

## CRITICAL STEPS TO BUILDING YOUR BRAND

*RSW is a marketing communications firm that helps organizations unify their internal and external communications to deliver a more powerful, consistent brand message that both their employees and customers can embrace.*

*This white paper is one in a series that are offered free of charge to marketing, corporate communications, HR, and internal relations professionals. Each title in the series deals with a specific area of concern and is designed to give you solid, tactical advice on finding effective ways to communicate with your employees and your customers.*

*We've purposely avoided the standard industry jargon, catch-phrases, and buzzwords that seem to clutter most marketing documents. The result is a series of papers that are refreshingly brief, rich in content, and easy to consume.*

*We hope you enjoy this paper. To find out more about what RSW can do for you, please call Brad Wines at 214-528-1818, or email us at [info@rswcreative.com](mailto:info@rswcreative.com).*

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Over the past 25 years, competition has grown more fierce and the world of marketing has become much more focused on branding. In fact, in many companies, brand building has become the top priority of the marketing team.

And while the number of companies who are focusing their efforts on branding has increased, the number of companies who are doing it effectively hasn't. The key reason behind this is that there seem to be virtually endless definitions of the term 'branding.'

The purpose of this paper is to put forward a more concrete definition of branding, and to share our insights, strategies and tactics for making sure that your branding efforts achieve your desired results. While this white paper is by no means a comprehensive guide to branding, it does contain solid advice for mid-tier companies who desire to differentiate themselves from their competitors, and drive their revenues higher, by staking out their territory as a preferred brand.

### **What's the Real Value of Branding?**

One of the great frustrations that marketing and C-level executives face is the difficulty that arises when they attempt to measure the effectiveness of their branding efforts. Branding efforts often do not generate immediate, tangible results. And when sales do come in, it's usually unclear whether they may be attributed to branding efforts, other sales initiatives or the overall economy.

Despite the rather nebulous ROI of branding, there are a few basic truths that illustrate the value of branding:

*Branding can be used to justify higher pricing.* Whether you're selling goods or services, having a preferred brand can generally allow you to command a price premium of 10 to 40% — or more — above a nonpreferred brand. You can see it at your supermarket, when you compare a 'preferred brand' canned vegetable to a generic one. But you can also see it in such sophisticated items as IT consulting (Big 5 firms vs. no-name consultants) and web infrastructure hardware (established brands vs. local 'mom and pops'). Who commands the higher price? The stronger brand.

*Branding can make your company worth far more, should you decide to sell it.* An excellent example of this is Ford's purchase of Jaguar. Why did Ford spend hundreds of millions of dollars for a modest-selling sports car? After all, within two years, much of the engine, drive train and styling had changed completely. Why not simply build a luxury sportscar of their own? The answer is simple: The Jaguar brand had a mystique and value that they simply could not replicate. Of all of Jaguar's assets, the brand essence was the most valuable item that they had to sell.

*Effective branding can help you own a niche.* Think of upscale department stores. Sophisticated microchips. Internet access providers. In almost any category, there are one or two players who basically dominate and own their niche. Effective branding doesn't simply communicate with your audience — it convinces them. It delivers the relevant messages that sway them toward your brand, and that help you own the niche or niches that you have targeted.

*Branded products sell more than non-branded products of equal quality.* This is especially true in dealing with high-ticket and technology-related items. The reason can be boiled down to trust and understanding. When purchasing a new product in a new category, people naturally want some level of trust. This is especially true in product categories which must provide a high degree of reliability and functionality. When all other factors are equal, a trusted or reputable brand is enough to sway the decision.

Of course, other points can be made about the value of brand building. But in all honesty, the value of brand building isn't really the question. It's been demonstrated time and time again.

The real question is how effective your brand building efforts are. In this area, the majority of companies fall far short of what they wish to achieve. At RSW, we estimate that 90% of all companies are not branding themselves as effectively as they could or should — even though they are spending money and trying earnestly to do so.

We'll explore some of the most common reasons for this in the next few pages.

### **Steps to Building a Successful Brand.**

#### **STEP ONE: HAVE A WORKING DEFINITION OF WHAT A BRAND IS.**

The central reason why most branding efforts fail is that most companies have a limited definition of what branding is. Some see it as a logo, and a consistent layout that runs throughout their marketing materials. But effective branding is much more than that.

At RSW, we have a simple definition of branding:

“A specific promise of value, that is delivered in a unique or differentiating way.” It’s a simple sentence, but it’s made up of four distinct components. Let’s take a closer look:

*A Specific Promise...*

Effective branding is centered around one communication point: FedEx will deliver your package overnight. WalMart will offer low prices.

*Of Value...*

The promise you make must be relevant to your audience. If you are promoting price — while your audience really wants speed, quality or ROI — your branding efforts may be ineffective.

*That Is Delivered...*

Once you’ve defined your brand and its messaging, it’s not enough to relegate it to a Mission Statement that hangs behind the CEO’s desk. You must effectively deliver it by communicating and reinforcing it in everything you do.

*In a Unique and Differentiating Way.*

This is where real creativity comes in. Think of all the online career websites. Or all the manufacturers of cell phone cases. Or producers of frozen vegetables. How many have really differentiated themselves? Out of dozens of players in each field, perhaps two names come to mind. And even though their value proposition may be similar to others in their field, the leaders are those who make themselves stand out by looking, acting and being different.

This definition, and the four parts that comprise it, are critical in understanding where and why the branding efforts of many companies fall short. If your definition of branding is too small, your branding efforts will yield a small return.

STEP TWO: DON’T MOVE TOO FAST.

In our efforts to help dozens of companies establish their brand, we have found one universal truth: Most people want to move too fast. They want to charge full speed out of the gate, and be the next Intel or Nike.

Moving too fast — and assuming this goal can be achieved successfully, quickly and with little cost — is one of the most common mistakes in branding.

To illustrate, let’s look at what we at RSW call the 5 Brand Stages:

*Stage One: The Unknown Brand.*

At this stage, the consumer probably hasn’t heard of the company. Awareness is low. Differentiation is non-existent.

*Stage Two: The Unclearly Defined Brand.*

The unclearly defined brand. At this stage, there is an awareness of your company, and you may be successful. But the fact is that you are not clearly defined because you have not positioned or defined yourself effectively. If a company has no clear point of differentiation that defines their brand, it becomes easier for a competitor to steal market share by identifying their audience, and making a stronger appeal to them.

*Stage Three: The Clearly Defined Brand.*

The clearly defined brand. Brands in this category have defined themselves clearly enough to carve out a niche. You know exactly who they are and what they're for. Apple delivers great design. NyQuil is the cough medicine you take at night. Lexus provides great service. This is the position that most category and niche owners occupy.

*Stage Four: The Extendible Brand.*

The extendible brand. Companies in this realm have established a level of trust and awareness that go beyond their products, and deliver the essence of the company itself. So, anything they put their name on — within the relevance of their brand — will become feasible. IBM. General Electric. Microsoft. Campbell Soup. These companies may launch new products or services every six months, and they succeed, in large part, because of the trust people have in their brand.

*Stage Five: The Super Brand.*

The super brand. A handful of companies enter a realm in which their brand is so unique that people would be hard put to define exactly what the brand means. It has an emotional bond with its audience. It becomes an ingrained part of their existence. Coke. Nike. Disney. McDonald's. We then know exactly who these companies are. But can you really describe it in words? You could try. But the best way to communicate what you think and feel about these companies is to simply say, "Coke, Nike, Disney and McDonald's."

Understanding this hierarchy is key to understanding why many branding efforts fail. Most companies make the mistake of wanting to be a Super Brand before they've even become a clearly defined brand. This simply cannot be done.

The folly of this can best be seen in the marketing fiasco that marked the dot-com boom of the late 90's. A host of dot-com, e-business and infrastructure companies, all looking to boost their awareness and own their market, started putting out commercials and ads that only an established brand or a Super Brand could pull off. They wanted to forge an emotional bond and own a market — without explaining what they did, and without making a specific promise of value.

This is sheer folly. McDonald's can get away with showing a commercial of a baby in a swing, looking at their logo. It's touching. It's endearing.

But if you're an unknown or unclearly defined brand, you're wasting your money. You cannot 'leap frog' defining yourself. Or, to put it bluntly, you cannot do brand advertising before you truly have a brand — a specific promise of value.

A captain of industry once said, "I feel like half the money I spend on advertising is a waste. The only trouble is, I don't know which half."

At RSW, we feel safe in saying that using ‘Super Brand’ tactics for ‘undefined brand’ companies falls into that half.

### STEP THREE: YOU MUST POSITION.

To effectively brand, you must position yourself clearly. And that can be a very painful process.

Why? Because positioning doesn’t just force you to say what you do and who you’re ideal for. It also forces you to imply what you don’t do and who you’re not ideal for. That can be a painful, frightening, nerve-racking process for any businessperson, from sales to marketing to the C-level executives.

The clearly defined brands have made this leap of faith. Mountain Dew decided to ignore the blue collar consumers, and became the fastest growing beverage for the heaviest consumption group — teenage boys. The largest law firm in the United States became such by focusing on mergers and acquisitions — and retreating from other lucrative areas of law.

The success of each of these stories is evident, and in retrospect, they all seem like ‘no brainers.’ But what you don’t see are the endless conference room meetings in which the stakeholders agonized over each decision. “Are we doing the right thing?” “Do we really want to divert our attention away from this audience or that industry?” “Will our move really pay off?”

Having the courage and commitment to make these decisions is another key characteristic that separates effective branding efforts from ineffective ones. It gets back to our definition of branding: “A specific promise of value...”

Without positioning, you cannot have a specific promise of value. And without a specific promise of value, you cannot have effective branding.

But in the final analysis, making the commitment to position yourself generally works. Why? Because so many other companies don’t. Again, simply pick up a copy of any trade or business pub, and look at the number of companies who aren’t building brands, aren’t making specific value propositions, and aren’t doing anything to establish long-term differentiation.

### STEP FOUR: ONCE YOU HAVE A DEFINITION, YOU MUST INTERNALIZE IT.

Earlier in this paper, we mentioned the fact that many companies develop a value proposition, but fail to communicate it effectively. It becomes inscribed on a ‘Mission Statement’ plaque, or is buried within a consultant’s report.

Your ‘Specific Message Of Value’ must be communicated not only to your external audience, but also to your internal audience. It must not only become a part of your culture — it must become the direction of your company.

### STEP FIVE: AVOID THE UNNECESSARY ‘EITHER-OR’ PROPOSITION.

One factor that can greatly undermine your branding effort is the ‘either-or’ mentality that often arises between sales and marketing.

You've heard it before: "Sales wants quarterly quotas and immediate results. Marketing wants awareness and long-term brand building. Sales wants product, product, product. Marketing wants image, image, image. Sales wants something different that will stand out. Marketing wants something consistent that will build familiarity."

The solution to this problem is to realize that none of these statements are 'either-or' propositions. You don't have to choose one over the other. You can have both.

For example, the early Volkswagen ads focused relentlessly on product. They also focused relentlessly on a consistent brand-building message.

Intel's TV spots reinforce image, image, image. They also reinforce product, product, product.

And some of the most consistent and familiar advertising efforts — such as Nike — are also the ones that are most effectively stand out.

There aren't that many advertising and marketing firms that understand these basic ideas. A cursory look at any trade publication will illustrate this point.

There is an exception, however. RSW.

At RSW, we help companies find effective ways to build their brands and generate bottom-line results.

And in the following pages, we'll take a look at our process for taking you there.

### ***Building the Clearly Defined Brand.***

#### **STEP ONE: SETTING THE EXPECTATION.**

The first step in building a brand is to set a realistic expectation of where you want to be.

If you'll remember our 5 Brand Stages, many companies start with the expectation of becoming the next Super Brand. As we have seen, this is a recipe for failure.

At RSW, we believe the first destination of any brand is Stage Three: The Clearly Defined Brand.

This may not seem as glamorous as being a Super Brand, but for many companies, this level is enough to help them own their category. Plus, reaching this level is more cost effective than striving for Super-Brand status. It's more easily attainable. It provides a quicker ROI. And, above all else, it is a necessary stop on your journey toward becoming a Super Brand, should you decide to strive for that.

So begin by setting a realistic expectation: Don't try to be the next Nike or Disney. Try to be who you are, and communicate that essence to your audience. Become a Clearly Defined Brand.

Once this expectation is set, we can proceed to follow a formalized process for reaching it.

## STEP TWO: “A SPECIFIC PROMISE...”

At RSW, our process for branding is centered around the definition that we gave at the beginning of this paper.

The basic steps of this process include:

### *Fact Finding.*

We begin by conducting separate interviews with all key stake-holders (CEO/president, product developers, sales, marketing, customer support, etc.). When feasible, we also interview a select group of customers and analysts. Our goal is to find the answers to such questions as: What does your company stand for? What are its strengths? What are its weaknesses? Where are you heading? As each person answers, the commonalities begin to emerge — and so does the essence of your brand.

### *The Brand Plan.*

RSW then writes a follow-up report that solidifies the messages, and more clearly hones the wording, defines audience, and offers methods for internalizing the brand messaging throughout your organization.

### *The Presentation.*

The Brand Plan is presented to your team of stakeholders, who are given an opportunity to revise or offer additional input. After this meeting, you will have a consensus for brand messaging that will guide the production of your future advertising and marketing materials.

The RSW process offers you three key benefits. First, it leads to consensus. (And to be honest, getting 10 people to agree is often a bigger task than pinpointing messaging.) Second, it gives everyone input at the early stages of the branding process, so that their views can be taken into account.

And third, it provides a clearly-defined foundation that ensures that the concepts that are developed for your future marketing materials will all be on target, and will breeze through the approval loop much more easily. Have you ever known the fear of presenting new concepts to your CEO, wondering if they're on target? RSW alleviates this worry, because your CEO has already signed off on the basic supporting ideas.

## STEP THREE: “...OF VALUE...”

You're defining your specific promise. But are the messages you've chosen of value to your audience?

There's an easy — and affordable — way to find out.

RSW can help your company develop an online survey that allows you to get input from customers and prospects in a timely and cost-effective manner.

With this survey, you can identify the 'key concerns' of your current customers and prospects. Using your existing database, we work with you to develop a customized survey that enables you to glean the most relevant information: What does your

audience care about? What are their hot buttons? What areas are irrelevant to them? How are you perceived? How is your competition perceived?

Once the information is gathered, RSW finds the highest concerns of your audience, and determines where your capabilities and core competencies intersect them.

The result: Messaging that is founded in truth, and that is relevant to your audience.

#### STEP FOUR: “...THAT IS DELIVERED...”

As mentioned earlier, RSW can provide recommendations for simple and effective tactics that you can deploy to communicate your brand messaging. We can also include a document with methods for internalizing your brand messaging so that it truly becomes a part of your corporate culture.

One of the greatest benefits of this document is its simplicity and directness. It isn't shrouded in 'consultant-speak.' Rather, it contains easily implemented recommendations that your front-line sales and marketing people can pick up and run with.

This document will answer questions such as:

- > How can you integrate your efforts more effectively?
- > How can you use your website to brand yourself?
- > How can you generate more leads?
- > How can you more creatively deliver your message?
- > How can you make sure sales, marketing and customer support are on the same page?
- > Are there opportunities for communication that you are overlooking?

These are questions we answer for every client. In addition, we will pinpoint other issues that may be specific to your industry, your audience or your company.

The result: A flight plan that makes sure that your brand messaging isn't just defined, but also effectively delivered.

#### STEP FIVE: “...IN A UNIQUE OR DIFFERENTIATING WAY.”

The culmination of our branding efforts is found in the final communication vehicles that are produced for your audience.

When you retain RSW to lead your branding efforts, we recommend conducting the three steps we previously mentioned. This lays the groundwork for our last phase of the branding process — the development of the final deliverables.

At this stage, RSW typically presents three overall campaign directions. And even at this rather subjective stage of branding, we still provide a clearly defined process.



Whereas some agencies may simply go with a ‘gut instinct’, we also hold all work up against a checklist, which consists of 10 basic questions that will help ensure that your branding materials are on target. For example:

- > What’s The Big Idea? Or, what is the element that will run through each and every communications piece? Is it a color? A themeline? A character? A typeface? A photographic style? A phrase? And, is this element strong enough to effectively unite all your communications pieces into a cohesive, integrated campaign?
- > Is It Sufficiently Different? This question ensures that we have surveyed the marketplace thoroughly, and have identified the look, feel and messaging of your competitors’ materials to ensure that your materials are sufficiently different to make your brand stand out in the eyes and minds of your audience.

There are eight more questions involved in our proprietary process. For more information, contact Brad Wines at 241-528-1818. We’ll be glad to meet with you to discuss them further.

#### THE MOST IMPORTANT STEP IS THE NEXT ONE.

There’s one important step in brand building that we haven’t covered yet: Selecting a partner who can guide you through it.

Ideally, this partner should be someone who’s comfortable with your industry... who can be trusted to interact professionally with all members of your team... and who will guarantee that their most experienced people can be put on the job.

Also, it’s helpful if the company you choose has a clearly defined process in place, so you can explain specifically to your team what will happen, what expectations they should have and what final deliverables will be produced.

Like, for example, RSW.

At RSW, you’ll find one of the most award-winning creative groups in the Southwest. But you’ll also find seasoned business professionals who can guide you through every step of brand development, helping you build consensus and generate buy-in along the way.

If you’re interested in defining your brand and owning your niche, we make it easy to get started. We’d be happy to visit your offices, hear about the challenges you face and discuss the current status of your brand. And should you be curious about working with us, we would gladly provide a no-risk, obligation-free estimate.

For more information, please give us a call at 214-528-1818. Let’s get together and see what we can build.