



BRAND RANCH

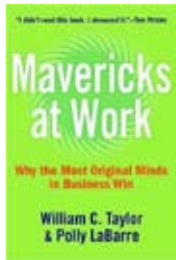
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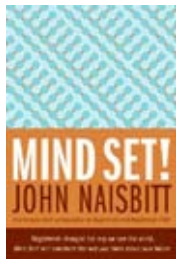
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SOME BOOKS THAT
MIGHT BE OF INTEREST:



MAVERICKS AT WORK

by William C. Taylor
and Polly LaBarre



MIND SET!

by John Naisbitt

Dear Readers:

Today's successful brands are all about innovation or being different than the other players in your category. If you don't stand out and differentiate your products and services from other brands, you are forced to compete head-to-head, which is costly and significantly reduces your level of success.

An outstanding series related to this issue aired last month on CNBC—"The Business of Innovation." You can view all five of the one-hour programs online at www.cnbc.com (scroll to the very lower right hand corner and click on "The Business of Innovation" promo box, showing series host Maria Bartiromo).



The program makes some great points, including:

- Before you can innovate you must know what business you are in.
 - What is your business model—how do you make money?
- You must clearly understand what makes you special.
 - How do you satisfy your customers?
 - What makes you different?
- Don't copy your competitors—think differently!
 - Study consumer behavior (not what they say, but what they do).
- Innovation creates value.
 - New ideas come from the outside in most companies or startups.
- You must understand the problem before you can innovate.
 - What do your customers not like about your current offerings?
- To be a continuously innovative organization you must become an organization that collects and shares information, insights and new ideas.
 - Never be afraid to make a mistake—but you must learn from each one, and never make the same mistake twice. Track and evaluate everything.
- In today's marketplace of "Hyper Competition," continuous innovation is key. Continuing to do things the same way through time guarantees failure.

I strongly encourage you to check out this program. It's well worth it.

Enjoy the issue,

Michael Blanck
President



SEVEN DEADLY SINS OF BRANDING

The list is not in any specific order, but represents what I've seen when dealing with clients.

Sin No. 1: Superior Product Fixation

In today's global marketplace, the real differences among established products is almost indistinguishable. If you don't produce a consistent, high quality product, you won't be around long enough to make things right.

The competitive keys are getting to market first, constantly listening to customers, and making adjustments to keep your product differentiated and relevant as competition and consumer preferences change.

Category leaders do not always produce the best products, but they do have the most focused brand strategy and communications in the segment. It has become a marketing world, and the best message and total experience wins. Look at Apple: the best and simplest computer system in the world only commands single-digit market share due to weak marketing programs.

Other brands that are not tops in performance, yet lead the pack in consumer perception:

- Maytag—Positioning
- Nike—Innovation and powerful branding/advertising
- McDonald's—Consistency
- Toyota—Brand focus
- Microsoft—Innovation

Sin No. 2: Lack of Differentiation

Time after time, executives compare themselves to the competition instead of focusing on the consumer. The consumer decides who wins or loses in the marketplace, not your competition. It's true, you can't ignore the competition—but you must study the consumer and begin to think differently to deliver a strongly branded product or service that consumers will want and will develop an emotional connection to.

If you only study the competition, you are only going to be as good as competition. If you study the consumer (not what they say, but what they do—their behavior), you can differentiate yourself from the pack and become a true leader and innovator. Then the competition will have to chase you, not the other way around.

Sin No. 3: The FEAR Factor

If you want to maintain your leadership position you must continuously innovate and investigate new ways to deliver your branded products and services in a way that builds stronger relationships with your suppliers, distributors and ultimately your customers. You must have the passion, conviction, belief and willingness to evolve your brand.

In today's market if you don't continuously evolve your brand, you will very quickly become irrelevant to the consumer and fall from grace. Look what happened to IBM, Xerox, Ford, GM, Dell, and the list goes on. INNOVATE, by studying your customer.

Sin No. 4: Losing Sight of the Big Picture

This sin relates to No. 1 (Superior Product Fixation), and concerns focusing all your attention on the product/service and forgetting the gestalt of all you do to communicate your brand image. That is the combination of identity elements that you control (vision, mission statement, name, logo, packaging, etc.), and the image associations that you manage (marketing, advertising, public relations, web site, etc.) to build your essence.

The next time you're in the grocery store, look through the thousands of products for those that catch your attention. Notice how the elements and associations come together to deliver a compelling brand message that stands out and differentiates one product from its competition.

Some of the best brands today provoke more than just our visual sense. How does

your brand deliver against ALL of the senses—sight, touch, smell, sound, taste? Consider these:

- P&G—Swiffer, Pringles, etc.
- Gillette—handle ergonomics and packaging
- Coke—Color and shape of bottles, cans, etc.
- Absolute Vodka—The bottle is the brand
- Harley Davidson—The V-Twin engines have a sound all it's own
- iPod—Sleek design makes it easy to use

Sin No. 5: Brand Schizophrenia

Brand success is built on a strong and consistent foundation. Once you have crafted the identity and image of your brand, you must deliver it at every "touch point," time after time, forever. Have you ever seen a pink Coke can, or blue golden arches? No, never, and not during my lifetime. It won't happen. Consistency and meticulous execution is paramount if you want to succeed.

David Ogilvy, a former boss of mine, said that, "about the time you get ready to change your message (advertising or program), that is the time that it's just beginning to impact the consumer." Remember, we marketers work for months on the development and execution of our brand message and get tired of it way before the consumer does. It is estimated that today's consumers see well over 4,000 brand messages every single day. How are you standing out?

This schizophrenia is very different from planned brand evolution. Lack of consistency and attention to detail separates the national players from local businesses and brands—those that succeed and those that fail.

Sin No. 6: Ignoring the Human Connection

Most brands are successful because they connect with consumers on a hierarchi-

cal or emotional level better than the competition. You must know and understand within each category or segment the key motivators that your brand strives to own. This is positioning, or your brand essence.

By studying and understanding why consumers use products and services you will obtain great insights into what brand position you must own within the minds of consumers. Again, it must be different from the competition and relevant to your target audience.

Trying to become everything to everyone means you will be nothing to no one. You must own a position in the mind of consumers:

- Volvo = Safety
- McDonald's = Quality, service, cleanliness and value
- Honda = Engines
- Toyota = Durability or dependability
- Microsoft = Software
- Budweiser = King of Beers

Sin No. 7: Underestimating the Power of the Consumer

CEOs, presidents and brand managers think they control their own destiny—and they are very wrong. If you forget about the consumer, you are destined for failure. Sure, you might have one or two good years, but over the long-term life of your brand and business, you will suffer many disastrous periods and will not reach optimal success or ROI.

Brands do not live anywhere but in the minds and hearts of customers and prospects. The job of branding is to get your product to the point of having an army of consumers who trust you and your brand. These consumers have such confidence in your brand that they will consciously choose to buy and use your specific product and service—and will recommend your brand to others. That is success!

BRANDING IS KEY FOR SMALL BUSINESS & STARTUPS

Early branding of a small or emerging company is key to business success. It is the quickest way for you to differentiate your products/services from that of your competitive set. Without a clear understanding of what your company offers to customers it is very difficult to keep you business focused and driving towards your long-term vision and goals. It is difficult to focus your product/service development, inspire and train your employees and communicate your brand message to your prospects.

A brand is a company's face in the world. It is the company's name, how that name is visually expressed via a logo (design, color, typestyle, etc.) and how that name and logo design are extended throughout an organization's communications—business elements, signage, packaging, web site, etc..

A brand is also how the company is perceived by its customers—the elements and associations and inherent value they give you business. Remember the consumer owns the brand—it resides in the mind/hearts of your customers and prospects.

A brand is a promise. It is a set of fundamental principles/values that you must deliver at every "touch point" when consumers contact you company. Consistency over time is essential to a long-term successful brand.

A brand is an organizations reason for being and how that reason is expressed through its various communications media to its key audiences; customers, shareholders, employees and analysts. A brand can also describe these same attributes for a company's products, services and related activities.

For any business the key questions that you must continue to ask yourselves are:

- What makes our brand different?
- How is this point of difference relevant and meaningful to our audiences?
- Based on our brand positioning how/what is the best communication platform?
- What do we need to tell our audiences so they understand what we stand for?

If your marketing partners do not ask or know what you are trying to build and achieve then it will be impossible for them to communicate a meaningful message to consumers. Your marketing team must understand the following:

- Vision for the brand?
- What is your business model?
- What is our strategic brand positioning?

Here is how a strategic brand positioning statement is written:

"To (target audience), Brand X is the brand of (frame of reference) that offers/delivers (meaningful point of difference).

What is your meaningful point of difference, is it important and compelling to your audience, can you defend it in the marketplace, and can you continue to stay focused on delivering this attribute/benefit at every touch point.

Your success depends on your delivery!



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MARKETING vs. SELLING—WHICH ARE YOU DOING?

What is the difference between marketing and selling? As defined by Reis & Trout in the book Positioning: The Battle for the Consumer's Mind, marketing is creating a demand in the consumer's mind for your product or service; the consumer knows what you have to offer, what you stand for, and seeks you out in order to buy your brand. Selling, on the other hand, is chasing customers and asking for orders.

One key difference between marketing and selling is the notion of brand versus product.

A brand is something that exists in the mind of consumers. It is the collection of elements (brand identity) and associations (brand image) that consumers identify as relevant to their lives. They see themselves using those goods and services.

A product, on the other hand, is something that is typically created by a company, made in a factory, and placed in stores or given to salesmen to sell—much like what Detroit is doing with their automobiles (build it and they will come). The assumption is that the cars will be SOLD by the dealership's sales force.

