

What's a brand?

Why have a brand?

How to define your brand

What do you want to be known for?

Marketing your brand

Ongoing brand development

**What's your
Grand Brand Plan?**

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Introduction

It is estimated that in June 2006 there were 1,646,344 small business operators here in Australia*. **1.64 million Business owners in this country.** And many of them have never taken the time to consciously develop the brand of their business, because they have never been succinctly shown how to go about doing this.

The purpose of this guide is to provide you with an overview of branding and brand development. With this knowledge, you are then better equipped to grow your business and build value in the business. This is true if you run your own organisation or work in someone else's.

If you have any questions or feedback about this guide please feel free to contact us by phone or email, the details of which are at the end of the guide.

Many thanks
Tony
Dosdesigns

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What is a Brand?

4 Brand
A name, term, sign, symbol or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.

So, what is a brand? To set the stage for our discussion about brands and branding, we will use the definition supplied in Marketing Edition 3*:

brand – A name, term, sign, symbol or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.

There is a lot of substance in this definition. There is the physical representation of the brand, the sound of the brand (its name), what the brand is representing and how it represents its point of difference. In order to understand what a brand is, we will begin by discussing what a brand isn't.

What a Brand is Not

A Brand is Not a Name, Symbol or Sound on its Own.

A brand exists beyond any one element listed in the definition stated in this guide. The reason for this is that as humans, we interpret our world through the five senses – Sight, Sound, Touch, Taste and Smell. These senses then translate our external experience into an emotional response to what we are experiencing. This emotional response is then recorded in our minds as a memory – either positive or negative – which will then influence our future behaviour.

For example, when you go shopping in a supermarket, you will come across literally thousands of brands in the aisles of the store. You see the brands in front of you as you browse the shelves. When you see a brand you recognise, your memory of the brand (based on past experience) will influence your decision to buy it or not. You may have heard the brand name used in an advert on the radio (sound). A friend may have offered it to you in the past where you used or tasted it (touch or taste or smell). You may recognise the brand name and packaging used from an advert in a magazine, flyer in the letterbox or on Television (sight). It is as a result of these experiences that you take notice of the brand on the shelf, and pause to consider purchasing the product.

Therefore, a brand is not just one element – it is a range of elements that combine to deliver a message about a product or service.

* Kotler, Chandler, Brown, Adam (1994), Marketing Australia and New Zealand Edition 3, p.269, Prentice Hall Australia

A Brand is Not Seasonal

You may have a product or service that changes with the seasons, or has a relatively short life cycle and so your business introduces new products and services in keeping with the needs of your customers. Your brand is a core element of the promise of what your business offers. As such, it does not change with the seasons. A good brand will remain constant for the life of a business – however long that is.

Examples of this brand consistency include McDonalds, Coca Cola, Pepsi, Nike, Holden, and IBM. These businesses are as much a part of our current culture as the telephone or electricity. The brands of these organisations have not changed, and yet their product offering has shifted with the changing fashions and trends of the modern world.

Being able to successfully evolve a brand with the changing habits of the consumer market is not an easy task. Large organisations such as Coca Cola and IBM have been able to redefine what their brand means to their customers through extensive advertising and a concerted effort at sending a different message associated with their brand. For the most part, small to medium sized organisations will not change their brand during the life of the business. Once the business's brand promise is established and has been communicated to its customer, changing this can be a costly exercise that carries high risks.

A Brand is Not a Separate Function to the Business

The service or product offered by your organisation connects with a certain demographic and psychographic segment of the marketplace. Your brand is not separate to this. It is a direct correlation to the target audience that you are appealing to.

For example, let's look at a local trade service like plumbing. This business services customers in a more expensive suburb where house prices are higher, and many homes have been fitted out with expensive taps and faucets. You can assume from this demographic description that customers of this serviced area appreciate and expect higher quality service and attention to detail. As such, paying a higher price for this service is not an issue for them. The plumbing business delivers this service to the expectation of the customer, charges a fair and reasonable amount for the service, and presents the business with a brand image that does not match the experience of the service (eg not professional). This lack of congruency confuses the customer and hence their memory of the brand is not clear. This impacts on the positioning of this service in the perception of the customer.

From the above discussion, we can state that a brand is:

- Consistent and in alignment with the overall business offer and target audience
- Constant – it does not change
- A combination of elements such as name, symbol or design

Why have a brand?

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With an understanding of what a brand is and what it isn't, the question of whether you should have a brand arises. This is a very good question - one that is answered invariably by a default or a deliberate choice by a business.

What is meant by "default" or by a "deliberate" choice?

Default

Every business has a name. This could be the registered trading name of a partnership or sole trader, or the name of a registered company. The entity that charges a customer for a product or service has a name. If the only name that was ever created for a business was this entity name so that it could trade under Australian Law, then this would be the only name that your customer would remember the business for. Over time, the experience that they have with this business is built, and the reference for their memories of this experience is this name. Therefore, there is a brand name by default.

Deliberate Choice

Customers develop an interpretation of your business regardless of what you do about branding. As such, making a deliberate choice about developing a brand that represents your business puts some of the control of the customer experience back in your hands. You can decide what image, name and experience your customer will receive (and hence store as a memory) when they deal with you and the business.

Both these choices result in a brand name and interpretation for a business. The deliberate choice will better serve the business in the long run.

Communicate to your Target Audience

When a business has a brand it facilitates the attraction of a specific type of customer and works at creating customer loyalty for the business. Many businesses can struggle for a long time with low profits and a wide-spread range of services or products. This is a result of attempting

to service a large portion of the marketplace. Unless you are a major brand providing consumables, such as Coles Supermarkets or Woolworths Supermarkets, this approach is very hard to sustain. The very fact that there are a few major supermarkets goes to the fact that you cannot service every customer that has the means to purchase from you.

Your brand will set your business apart from competitors. It will create this environment and perception of your product or service in the view of your target audience that will be different to that of a similar business. From sole traders ranging to larger corporations, every business is different. This difference begins with the basic premise that different human beings are delivering the services/products that generate revenue. Having a brand is the defining of this difference that can then be marketed to your target audience with the intention of building a loyal customer base.

Another reason for a business to have and develop its own brand is that it connects with its customer's personal image. When a customer buys a product or service, either consciously or subconsciously, the customer will gravitate toward a provider that reflects their own perceived personal image.

For example, a customer that wishes to purchase a pair of jeans has a myriad of options. They can purchase from a supermarket, from a major department store, or from a specialised brand store. The fact that the actual material – denim – has very little difference between these options is irrelevant. The customer will purchase from an outlet that enhances their personal image. If they are unconcerned with brands and see jeans as a function of practical clothing, perhaps the supermarket or department store option will suffice. For the customer that wants extra choice of style and fashion – extending their personal image into their clothes – the brand-specialised stores will be more attractive as an option. Where was the last place you purchased a pair of jeans from? Why did you choose that outlet? Was the use of any brand an influence on this purchase?

You can begin to see that a business that has a defined brand has a distinct advantage over its competitor. This brand can then be given a personality of its own through effective marketing. This Brand Personality will then connect with the target audience of the business, attracting potential buyers and helping the business grow.

How to define your brand

your Brand Personality

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Have you ever found yourself trying to describe to a friend what something looked or sounded like, and each time you attempted to do so, words escaped you and there was confusion from your friend? This is like trying to define your brand without taking the time to analyse what it is the business does and why.

What is the Core Offer of the Business?

The focus with this activity is to begin with a clear understanding of the main product or service that you offer. If you sell products to generate revenue, it may be looking at the benefits that the products provide your customer. If you sell a service (e.g. time for money) then you must also look at the benefit that you provide your customer with your service. With this analysis of a business, you must look and understand what the benefits are that you provide your customer. The How – selling with products or services – is secondary to the What that you provide.

For example, at Creative Junction we primarily offer design services as a core function of the business. This is where we began our brand definition process. However, we have further refined our core offer to that of brand development consulting. It is through our delivery of design services that we educate our clients about how to best utilise their brand in effective marketing that gets results. Since taking the time to refine our core offer from the How (the service) to the What (the benefit) we have been able to more clearly describe the benefit of our business to our target audience.

This process is as complicated as you want to make it. Start by looking at what product or service your organisation primarily offers. Then, look at the benefits that your customer derives from buying your product or service. Write these benefits down. Define what the real offer is from your business to your customer.

What Do You Want to Be Known for?

This stage is where you define the essence – the personality – of your business brand. Knowing what you want your brand to be known for is a vital part in establishing a position in the perception of your customer. If you skip this step, you run the risk of developing a brand without

meaning or purpose. It may be a logo or image that you think represents a good product service, but what is the brand personality?

One approach you might like to take when looking at defining your Brand Personality is listing the values that are held by the business. If the business is you – that is, you are a sole trader – what are your values? If the business is a group of people, then what are the values of the group? Here are some value statements that can be used in this process:

These statements imply an expectation in the customer’s mind of the type of experience they can expect from the business. If the brand conveys a personality that is young, energetic and groovy, then the expectation is that the product or service would also be similar. Another reason why defining the brand personality is that it helps greatly when it comes to the process of developing the brand visually so it can be used in marketing material.

Your Target Audience

Another important aspect of defining your brand personality is clarifying who your customer is. This can be done by talking with a range of people that you think represents your ideal customer, with the intention of understanding how this group thinks and feels. This knowledge is then used to create the appropriate message that promotes a business to create patronage and customer loyalty. You may or may not have done this yourself, or may know the types of customers that are ideal for your product or service. If so, can you describe them to someone, as if you have just seen them and can list their behaviour, the clothes they wear and the way they speak?

If you haven’t a clear definition of your target audience, invest your time researching this. The main benefits for doing this include:

1. It provides a clear “person” with which any marketing material can be created for and delivered to
2. It helps the business understand the needs of the target audience and can then set the stage for developing any future product lines
3. It gets you “inside the head” of your customer, so you can communicate the values of your brand, your marketing message and connect with their personal image values.

A combination of these elements results in a customer recognising and choosing to buy from a brand that supports their personal image (as the brand values are in alignment with their personal values) and meets their perceived needs.

Integrity
Value for money
Condiment
Commitment
Honesty
Quality service
Passionate
Caring
Supportive
Dependable
Reliable
Consistent
Trendy
Young
Groovy
Old fashioned
New fashioned
Methodical
Technical
Colourful
Creative
Healthy
Energetic

Using a brand to market your business

At this stage, you are clearer on what a brand isn't, why have a brand and how to develop a brand. Now, it is appropriate that we discuss how a brand can be used in your business that can then generate revenue to pay the bills.

Marketing Channels

When you market a business, you have six major channels in which to communicate your brand message to your customer. These are briefly stated below:

- **Direct Marketing**
such as letterbox drops, direct mail, email marketing
- **Personal Selling**
human interaction selling
- **Sales Promotions**
the use of incentives and specials to entice a purchase
- **The Internet**
using the Word Wide Web to explain more about your benefits
- **Advertising**
communicating your offer to your customer through a variety of mediums
- **PR/Publicity**
the use of the media and public relations to generate awareness of a business

Your brand should be used in any marketing activity you choose to employ. If you choose to use Advertising in your marketing mix, then your brand and brand image must be recognisable in any advertising you publish. Likewise, if you use Direct Marketing, your brand image must be perceived by the customer when receiving your communication.

One way to help explain the power of a clearly defined brand in your marketing activities is to use a Business Listing Directory as a case study. These types of directories have been in existence for a number of years and many businesses advertise themselves in them to attract customers. If you have ever used a business directory you might be able to remember

when you have flicked through the pages to select a suitable business to help meet a need. This selection process that you (and every customer) most likely went through is a quick and emotional one. That is, you made a decision to shortlist some business quickly and did so based on an emotional response to what you saw in the directory pages.

To take this example and break it down some more, we can use the various ad types in directories to highlight the use of a brand in marketing. Directories have different styles of listing a business. The more obvious styles include graphics and images. Often, these include a brand image or logo. Many times these ads will attract the attention of a potential customer over the listings that appear in plain text. The point here is those businesses that use their brand in this marketing method are more likely to achieve successful results and a better return on their advertising spend.

Another example of using your brand in marketing is to look at the Internet. When a customer visits your website, they will begin to experience your brand from the moment the page loads. How it looks, sounds, reads and what it communicates all impacts on the customer's perception of your brand. Knowing what you want your brand to be known for and communicating that effectively with your website design and your website copy (words, images, etc) will result in a clearly understood brand message that your customer will receive from the website.

For example, go to the website www.nike.com. You will be directed to your language and location, and once you arrive have a look at the site. Notice how the brand is not selling sports gear – it is selling the brand image of peak performance in sporting activities. All of Nike's adverts do this. They have refined their brand promise and core offer to this concept, and push it in every marketing activity they do. They sell their brand image, and the outcome of people buying into this is the purchase of Nike sporting goods.

Using a clearly defined brand in your marketing material engenders brand loyalty and customer interest in your product. If you have a good business model then this brand loyalty and interest filters down into customer enquiries and sales. Nike's brand image filters to products sales. Your brand image will filter to sales too.

How Does the Brand Look

Another way you use your brand to market your business is in putting a "face to a name". That is, putting a recognisable image, sound, words or combination of all three with the name of a business so a customer can remember what business to contact when they are in need of a service/product. We know that it takes a customer several opportunities of experiencing a brand before they are even aware of its existence. You may have heard 4 times, 7 times, or even 9 times. Perhaps it is increasing as the overall 'noise' of advertising makes it harder to get the attention of the customer. The point is this however - **it takes more than one interaction with your target audience for there to even be recognition of the business's existence**, let alone any decision to buy from it.

Organisations that have a clear brand displaying a brand image matching its target audience's image have a stronger position in which to attract their customers and make a sale.

Ongoing brand Development

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Developing a brand for a business is like telling a story. Not necessarily as dramatic and drawn out as Lord of the Rings, but still, a story nonetheless. When a customer interacts with your business, they are taken on a journey. This journey is the unfolding of how the brand will enhance their life. If it is a consumer brand, then how will this brand enhance the life of the customer? It is not a consideration that is given conscious thought by a customer, but it does play a role in their purchase decision process.

The brand image and ongoing brand promise is important as it relates to this buying process. A customer will usually go through the following process when making a buying decision:

1. Identify the need for the product or service
2. Research the options of places to purchase
3. Investigate these options to refine the selection
4. Select the option and make the purchase
5. Review if the purchase was a good one.

This last step is the step that matters most in ongoing brand development. This step is when a customer questions their choice about a purchase. It is the point that they are the most vulnerable about what they have done. In the event that their self-assessment results in dissatisfaction, either the customer will return the product or never buy it again. In the event that there is satisfaction, then this begins the process of brand loyalty. For you marketers reading this, you may know this as Post-Purchase Dissonance*.

It is this stage that a customer will also subconsciously review the brand values of their purchase. Any and all aspects of the purchase are up for review. How does this purchase reflect them as a person? What will their friends and family say about them because of this purchase? Have they received good value for money? Is this the best product or service for them?

If the brand promise does not support the buyer's decision **AFTER** they have made it, then the propensity for a dissatisfied customer is much greater. This is why it is so important to continue the brand development process in all marketing activities to remind the customer why they

made a great purchase in the first place. It reminds the customer what your business and brand stands for and why the customer is best served buying from you again.

If you do this effectively and grow your brand over time – developing its personality and image in the eyes of your customer – then you will develop strong customer loyalty. Having strong customer loyalty is the backbone of a good business. This creates excellent referral sales with your customer advocating your service or product to their network.

An ongoing brand development strategy will also begin to develop an intangible asset for the business – the business's Goodwill. An example of Goodwill value is Google. Yes, this megalithic business has a huge stock market value that rivals that of Microsoft. Ironically, the majority of its value is not in any physical product that can be liquidated for cash. The value of Google is in its business model and the power of its brand in the market. Now, the brand Google is synonymous with searching on the internet. Recently, I caught myself saying to a friend to "Google for a video in YouTube". Millions of people use Google because it is fast, easy to use and delivers relevant search results. Google always has done this and will continue to do so. Over time this has built such a huge patronage of its service that the value of the business has sky-rocketed without the need for the business to own assets that match the value of the business. All this because Google established a brand, delivered on its promise, and continues to do so to this day.

Conclusion

Developing your Grand Brand Plan is an integral part of a successful business. It doesn't matter if you are a small organisation with only one staff member, or if you are in an organisation with 50 employees - this process is relevant to every business.

Take the time to review your business and define the brand promise. Once you do, it is a much easier and more enjoyable experience to develop the imagery that will capture the brand values and elements that will convey this to your customer.

Be sure to continually develop your brand through effective marketing and sales processes. And always seek feedback from your customers about what it is you do so you can improve on things and make it better.

About Dosdesigns

At Dosdesigns we're passionate about design. We don't just do websites or design logos for your business. With your input we manage the entire process to make your business stand out.

We create and develop all aspects of **print design, website design, advertising design**. We've helped many diverse businesses and we know we can help your business. Take a look around our website and contact us if you have any questions.

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