



Branding

A Practical Report
for Marketers

““ An orange... is an orange...
is an orange. Unless, of
course, that orange happens
to be a Sunkist, a name
eighty per cent of consumers
know and trust.””

— *Russell L. Hanlin, Sunkist Growers*

Ideas and tactics for building a brand

These days, branding crops up in virtually every business discussion. Once the domain of large consumer products firms, the benefits of building a strong brand are now being recognized by “commodity” manufacturers, Resave industries, B2B marketers and not-for-profit organizations of all types and sizes.

However, some executives of companies that could clearly benefit from branding remain understandably hesitant. Often, they see branding as being for “the big guys” or “someone who is really into marketing.” But in our experience, the real reasons often boil down to the task seeming too complex or expensive, and the benefits too uncertain.

In an effort to encourage more executives to commit to branding, oeb initiated a study of branding, comprising a review of published information, interviews with independent experts and our own experience gleaned from working with literally dozens of clients over the past decade.

This report answers the following four questions:

1. Why should a company or an organization brand?
2. What characteristics do successful brands share?
3. How do brands become and stay successful?
4. What wisdom and techniques can be universally applied?

We hope that you find this information helpful in developing what many consider to be the greatest bottom-line builder of all – a strong brand!

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10 Fundamentals of Branding

In our opinion, the “fundamentals” apply to organizations of all types and sizes, including relatively small companies selling “nuts and bolts” to other businesses.

1. If you sell anything – products, services or commodities – **you can profit** from branding.
2. To succeed, **branding must be simple**, understandable and straightforward for marketers, employees and customers.
3. The ultimate goal of a brand is to **own space** (a word, a phrase, a picture or an emotion) in the minds of customers or stakeholders.
4. A brand name, look and logo are important – though no more important than the **branding support** you apply to them.
5. Your brand must be **positioned** (stand for something unique).
6. Your **employees must buy into** (be sold on) your vision of the brand. Uninformed, or misinformed employees can undo a world of good branding.
7. Since every contact with a customer or stakeholder can help build – or destroy – your brand, **consistency is crucial**.
8. You can't brand in your head. You need to **tell people about your brand** through advertising, PR, events and promotions.
9. No brand can afford to be all things to all people. You have to **pick a target group** and commit to it.
10. Creating and building a brand **takes corporate commitment**. The direction must be supported over the long term at the highest levels of management.

Why Brand?

Our research shows that a concerted brand-building effort results in products, services and companies that are better known, more accepted, and usually sell for higher prices than similar products or services that lack a clear brand identity.

Quality, delivery, price and service are often so close from one product to the next that it's nearly **impossible to compete** on these factors. Consider them as the price of entry.

So, when all else is equal, the thing that can differentiate one product from another is **brand image**. If you've done a good job of branding, your brand exists – in the minds of customers, employees and other stakeholders.

What is a Brand?

A brand is simply a **promise of performance**. Like a reputation, your brand is what others say or believe about you. In the case of a brand, it's what they think it will do for them.

Branding is just the process of **changing or reinforcing** what people say and believe.

Successful brands are those that **consistently deliver** on their promises. They sell better, fetch higher prices and command larger shares of mind, market and wallet.

Brands help customers choose

“A belief in the power of brands and brand management has spread far beyond the traditional consumer goods marketers who invented the discipline. For companies in almost every industry, brands are important in a way they never were before. Why? For one thing, customers for everything from soda pop to software have a staggering number of choices. Without trusted brand names as touchstones, shopping for almost anything would be overwhelming.”

— *Business Week*

Brand Wisdom

Behind every great brand...

Great brands are firmly rooted in the organization and what it stands for – its mission and core values. Once agreed upon, these can be used as a filter to ensure decisions are on strategy and supportive of the brand. For example, in an organization that values “communication,” it would be inappropriate to introduce a new price list without notifying customers in advance. For each value, it’s a good idea to develop a couple of questions that any employee can use to screen out bad decisions. In this case, questions like “Do customers understand the reason for this decision?” can be useful.

Experts Say

4 ways brands “work” for customers

- Brands simplify everyday choices.
(Wear Obsession and you don’t have to deal with a multitude of different fragrances.)
- Brands remove risk and uncomplicate buying decisions.
(Who ever got fired for buying IBM?)
- Brands provide emotional benefits.
(You feel great behind the wheel of your BMW.)
- Brands enable a sense of community.
(Millions of Macintosh users can’t be wrong.)

— *Based on The McKinsey Quarterly*

Simplicity Is Sacred

The strongest brands have a simple, **straightforward value proposition**. They often own a single word, phrase or image.

Some simple word associations: Volvo owns “safety;” Mercedes owns “luxury;” Microsoft owns “software;” Intel owns “microchip;” THX owns “great movie sound;” Dolby owns “recording quality;” Teflon owns “non-stick.” (Levis used to own “jeans.” Were they caught with their branding pants down?)

Associations such as these are branding’s **pot of gold**. They come from simple positioning and rigorous consistency.

Every brand is a story

“ A great brand is a story that’s never completely told. A brand is a metaphorical story that’s evolving all the time. This connects with something very deep – a fundamental human appreciation of mythology. People have always wanted to make sense of things at a higher level. We all want to think that we are part of something bigger than ourselves. Companies that manifest that sensibility in their employees and consumers evoke something very powerful.”

— *Scott Bedbury, Fast Company magazine*

“ I’m convinced that it is feelings, and feelings alone, that account for the success of the Virgin brand in all its myriad forms.

It is my conviction that what we call shareholder value is best defined by how strongly employees and customers feel about the brand. Nothing seems more obvious to me than that a product or service only becomes a brand when it is imbued with profound values that translate into fact and feeling that employees can project, and customers can embrace.

By profound, I mean simple. Everybody appreciates being treated decently. Everybody admires honesty. Everybody wants excellence and value. Everybody likes to have fun and to feel part of something bigger than himself.”

— *Richard Branson*

Brand Wisdom

You can't be all things to all people

LOW COST	or	HIGH QUALITY
REFINED	or	RUGGED
ADVANCED	or	SIMPLE
COOL	or	TRADITIONAL

How would you like your brand to be seen?

You can't be both – or all of the above. Branding is focus.

In trying to be all things to all people, brands can end up meaning nothing to anyone.

Perfect Your Positioning

Our experts identified positioning as **the most important step** in the branding process. Positioning is how you want your brand to be **perceived** out in the world (by customers, regulators, investors and other stakeholders) versus the competition.

Positioning is the foundation of your brand. It becomes the basis for all marketing activities and creative efforts. It gives birth to the **core persona** from which your brand's **personality** will evolve. It should form the root thought behind your slogan.

Positioning is best achieved by assembling major brand stakeholders in a room for a half-day, or even a day with some flip chart pads – and crafting **a single sentence** that summarizes the brand.

Like parents naming a child, stakeholders may be **passionate** and hold strong, differing opinions. This is nonetheless valuable dialogue. An outside facilitator will help greatly, even if just as an impartial tie-breaker.

A positioning should survive the following 5 tests:

1. Is it based on a customer need?
2. Are there enough customers to support it?
3. Is the promise believable?
4. Does the product deliver on the promise?
5. Is it meaningfully different from the competition?

Positioning will lead to a **brand “personality.”** Whether the customer is a consumer or a corporation, decisions are still made by people – who make decisions the way people always do, **largely emotionally**. Your brand's personality must resonate with them. Not necessarily a personality like their own, but one they can appreciate.

It's not always the obvious

“ Starbucks was less about engineering a great cup of coffee than it was about providing a great coffee experience.”

— *Scott Bedbury, Fast Company*

Positioning guides strategy

“ When Boeing thought about expanding into areas beyond its core aircraft operations, top executives thought carefully about what the Boeing brand stood for. Once the organization defined itself as a 'global aerospace-technology company' instead of just an 'airplane builder', moving into satellites and aircraft services became easy decisions.”

— *Business Week*

Brand Wisdom

4 things your positioning statement must articulate:

1. The target customer
2. Your brand's name
3. The category in which your product will compete in
4. Your brand's unique promise

Experts Say

4 Pieces of logo logic

Your logo is to your brand what a cattle brand is to a herd. Instant identification.

1. A logo needs to be simple (1 or 2 colours).
2. It should be unique.
3. It must adapt well to different sizes (business card to billboard).
4. It should work well in black on a white background or in white on a dark background.

4 Pieces of slogan savvy

A slogan (or baseline or tag-line) should be short and memorable, usually appearing with your logo or trademark.

1. It should be a summary of your brand's positioning.
2. Like your brand's positioning, it is a long-term decision – usually 5 years or longer.
3. It should “pay off” every piece of communication concerning your brand.
4. In choosing slogans for new brands, clear is better than clever.

Process Is Paramount

Five “Musts” in a Branding Process

1. **Drive a stake in the ground.** Stake out a position. Find out what your customers and other stakeholders think of you and determine what you would like them to think.
2. **Get personal.** Human characteristics help establish a winning personality for your brand. Develop a brand personality that resonates with your stakeholders.
3. **Bring your brand to life.** Create a brand concept that projects your personality through words and images.
4. **Apply your brand concept.** Apply the brand concept consistently to all your communications and marketing materials.
5. **Build your brand.** Communicate, communicate, communicate with customers, prospects, employees, stakeholders. It's the only way they'll find out what your brand is all about.

Brand Wisdom

Be a champion

Focus means change. And change demands a champion.

In smaller companies, the champion should be the president or CEO. In larger organizations, it could be the senior marketing person, or a division head. Success depends on the senior team's being 100 per cent committed to building the brand.

Brand Wisdom

Four ways to get employees on side

When employees are off side with branding efforts, the initiative is destined for failure. Here are four ways to keep them on side.

1. **Ask for their opinions.** If they care (and most do), they'll have plenty. Just as importantly it shows that you care.
2. **Incorporate good ideas.** This will demonstrate that you consulted them in good faith. And hey, a good idea is a good idea.
3. **Make them feel like part of the solution.** Show them your branding concepts before taking them public. Offer a reward or award to those whose ideas are used.
4. **Launch your brand to your employees first.** Give your employees the information they need to know about your new brand before you launch it to the public. Make sure they feel part of the process and that they know people at the highest levels believe in the new brand and think it's important.

Know Your Brand

You Can't Brand in the Dark

Branding always **begins with research**. But this need not be overly expensive or complicated. Think about research as **a conversation** with your customers and stakeholders. Listen hard to hear what is going well, or what could be improved.

Employee research can be as valuable as customer research. If employees are unclear about your brand, then customers may be too.

Customer research

“What you think your brand is doesn't really matter. It's only what your customer thinks your brand is that matters.”

— *Al Ries & Laura Ries, The 22 Immutable Laws of Branding*

Brand Wisdom

5 types of brand research

Research

Advantage

Disadvantage

1. Focus Group

Good for discovering how customers speak and feel about the category.

Qualitative only. Risky for assessing new concepts. Tends to elicit “social” responses rather than frank ones.

2. Tracking Study

Quantitative. Good for following progress in awareness, attitudes and purchase intent. Can be predictive.

Long wait for results. Costly when used on a continual basis.

3. Direct Response Test

Measurable test of interest in variables of an offer and associated messaging.

Offer is often unrelated to the brand. Can be complicated to plan and execute.

4. In-Market Test

Highly predictive, based on real market behaviour.

Too costly for all but the largest budgets.

5. Published Studies

Lower cost. May yield useful data.

Not specific to your brand and issues.

Branding Brilliance

Beyond the Basics

The following is adapted from an observation by economist Bruce Davidson. In marketing, as in military engagements, there is no such thing as treading water. You are **either going up or down** – gaining or losing. Some brands consistently shine above their competition. What that takes is exceptional strategic and tactical abilities, plus executional excellence.

The examples here are intended as **inspiration**, rather than a standard every marketer has to shoot for all the time.

Brand vision

“What Orville Redenbacher did is the absolute definition of branding: He took what had been a commodity nobody thought twice about and gave it a voice. He convinced consumers his corn was worth more because, unlike its competitors, it had a personality. In the process, he created an industry out of nothing, just as he told me he would.”

— *Brand Warfare: David F. D'Alessandro*

Branding Brilliance

Brand newness

1. BIC almost tripled consumer preference from 8% to 21% in one year (2001) by bringing news to the pen market, through product innovations such as: special grips, gel inks and licensed characters.

Brand piggybacking

2. Intel put “pull” marketing pressure on computer firms by using the firms’ own advertising. Offering 3% of a company’s Intel purchases for co-op advertising, Intel raised consumer awareness from 22% of home-PC buyers in 1992 to 80% in 1994. “Intel Inside” became a customer assurance of PC quality. Their sales rose 63%.

Brand demand

3. Dupont’s apparel and textile science unit – a B2B division – avoided becoming a commodity and built their brands (Teflon, Spandex) by advertising to consumers, creating demand for their technology in other manufacturers’ products. Another example of “pull” marketing, these came to represent quality in the same way the “Woolmark” did.

Brand revival

4. Ogilvy & Mather relaunched IBM – and itself – with friendly, human, “real” feeling advertising featuring little vignettes of individuals’ successes using the Internet for business.

— *Based on information in Emotional Branding: Marc Gobé*

Brand building

5. Federal Express was already a huge success as a brand, but as they began to go global, they were concerned with the governmental or bureaucratic connotations of “Federal.” To avoid bureaucratic barriers, they appointed a single decision-maker for the re-branding. The resulting “FedEx” is an even bigger success. Their company vehicles now function as mobile billboards.

— *Based on information in Integrated Branding: F. Joseph LePla, Lynn M. Parker*

Consistency Is Crucial

We've Identified 5 Rules of Consistency:

1. **Say the same thing** – over and over. Imagine you're talking to someone who is not paying attention, who already receives way too many messages, who is not interested in your message, and who may have difficulty understanding your message when they get it. You just imagined the average consumer.
2. **Pick a colour or colours** – and use them all the time. It will make your messages easy to recognize, and they will build on each other's impact. (Royal bank "owns" the colour blue. TD Canada Trust "owns" green.)
3. **Establish a consistent look** or style of visual imagery. Fido uses a variety of dog images to support the impression that their personal communication system is man's best friend.
4. **Use consistent design** on everything from packaging to trade show booths to your web site – even in your main reception area.
5. Don't forget **product consistency**. Your brand is a promise of performance. If any aspect of that performance changes for the worse, even your loyal customers will walk.

Brand Wisdom

The brand protection book

Most organizations develop graphic standards that govern the ways in which their logo is used and their communications are designed. Few go to the trouble of preparing a Brand Protection (consistency) Book. But it's a good idea. A Brand Protection Book provides your employees with everything they need to know about a brand: where it came from; where it's going; how to describe it to someone outside; how to filter important decisions; and more. It helps to encourage consistency. Plus, it helps prevent trademark infringement due to improper use of your brand's identity.

Build Credibility

Despite protestations to the contrary, people **do** believe what they read in the newspaper. They also believe what they hear from their friends and colleagues.

The credibility that comes through word-of-mouth or favourable media coverage provides the foundation on which a heavyweight brand can be launched and built.

Our research found that successful brands position themselves and their products so that the media take notice. They find and sponsor events which are a “fit” with the organization and find ways to make sure participants know about their involvement. They create buzz by distributing the product to trend-setting buyers.

The payoff comes when skeptical buyers become more open to believing in the brand and trying the product.

Marketing through Public Relations

Marketing has entered the era of public relations. All the recent marketing successes have been PR successes. To name a few: Starbucks, The Body Shop, Amazon.com, Yahoo!, eBay, Palm, Google, Linus, PlayStation, Harry Potter, Botox, Red Bull, Microsoft, Intel, and BlackBerry.

Publicity provides the credentials that create credibility in the advertising. Until a new brand has some credentials in your mind, you are going to ignore the advertising. If you are going to be successful in building a brand, you need to manage both advertising and public relations properly. The general rule is, Never run advertising until the major publicity possibilities have been exploited.

— *The Fall of Advertising and the Rise of Public Relations* – Al Reis

Establishing brand credibility through PR

Based on responses of more than 100 brand managers, (this study) provides new evidence that public relations is the most effective way to establish brand credibility, to surround a brand in a particular editorial context, and provides the best return for the marketing dollar spent.

The majority of brand managers polled – 51 percent – believe that public relations, when compared to advertising, sales promotion and new media, is critical for establishing brand credibility.

— *McBain Associates survey*

Drive Your Brand With Marketing Communications

You can't build a brand in your head. You've got to get out and **tell people** about it. This takes a focused marketing communications program. Every single piece of communication, from stationery to packaging, to advertising, to promotional material, to PR should help build your brand.

Communication is crucial. Advertising and marketing communications represents you when you're not there. Unless you have the ability to speak to every customer and potential customer on a regular basis, you probably need to communicate through advertising, promotions, brochures, newsletters and other vehicles. This is especially true if you want to build a brand in a timely fashion.

Anyone who says advertising or marketing don't work in our business has probably been on the wrong end of some bad advertising campaigns and marketing programs.

Budget Branding

Branding need not require a major gearing up, the creation of a new department, or significant expenditures of time and resources. If you want to dip your toe in the water without going off the deep end, but still reap some significant benefits, look for a knowledgeable outside advisor who can help guide you through an appropriate process.

The Branding Bottom Line

Companies whose products are branded are **worth more**. Their products **sell better, and for higher prices**. Done right, branding yields a competitive advantage far exceeding the cost.

Brand Wisdom

Nothing beats the right tool, used in the right way

Building a brand is like building a house, in at least one respect. You need the right tools, and you need to know how to use them. Here are some of the more important marketing communications tools you will use.

Marketing Communications Plan	Creating a brand is one thing. Establishing it in the marketplace is another. For this you need a plan that sets out objectives and a strategy, and outlines the role to be played by each communications tool.
Customer & Employee Newsletters	<p>Newsletters allow you to keep your brand in front of stakeholders who matter most to your success, and to do so on a regular basis.</p> <p>To customers, newsletters provide an excellent vehicle for communicating your brand's position, values, and personality in the way the copy is written and the piece is designed. Internally, a newsletter can help the employees who will personify your brand buy into it.</p>
Brochures, Direct Mail, etc.	Print collateral provides an important vehicle for communicating brand messages and providing stakeholders with visual clues as to what your brand stands for. Plus brochures provide the space to tell your corporate story, an essential ingredient in any brand-building initiative.
Media Advertising	An effective way of "pushing" the brand to stakeholders, and establishing brand associations and personality. In advertising, the cumulative effect is greater than the sum of the parts.
On Line Communications	Your web site is often the first place potential customers go for information on your company, product or service. Web sites must reflect brand values. If a core value is "communication," and your site provides too little or the wrong kind, the "disconnect" might convince would-be customers to go elsewhere.
Public Relations	An excellent tool for educating stakeholders on core values, dispelling myths, and communicating key messages through credible third parties. PR can create a buzz around your brand and provide an "independent" stamp of approval that advertising cannot match.
Promotions	Promotions, particularly off-price promotions, are often accused of undermining brand value. But they don't have to. Promotions that take account of your brand's personality and attributes can actually enhance the brand.
Exhibits & Events	Your brand's personality should be carried through into trade show booths and other types of event support. These help bring the brand to life, reinforce key messages and add a three-dimensional brand experience.

Brand Language

Brand – What someone believes about a product or service or company. Often a product that has been named, identified with a logo and positioned.

Brand Equity – The cumulative effects (goodwill) from branding efforts as measured by customer awareness, acceptance and loyalty to the brand. The brand's value, excluding hard, tangible assets.

Brand Personality – Who the brand would be if it were a person. Existing in the minds of stakeholders, it arises from the way a brand looks, speaks and behaves.

Branding – Efforts to support a brand and/or manage how it is perceived.

Core Values – Beliefs that management wants stakeholders to hold. The elements that go into a brand's positioning including the factors that serve to make the brand's unique promise true.

Logo – The registered graphic representation of a brand.

Messaging – What you intend your brand communications to say (not necessarily what they are perceived to be saying).

Mission – A statement of purpose that encourages employees to get up and go to work, and clearly states what a business does.

Positioning – The unique way you wish your brand to be seen relative to the competition.

Slogan (tagline, baseline) – A short, memorable summarization of your brand's positioning, usually used with your logo to “pay off” brand communications.

Trademark – A legally registered name or symbol.

Wordmark – The name of the brand written in a distinctive manner.

oeb – A full-service branding agency. Named after the hippopotamus – because of its power, versatility and graphic impact.

““The asset value of Coca-Cola is probably close to 90% in intangible assets. That’s the extreme. But, in general terms, in a strongly branded company, we’re seeing 70% of corporate assets tied to the strength of brands.””

— *Martyn Straw, President Interbrand Americas*

branding

public relations

marketing communications

OEB Enterprise is a full-service agency with roots in communications and marketing that stretch back more than 60 years when the company was founded as one of Canada's first public relations firms.

Our mission is to bring the power of branding to marketers and communicators intent on getting the most from their advertising dollar.

We reflect leading thinking in everything we do for our clients: public relations, brand identities, brochures, newsletters, advertising campaigns, annual reports, web sites or direct response programs.

With offices in Toronto, Ottawa and Niagara, OEB Enterprise works with clients of all sizes in the public, private and not-for-profit sectors.

The strategic branding perspective we bring to every assignment is based on real world experience in business, journalism, marketing and other fields. The solutions we offer are designed to ensure that our clients receive maximum impact for every dollar spent on communications and marketing.

Global reach through the WORLDCOM Group

OEB Enterprise is a founding member and active partner in WORLDCOM Group of Public Relations Companies. Through WORLDCOM, we can provide our clients with public relations, media relations, research, marketing on other services on the ground in more than 100 markets in Canada, the United States and more than 30 other countries around the world. We provide reciprocal services to international clients requiring public relations and marketing assistance in Greater Toronto, the media capital of English Canada and throughout Ontario.

TORONTO

595 Bay Street | Suite 1202 | Toronto | ON | M5G 2C2 | Telephone 416 586 1474 | Facsimile 416 586 1480

ST. CATHARINES

63 Church Street | Suite 400 | St. Catharines | ON | L2R 3C4 | Telephone 905 682 7203 | Facsimile 905 682 7481

OTTAWA

155 Queen Street | Suite 800 | Ottawa | ON | K1P 6L1 | Telephone 613 288 5044 | Facsimile 613 288 5045