

Do You Know Your Brand?

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Walking several recent industry trade shows, including the IFT Food Expo and Natural Products Expo, it was surprising to find quite a few folks who had what could most kindly be described as an unclear or incomplete understanding of Branding (a term I always capitalize to underscore its position as a vital discipline that should be taken seriously). Unfortunately these were marketers—people who should absolutely be in the know.

A shocking number use Branding to mean “putting our logo on every available surface”. Others use the word interchangeably to mean “marketing”, much as some used to use “marketing” to mean “sales” or “advertising”. Those with a glimmer of understanding use the term to indicate product differentiation, as in “We’re launching a Branding initiative” to mean “We’re using our product name instead of its generic title.”

Frankly, this is unsettling. Branding is no mere trend, and is far too critical for success in business for it to be misunderstood by those whose livelihood consists of bringing products to market. In order to successfully engage and compete in the marketplace, as well as build a legacy for your product or service, it is essential to embrace and utilize Branding, from the development of a coherent and powerful brand identity to the execution of effective and connective brand strategies. Properly executed, Branding makes it far more effective and economical to communicate. It facilitates the management and positioning of multiple products in your portfolio through the process of Brand Architecture.

Defining ‘Brand’

What is a Brand? Your brand represents your responsibility to consistently deliver that which your brand uniquely represents and promises—every time it’s engaged. Bottom line? A clear and coherent Brand Identity defines what you stand for, what your product does, why that matters to those who you want to buy it or engage you, and why those consumers or customers should be in relationships with you.

Brand Identity, properly developed and managed, provides a solid foundation for managing the perception of your product or service and connecting with the consumers or customers with whom you want to build long-term relationships. (If you don’t understand that these longterm relationships are essential for business growth and survival then you aren’t ready to have a serious discussion on Branding.) I can assure you that those leading the market in your field are serious about Branding, understand it and implement brand strategies as a normal part of their strategic planning.

Branding makes investors and shareholders happy by building equity in the brand name and brand portfolio. It is estimated that over 60 percent of Coca-Cola’s value is in its brand name—an intangible that nonetheless has considerable legacy and cachet. Currently, the Financial Accounting Standards Board is considering a new rule that would require brand equity be counted among a company’s assets on the balance sheet. This will please shareholders as well as the Street: the Securities and Exchange Commission (SEC) stands behind the idea, which is already common practice in the United Kingdom, Australia and New Zealand.

Marketers bringing differentiated, relevant brands to market are rewarded with better price/earning (P/E) ratios, higher percentages of market capitalization for their portfolios, and, in general, fare

better on the balance sheet.

It's food industry folklore by now: John Stuart, former chairman of Quaker, once said "If this company were split up, I would give you the property, plant and equipment. I would take the brands and trademarks and I would fare better than you." He understood that the long-term intrinsic value of the emotional connection between loyal consumers (Brand champions) and his brands was invaluable.

It has been rightly stated that products come and go, but brands live forever. A coherent and relevant Brand Identity serves as a touchstone for your culture, helping define your corporate values, rendering internal communications more effective and your mission clear and focused. Brands make lasting emotional connections with consumers, who become loyal champions of brands whose promises they have come to believe in. Additionally, brands provide a synergistic connection between your organization's culture and your target market.

Branding Outside and Within

Whether you are marketing an established packaged food product or an essential ingredient, having a Brand Identity is a crucial first step to long-term success in communication and connectivity.

Those marketers bringing a product to consumers have a clear-cut task before them: how to stand out as relevant, unique and meaningful in a crowded arena, gaining the attention of consumers who are hit with 4,000 messages a day. The shelves are crowded with products that are so similar in benefits and claims that consumers are left scratching their heads, asking why they should purchase one instead of the other.

We know that ingredient manufacturers have a particular problem: both supply-side and purchasing are often stuck in a commodity mindset—to the detriment of everyone involved. The first step in breaking that mold belongs to the bold marketers who decide to focus on the unique Point Of Differentiation (POD) in what their products or product portfolios bring to the table. Smart marketers know that even a bulk ingredient can be differentiated; and, once differentiated it will have both added value and a distinct brand advantage over the competition, who may be stuck in an obsolete, short-sighted commodity trap.

But as important as Branding is to external communications, its impact runs just as vitally back to internal communications. From shareholders to reception, from the boardroom to the sales force, Brand Identity provides a standard for Internal Congruence, codifying the core values of your culture and defining the mission driving your Brand, expressing how it will change the lives of those who engage it by fulfilling their emotional drivers. And that coherence reflects back through external Branding to the consumer, by creating a foundation of authenticity that will hold water with consumers who are highly informed, highly connected to brands that they trust and love, and who can sense mercenary intent a mile away. As the authors of the startlingly enlightening book *The Cluetrain Manifesto* (Perseus Books Group, 2001) pointed out: "As sophisticated as marketing became, it has never overcome the ability of people to smell the BS behind all the marketing perfume."

If by reading this you've come to a deeper understanding of Branding, or discovered that it is indeed more than your logo on a coffee mug, I've begun to remedy the situation a bit. If you are engaged in bringing a product or service to market, it behooves you to continue learning as much as possible about Branding. You owe it to your customers, your company, your shareholders and ultimately, your Brand itself.

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