



## Insights

What is a brand and why it's important to have one?

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## What is a brand and why it's important to have one?

In today's commercial world we all talk about brands and how important they are but how much effort and time do we put into creating something that'll become established or even famous and admired?

Do we really know what makes a brand? Or what it takes to establish a brand identity?

In its simplest form consumers have endless choices and retailers always have limited shelf space. The combined pressure of these two factors upon a brand is enormous.

On the other hand, a brand that has a clear identity, with strong relevance to a viable consumer segment, will not only be stocked and purchased: it will also command a higher price than much (if not all) of the competition.

Not forgetting, of course, that not all brands are products on a shelf. Some of the best-known brands are cars, airlines and other types of services. In fact, some of the world's biggest brands don't even exist in a retail shop but have become huge successes by appearing exclusively on the internet.

Websites have a massive role to play in creating a modern brand and to ignore what you do on the web, as part of your brand building just doesn't make sense.

Any part of your communication with either potential buyers or stockists, or with suppliers and distributors is an opportunity to build a brand. An opportunity that shouldn't be missed, as they are all part of the general public as well.

Here's a few thoughts that may help you decide whether you've got a brand or just a label and whether you need to do something to make sure you give your brand an identity, a positioning and a fighting chance to make it in a commercial environment.

### **Let's start off with what's the difference between a product and a brand?**

**A product is something made in a factory  
A brand is something bought by a consumer**

**A product can be copied by a competitor  
A brand is unique**

**A product can be quickly outdated  
A successful brand has longevity**

**So is anything with a label or a logo a brand?**

**No.**

**Any product with a label is not a brand. Any service with a logo is not a brand.**

**A label or logo is a graphic device. It's an identifying look but it doesn't give a product characteristics.**

**Labels and logos are important but superficial and without depth.**

**A label's value is gone once the product is used.**

**A logo's value is gone once it's out of sight.**

### **Why having a brand is important**

Your brand is the way that you set out to identify and differentiate your product or service from those of your competitors.

This is done by exploiting functional qualities like taste, efficiency or superior quality and by endowing the brand with an attractive set of emotional associations or 'values'.

Think what Sony stands for? You'd never think of it as cheap, nasty or old-fashioned would you?

If someone mentions Rolex, you know they are talking about a watch, you'd never think of it being anything else; like a car, washing machine, mobile phone? No chance.

Equally if someone mentions Woolworths you know exactly what they're talking about and what type of place it is.

All three examples are brands that have firmly established their credentials with you. Yes, it has taken years and big budgets but nobody had heard of them before they had started.

Think positive.

### **Why your brand needs a positioning**

**Your brand needs to stand for something, to have its own identity: a raison d'être, a point difference, a territory, a proposition.**

**A brand needs a positioning in order to be recognised and TO SURVIVE.**

Without a positioning or identity people won't remember you for the reasons that you want them to remember you by.

Your brand won't become famous without becoming well known for 'something' and that 'something' has got to be either true: the fastest (Concorde), the biggest (Halifax), the safest (Volvo) or something similar.

Or else something you decide is your unique attraction or your niche: The web's favourite airline for EasyJet, The real thing for Coke, the world bank for HSBC.

Here are some positionings that have become as famous as their brands:

Stella Artois. **Reassuringly expensive.** (Costs more but worth it).

Audi. **Vorsprung durch Technik.** (Advanced German technology and build).

Tesco. **Every little helps.** (Everything we do helps keep the bill low).

### **Building brand loyalty**

Building a brand takes time. Money alone doesn't buy it, clever marketing does.

First you've got to get your brand out there: on the shelves, in front of the consumer, in the newspaper, on the internet or wherever else. That's called: **Brand awareness**

Once people start buying it or using it then their experience will be enhanced and they will start to build an appreciation of it and the benefits it delivers. Now that's **the Rational Evaluation.**

Then as they start to repeat the process every time they need to make a purchase, it becomes an instinctive process. Your customers buy the product or service without questioning the decision or looking for an alternative. This is the **Emotional Evaluation.**

Finally comes the relationship that's known as **Brand Loyalty.** This can last a lifetime or just a few weeks - until your product or service fails to deliver, another product comes along that is cheaper but just as good, or even better and costs less. It could even lose sales to a product that is slightly more expensive but delivers a lot more.

Do you remember brands like Mackeson, Triumph Motorbikes, and Bird's Custard? There was a time when they all had large loyal followings but where are they now?

### **How long does it take to build a brand?**

**Be ambitious but be realistic.** You'll need help if your business isn't marketing. Talk to the experts and trust them to see the best way forward.

**You can't stretch a brand until you've established a brand.** Don't diversify too quickly. It's better to become well known for doing one thing brilliantly rather than several things averagely.

Any brand positioning needs to be based on what will be believed by the consumer. Don't claim to deliver what you can't. Or promise something that's impossible. **The consumer will only buy a bad product once.** Fact.

Anyone seen a Sinclair three wheeler lately?

**It's easier for brands to trade down than to trade up.** If you sell lawnmowers don't try to sell Super Sports Cars. If Honda hasn't been able to make it work, neither can you. Mercedes-Benz on the other hand sells the most expensive luxurious cars as well as affordable small cars.

Finally, **No brand in the country has a monopoly – all have a niche.** If you're good at something exploit it. Find your niche and concentrate on it. Don't be greedy. Get it right and success will come looking for you.