

Building Business through Better Branding

For those of us who have been in distribution for decades there might be something strange about even discussing branding. In our tradition the level of strategic planning and thoughtfulness necessary for developing a brand just isn't something we do. We are from the "feet on the street" tradition, tactical rather than strategic. We are — at least traditionally — committed to action.

Since distribution began we've lived by a very simple business model:

- We buy stuff.
- We add value.
- We sell it for more than we paid.

It's true that we had certain types of reputations, but the reputations weren't so much built as simply the results of the way we did business, some much more consistently than others.

In this article we're going to look at a methodology for building a brand, one that will set our company and services apart from the competition. But before we look at the methodology we need to look at some thing that may make you want to quit reading about here.

First, private labeling is not branding. A private label is simply a label until you cause the buyer to attach specific values to it.

Secondly, if we choose to create a brand, there are a number of things we have to that we may not be doing now. These include (but are not limited to):

- Deciding that we are going to be something to somebody.
- Learning to walk away from business that doesn't fit our brand.
- Developing replicable processes.
- Putting thought before activity.

- Making our organization brand aware.

Essentially, all of these things say that we will decide what we are going to be to which segment of the market, and we are going to create processes that best support that concept. Then we're going to make sure everybody in our organization understands the concept and acts on it.

Now, if you're still with us at this point, let's look at what a brand is. It's simply a cohesive image that resides in the mind of the customer. A good brand — the kind we want to develop — is a cohesive image that resides in the mind of the customer that causes the customer to choose you over available alternatives. The business landscape is littered with the bones of brands that were not "good" brands. They usually died an expensive death. (Remember the Edsel and New Coke?)

To create the brand, we use a three-step model:

- Identification
- Implementation
- Iteration

Identification is determining what we are really branding? You can brand a product, a service, or a company. Once you decide what you want to brand, you look at it from three points of view: the customer, the competitors, and your own company. Briefly stated, we want to create a brand that appeals to the customers' values, that provides us with an advantage over our competitors, and that the company has the resources to provide on a consistent basis.

In looking at our customers, we need to keep three things in mind:

- All customers are not important. You have customers who are costing

you money every time they do business with you.

- We are more interested in what our customers are trying to do than what we do for them.
- Our search is for a homogeneous group of profitable customers.

To create a cohesive brand, you are going to have to choose your customers every bit as carefully as they choose their vendors.

The competitor analysis attempts to determine the positions and strengths and weaknesses of our major competitors. Keep in mind that the best source of competitive is not your salesperson; it's your competitor's customer.

Finally, you want to have a strong look at your own company, determining your existing image (everybody has one, even though it may be poorly defined), the company's strengths and weaknesses, and your capabilities. When all of this is analyzed the outcome is a single two or three sentence paragraph that describes both the brand and the target market.

All of that is Step 1 — the toughest part of developing a brand. Comparatively Steps 2 and 3 are simple.

The second step is implementation: packaging it, and communicating it, first to the company's employees, then to your customers and prospects. This usually includes giving it a name, creating a succinct (30-second or so) description, then a longer, more complete presentation — all of this so that you can communicate efficiently with your employees, customers, and prospects.

The third step is iteration: that is doing those things which reinforce the brand, over and over. Here we need to make sure that we are measuring two things: Did we do what we said that we would do? Does the customer know that we did what we said we would do?

If the answer to either of those questions is “no,” we need to revisit the first two steps.

Just as the most critical step in creating a brand is properly defining it, the most critical step in making a brand work for your company is being faithful to it; if our actions don't fit our communications, neither our actions nor our communications will be successful.

This has been a very brief overview of a methodology that will take most companies months to implement. It's a giant steps approach to something that in the real world must be examined almost microscopically — which is why so few companies in distribution are successful in creating a good brand. However, for those who are willing to do the thinking, accept the required changes, and keep their focus on what they have planned, defining, and creating a brand will provide a competitive advantage that cannot be easily matched.