greater functional benefits (Kotler & Keller, 2016). Through a USP, companies can avoid pure price wars and shift to value-based competition. The USP also contributes to strengthening brand identity by providing a consistent core message across all marketing communication activities (Keller, 2013; Qontak, 2026). A clear identity makes it easier for consumers to recognise the brand, differentiate it from competitors, and build stable associations over time (Keller, 2013). For example, brands that emphasise the USP of being "environmentally friendly" or "cutting-edge technology" will form a brand image that is consistent with these claims, thereby strengthening their position in specific market segments.

In practice, an effective USP must meet several criteria, namely it must be unique, relevant, and provable (Trout & Rivkin, 2006). Uniqueness means that the advantage is not possessed or emphasised by competitors; relevance means that the advantage is important to the target consumers; while verifiable means that the claim can be supported by product attributes or real experiences (Kotler & Keller, 2016). A USP that meets these criteria tends to be more effective in building a positive image and meaningful differentiation.

Studies conducted on certain brands show that a clear USP can strengthen brand image and market position. For example, the local fashion brand Bercorak has built a strong brand image through its USP of bright knit designs, which have become its hallmark, making it easy for consumers to recognise and distinguish its products from competitors in the local fashion market (Alston, 2016) . In this case, the USP not only serves as a product differentiator, but also as the foundation of the brand's visual identity and positioning.

USP also contributes to the formation of competitive advantage perceptions in the minds of consumers. When consumers feel that a brand offers unique benefits that cannot be obtained from other brands, they tend to consider the brand more valuable and worth paying more for (Kotler & Keller, 2016). This perception of competitive advantage in turn reinforces the brand image as a superior solution and differentiates it from competitors in the same market segment. Additionally, the USP plays a role in simplifying the consumer decision-making process. In conditions where there is a lot of information and diverse choices, consumers often rely on one or two key attributes to choose a brand (Kotler & Keller, 2016). A strong and easily understood USP provides a "cognitive shortcut" for consumers to remember and choose a brand, thereby increasing the efficiency of the decision-making process and reducing confusion amid competition (Keller, 2013).

From a managerial perspective, USP is an effective communication tool across various marketing channels, ranging from advertising and packaging to social media (Kotler & Keller, 2016). A consistent USP message across all touchpoints strengthens

brand image and clarifies differentiation in the eyes of consumers (Keller, 2013). For example, a tagline that contains the core USP " " will always remind consumers of a product's unique advantages, thereby strengthening brand association and increasing the likelihood of repeat purchases.

However, the role of USP in building image and differentiation also has limitations, especially when these advantages are easily imitated by competitors or are no longer relevant to consumer needs (Kotler & Keller, 2016). In such conditions, a brand image that is too dependent on a single USP attribute can become fragile, as competitors can imitate or even surpass these advantages. Therefore, the USP needs to be developed dynamically and aligned with changes in consumer preferences and technological developments. These limitations highlight the need to integrate the USP with other elements, such as brand experience, to build deeper and more sustainable differentiation (Keller, 2013). A USP provides a cognitive pillar in the form of rational superiority, while brand experience provides an affective pillar in the form of deep emotions and interactions. The combination of the two allows a brand to be not only "different in terms of attributes" but also "different in terms of feelings and meaning" in the minds of consumers.

Overall, the role of USP in building image and differentiation can be summarised as the foundation of rational differentiation and the creation of a clear brand image. Through USP, brands can stand out amid competition, build a strong identity, and make it easier for consumers to understand the unique value offered. However, to create stronger and more lasting differentiation, the USP needs to be combined with an experience-based approach (experience branding) so that the brand image and differentiation become more holistic and difficult for competitors to imitate.

The Role of Experience Branding in Building Image and Differentiation

Experience branding, or brand experience, refers to the overall sensations, emotions, and behaviours experienced by consumers when interacting with a brand at various touchpoints, from selection, purchase, and use to after-sales service . Unlike traditional approaches that focus on product attributes and price, experience branding places the consumer experience at the centre of marketing strategy. In this context, brands no longer just sell products, but also sell the "feel", "story", and "meaning" that accompany them, so that brand image is shaped through a series of consistent and meaningful experiences (Brakus, Schmitt, & Zarantonello, 2009).

Experience branding plays an important role in building brand image because repeated positive experiences will form a strong perception in the minds of consumers (Keller, 2013). When consumers feel happy, emotionally connected, or valued when interacting with a brand, they tend to associate that brand with positive attributes such as trust, comfort, and pride (Brakus et al., 2009). The image formed through these

experiences is often deeper and more long-lasting than the image built solely through advertising or product attributes (Keller, 2013).

From a differentiation perspective, experience branding is a source of differentiation that is difficult to replicate because experiences are holistic and related to the social, cultural, and emotional context of consumers (Joseph Pine II & H. Gilmore, 2014). In a market where many products appear similar, brands that are able to create unique experiences—for example, through distinctive store design, personalised service, or community activation—will be easily distinguished by consumers (Brakus et al., 2009). This experience-based differentiation not only highlights "what is offered" but also "how the brand makes consumers feel" (Keller, 2013).

Experience branding encompasses several key dimensions, including sensory experience, emotional experience, intellectual experience, and behavioural experience (Brakus et al., 2009). Sensory experience relates to stimuli received through the five senses, such as product design, packaging, colour, sound, and atmosphere (Schmitt, 1999). Emotional experiences arise when a brand is able to evoke feelings such as happiness, security, pride, or nostalgia (Brakus et al., 2009). Intellectual experiences arise when a brand triggers thoughts, inspiration, or new insights, while behavioural experiences are related to ease, comfort, and satisfaction in using a product or service (Keller, 2013).

Through these dimensions, experience branding is able to integrate image and differentiation into a consistent set of experiences (Keller, 2013). For example, brands that emphasise premium sensory experiences (elegant design, luxurious packaging) will form an exclusive brand image, while differentiating themselves from brands with simpler experiences (Brakus et al., 2009). On the other hand, brands that emphasise strong emotional experiences (e.g., through storytelling or community) will build a close and personal image, while creating differentiation based on emotional bonds (Morgan et al., 2010).

Experience branding also contributes to strengthening brand loyalty, which in turn reinforces image and differentiation (Brakus et al., 2009). Research shows that positive brand experiences are closely related to consumer trust, satisfaction, and loyalty (Brakus et al., 2009; Keller, 2013). When consumers have enjoyable experiences that are consistent with their expectations, they tend to remain loyal to the brand and even become advocates who promote the brand to others (Keller, 2013). This high loyalty reinforces the brand's image as a reliable choice and distinguishes it from brands that rely solely on short-term promotions (Brakus et al., 2009). In addition to loyalty, experience branding also plays a role in building brand trust and reputation (Keller, 2013). Consistent, transparent experiences that are responsive to consumer needs will shape the perception that the brand is trustworthy and responsible (Brakus et al., 2009). This trust is an important asset in shaping a positive image, as consumers tend

to give better ratings to brands they trust, even when there are disruptions or complaints in the future (Keller, 2013).

Experience branding also enables brands to build strong emotional and social bonds with consumers. Through community activities, storytelling campaigns, or loyalty programmes that involve consumers, brands can create a sense of belonging and shared identity (Brakus et al., 2009). Consumers who feel part of a "brand community" tend to have a more positive image of the brand and feel that it is different from competitors who focus solely on transactions (Keller, 2013).

From a managerial perspective, experience branding has become a strategic differentiation tool in the digital and experience-oriented era (Keller, 2013). In many industries, products and prices are often insufficient to differentiate brands, making experience the primary competitive element. Brands that are able to design consistent experiences across all channels—offline, online, and social media—will be more memorable, recognisable, and preferred by consumers, thereby strengthening their position of differentiation in the market (Brakus et al., 2009).

Experience branding also contributes to the formation of strong brand awareness (Keller, 2013). Interesting and memorable experiences tend to be remembered longer by consumers and are often shared through word-of-mouth or social media (Brakus et al., 2009). When consumers share their positive experiences with a brand, this organically expands the reach of brand awareness. This high awareness then strengthens the brand image and increases the chances of differentiation amid many choices (Keller, 2013). However, the role of experience branding in building image and differentiation also requires consistency and authenticity (Keller, 2013). Inconsistent experiences between one touchpoint and another can damage brand image and reduce the effectiveness of differentiation (Brakus et al., 2009). For example, a brand that emphasises a premium image through design and advertising but offers poor service will create inconsistencies that damage consumer perceptions (Keller, 2013). Therefore, brand experiences must be aligned with the brand's overall positioning and identity.

Experience branding also requires a holistic and integrated approach, as consumer experience is not limited to one aspect alone, but involves products, services, communication, and environment (Keller, 2013). Brands that want to utilise experience branding effectively need to coordinate various functions, such as marketing, customer service, design, and operations, so that the experience felt by consumers remains consistent and meaningful (Brakus et al., 2009). This integrated approach enables brands to build a strong image and clear differentiation in the minds of consumers (Schmitt, 1999).

Overall, the role of experience branding in building image and differentiation is as a source of emotional, holistic, and sustainable differentiation. Through deliberately designed and consistently executed experiences, brands are able to create a deep

image, build strong emotional bonds, and differentiate themselves from competitors who rely solely on product attributes or price. Thus, experience branding becomes an important pillar that complements the role of USP, making brand image and differentiation stronger and more enduring.

Conclusion

Building image and differentiation through product branding requires an approach that integrates rational and emotional aspects. USP acts as a cognitive pillar that highlights the unique advantages of a product, thereby clarifying the brand's position in the minds of consumers and differentiating it from competitors in terms of attributes and benefits. Through a unique, relevant, and verifiable USP, a brand can establish a clear image, facilitate consumer decision-making, and avoid competition based solely on price.

On the other hand, experience branding acts as an affective pillar that builds image and differentiation through a series of holistic experiences across all touchpoints. Consistent sensory, emotional, intellectual, and behavioural experiences create strong emotional bonds, increasing consumer trust, loyalty, and advocacy. Experiences that are deliberately designed and executed in an integrated manner become a source of differentiation that is more difficult for competitors to replicate, thereby strengthening the brand image as a meaningful and memorable choice.

Conceptually, the combination of USP and experience branding forms a more comprehensive and sustainable product branding strategy. USP provides a clear rational basis for "why this brand is different", while experience branding answers "how this brand makes consumers feel different". The integration of the two enables companies to build a strong image, lasting differentiation, and a deeper brand-consumer relationship, making it relevant in the context of modern market competition that is increasingly complex and experience-oriented.

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