

Branding 101

What is Branding?

Your brand is a person's gut feeling about your company. It is formed by every prospect or customer interaction with your company that creates an impression. Branding is the process of establishing and nurturing this relationship with your customers, thereby giving them an emotional, sensory understanding of your company. Branding is based on your company's values, products, services, history, and culture.

Your brand includes a distinguishing name or symbol designed to:

- Evoke positive feelings
- Be easily recognized and differentiated in its market
- Be well-defined and understood
- Have measurable market value
- Differentiate you from your competitors
- Motivate customers to action
- Clarify a company's product line
- Command a premium price for your products and services

Branding also is:

- A promise that something will be delivered
- The delivery on that promise
- Reinforced by everything you do and say, every day
- Part of every employee's job

Why Invest in Branding?

Investing in a successful brand helps you gain brand equity, meaning customers are willing to pay extra for your product over and above what might be expected for an identical, but unbranded product. For example, grocery stores frequently sell unbranded versions of name brand products. The branded and unbranded products are produced by the same companies, but they carry a generic brand or store brand label like Kroger's or Albertson's. Store brands sell for significantly less than their name brand counterparts, even when the contents are identical. The difference between the two prices is the monetary value of your brand name.

When customers consistently choose your branded products and services over your competitions, you have achieved brand loyalty. When you have brand loyal customers, price becomes less relevant. In addition, when your employees themselves buy into your brand promise, your turnover goes down. When your advertising reflects your brand personality consistently, you pull more ROI from your ad dollars. Creating a strong brand will have a substantial effect on your bottom line now and in the future - count on it!

Remember, a brand is not a superficial face a company wears; it's a true reflection of your customers and your employee's experience interacting with your company.

Once you establish a brand, it is very important that it be displayed correctly. Follow these guidelines:

- Clarity - Your brand identity needs to be clear and recognizable.
- Consistency - Your identity needs to be consistently applied. Put wherever you can, in exactly the same colors.

A company that can create an image that does all of the above has a distinct advantage in the marketplace and it need not be expensive. Anyone can do it and everybody should!

What does successful branding encompass?

Your brand is much more than just your logo. Your corporate identity (logo, colors, paper stocks, and other identifying graphic material) is one component. Other components include your marketing strategy, public relations, employee identification with the brand, and every customer interaction, whether that's one-on-one or via the web, print, or broadcast media. It's how your staff answers the phone, how easy your web site is to use, what message your visual identity sends, how quickly staff responds to customer needs, the tone of your copywriting, and even, in the case of a retail environment, how your store smells. It's the sum total of every experience people have with your company.

As consumers are bombarded with a variety of products to meet the same need, branding provides a way for consumers to reduce their decision making to consider only those products that they feel are relevant to them or that have met their needs acceptably in the past. There is no question that a strong brand is an important corporate asset. Customers value a brand based on their experiences and perceptions. It is these experiences and perceptions that permit the brand to earn greater market share or margins than it could without the brand name.

Why Should I Worry About My Brand Now?

You may be asking yourself, "This is all nice, but how can I afford to spend money on branding?"

This is precisely when you should focus on branding. An effective brand strategy incorporates all components of the brand. If all of your marketing and advertising reflects a focused brand strategy, the quicker your prospects will "get" your message. As a result of effective branding, you can often times spend less on media and traditional advertising, while actually increasing sales and profits.

A compelling and focused brand message concentrating on the needs of the prospect will rise above the clutter and demand attention. Customer expectations are rising every day, and only those brands that communicate real value in today's world will succeed. Let Elephant Ventures help you harness the power of a strong brand and get the sales results you deserve!