

Warne's Marketing

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Branding for Business

In today's volatile markets, where ground rules are being rewritten daily, a strong corporate brand identity is the cornerstone for success.

NEW TECHNOLOGIES HAVE impacted where and how we do business. The Internet has transcended geography. We're in the midst of deregulation, economic volatility, convergence and market fragmentation. In today's dynamic marketplace change is the only constant.

It's this reality that is stimulating company after company to take a fresh look as to how they are perceived in the marketplace. They appreciate that re-branding is a dynamic exercise that can give new life to customer relationships.

It Isn't About Nice Logos

Branding is the process of creating positive perceptions about a company, product or service, in the minds of target market prospects. It's much more than a logo, a tagline or a symbol.

A Corporate Brand Identity program can make a tremendous impact on bottom-line performance. It's about who you are and what you promise to your customers.

Your company's identity, your brand, is the most critical point of corporate differentiation in positioning your company in the marketplace.

Branding Benefits

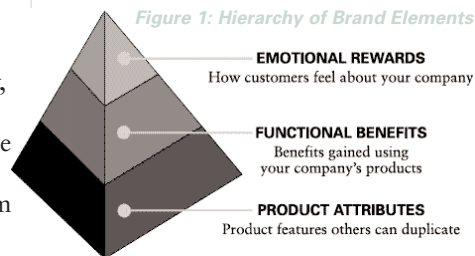
A strong brand creates a clear and sustainable differentiation from competition in the minds of customers, investors and prospects.

It creates feelings of security, trust and confidence – emotional rewards

– that define the “character” of the brand (see Figure 1). A strong brand character offers a basis for long-term competitive advantage that mere features and functionality cannot.

Features and functionality can be replicated at the product level, but differentiation on the basis of brand character tends to be more durable.

Consider the emotional rewards earned by Coca-Cola. At \$69 billion (US), Interbrand Corp. and Business Week named it the world's most valuable brand. Yet in blind taste tests little differentiates Coke from its competitors.



Once customers associate a particular concept or expectation with a company, or its product or service, brand loyalty is developed. This assures a significant amount of repeat business, as well as providing credibility to the introduction of new products and services.

The emotional response to a brand can also help override a customer's more rational concerns about price, allowing a company to charge a premium for its products.

Take Intel. Prior to its success in

establishing a brand, customers didn't care what company's microprocessor was in their computer. Now they're generally willing to pay more to have *Intel® Inside*.

The Business of Branding

The dynamics of the marketplace are changing attitudes towards companies and their products.

Rethinking a brand accurately captures what the new challenges in the marketplace represent. Even though people change slowly, the nature of business transactions is changing dramatically.

Companies need answers to how the market now perceives who they are and the benefits they promise to customers.

A corporate brand identity is such a statement of values. A statement that should be the standard for employees in all their activities, personal contacts and communications. A clear promise that everyone can understand.

Rather than a monologue, the branding process is a dialogue and collaborative effort. It's all about creating a stronger connection to your customers. Where brand performance means customer satisfaction and customer loyalty.

The process starts with your management and their image of company, products, services, position in the market, and vision of the future. This and following stages require a series of well-crafted questions to elicit frank appraisals. These group interview

sessions have to be conducted by a knowledgeable third party to yield real value. Otherwise they're just apt to be the usual "water cooler" comments.

The next step is to determine how your marketing, sales and customer support staffs perceive the company's competitive strengths, weaknesses, and opportunities. Plus how deeply they share management's perception, commitment and vision.

Expect some differences in perceptions. Also, expect that overall a clear picture will emerge. It's a healthy exercise for companies intending to go places. Getting all your people on the same page is critical to success – instead of confusion – in the marketplace.

If you sell through Distributors or Dealers, have your branding group check out their attitudes... how they perceive you and your products relative to competition. These people represent you. Make sure they're fully on your side. Your marketing efforts can be frittered away by distribution that doesn't represent you properly. They too have to believe.

The final questioning stage is with a cross section of customers and prospects about their perceptions of you and your products. About how well your internal attitudes and values are understood and accepted by these ultimate decision-makers.

From these research steps you will emerge with a competitive price/value analysis of where you stand in the market; a clear idea of what immediate actions you need to take to address shortcomings; and what you have to do to gain acceptance of your future plans. You'll have a bottom line evaluation of your brand's identity and positioning. In short, an Identity Composite.

Now you can start to put the findings into positive action. The branding side will lead to a Brand Manifesto. It will clearly state who you are and what you promise customers. It will be a statement of values. A corporate voice and approach for spoken, written and graphic communications. Your corporate identity rule book.

Brand Manifesto

Make certain this Manifesto is presented to employee groups and that they have access to the material. And plan follow up "audits," lead by your outside branding group, to make certain that marketing, sales, customer support, and anyone else in contact with customers is continuing to present a consistent, positive image of your company.

If well developed and executed, your corporate brand identity will be a design platform allowing for communications with different audiences and business situations within a framework that accurately reflects the brand.

B2C Versus B2B

Although the branding steps are similar, there's a world of difference between consumer and business branding.

Consumer branding is basically product branding. Often the products, and the company that makes the product, are not related in the consumer's mind. Most people know about Kleenex and Huggies, but few relate them to Kimberly-Clark, the manufacturer. Therefore most don't have any feelings about the company.

In business-to-business marketing the company is the brand. In some cases the complexity of product and length of the buying process are factors. In others, the potential risks and dollars involved in the purchase dictate that the sponsor must be recognized as reliable and creditable. That even applies to sales of components where the safety and effectiveness of the final product depends on the performance of components.

Further, most B2B budgets do not allow for effective promotion of individual brands. Even IBM, who has spent many millions in advertising, has always put the company name first.

Getting Started

Call Scott Warne, if you'd like to determine how the marketplace now perceives your company, its promise and positioning. Let's discuss the scope of your branding requirements, and then move forward to strengthen your share of market.



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