

Branding is just for Madison Avenue marketers, right?

Branding is just for Madison Avenue marketers...for Fortune 500 companies with huge advertising budgets. So what can branding do for my company, product or service? Good question. Let's first unpack branding and then weigh the accuracy of this assumption.

Tool of Identification—and More. The most obvious meaning of branding is to make a distinguishing mark. The cattle on ranches all look alike (some would argue so do the cattle ranchers). Whether it is branding cattle with a hot iron or branding a business with a logo, trademark or tag line, branding is a tool of identification.

The practice of branding in marketing has been around since the 1980s. Marketing reached a milestone with the publication of the classic book *Positioning: The Battle for Your Mind* by Al Ries and Jack Trout. They shifted the business focus from marketing the product to creating a market. The tool for creating the market—branding. The playing field—the mind of the prospective consumer.

Branding Generates Value. Branding is not just the logo or trademark you choose but the character or the essence of your company or product. Branding is best described as an action verb rather than a noun. A brand

name, for instance, is an aspect of branding. Simply put, branding is the power of causing the consumer to want (to value) my product versus my competitors' products. Based on principles of behavioral psychology, branding creates emotional attachment to a company, product or service. Thus, branding generates value—over and above the actual qualities or merits of the product or service.

Marketplace Noise. Thanks to Madison Avenue marketers and their imitators, the marketplace noise is deafening—and self-defeating. Daily bombarded with advertising appeals, the prospective consumer is often bewildered and likely to make inconsistent choices. Some describe the effect as white noise. Controlling consumer choices seems out of the question when all the advertising messages across the many mediums are essentially the same. The solution?—go beyond advertising the product or service to creating emotional attachment.

Positioning. We live in an *over-communicated society*, Reis and Trout said almost three decades ago. They argued that a company must create a position in the prospect's mind. If a company was not first in the prospect's mind, then the company must position itself against the competitor who was first. That is, know the competitor's weakness and find the space left open by the competitor in the battle for the prospective consumer's mind.

Take Timberland for example. Does Timberland sell shoes and apparel? No. Timberland sells the rugged outdoors experience. The hiking boots may take the urban consumer only as far as the city park, but perception trumps reality. The Timberland consumer attaches value to the product above and beyond its qualities and merits. And, Timberland positions itself against its competitors by consistently promoting the outdoors adventure combined with the trademark, "We Make It Better." The rugged outdoors and the ruggedly constructed hiking boots are a perfect fit.

"... the products that will flourish in the future will be the ones presented not as 'commodities' but as concepts: the brand as experience, as lifestyle." - Naomi Klein, *No Logo*, 2000

Finding and securing a market niche is increasingly difficult
...thanks to the Internet and globalization.

Global Net Threat. Without strong branding, even companies not counted among the ranks of the Fortune 500 face threats to growth and sustainability. Clearly, the world-wide web has expanded the market arena exponentially. Access to markets is unimpeded by geographic boundaries. This makes finding and keeping a market niche increasingly difficult. A biotechnology supply company in Denver, Colorado, may be in competition with a company in Galway, Ireland, for clients in the U.S. Or, the competition could be closer to a company's market turf, just across town. In fact, the competitor could be and will likely be both across town and across the globe. If cost and quality are the same, why would a consumer choose the Denver company over the Galway company or the Galway company over the Denver company? The marketing gurus say it is no longer a matter of cost and quality only but also perception and value creation. The value attached to Nike, Coca-Cola or Samsung is not based on cost or quality but the psychology of attachment and the promise evoked by the brand. Loyalty to a brand also means premium prices can be asked for the same product or service offered by the competitor.

"To build a new brand, you must overcome the logical notion of serving a market. Instead you must focus on creating a market." --
Al Reis and Laura Ries, *The Origin of Brands*, 2004

Bottom-Line. The threat posed by the Internet and globalization can undermine your market potential or it can be the challenge that pushes you to take advantage of the greatly expanded marketplace to grow and sustain your business. The question is not how can branding be relevant for my company or product but how can I optimize branding to find and secure a niche in the market.

How can I build and maintain a strong brand?

Naming. The experts say and continue to say the most important marketing decision you will make is naming your company or product. Too often company names, like IBM (International Business Machine), are not viral or sexy. It would be a stretch for a prospective buyer to warm up to a generic business machine. As a competitor to IBM, Apple successfully positioned itself in the minds of the prospective PC buyer by occupying a place left open by IBM. Does the PC prospect shop for a “computer” or a “laptop”? No. The prospect shops for an Apple.

“Selecting a name is one of the most important decisions a company will ever make. But a lot of small businesses don’t give it nearly enough thought.” – Suzanne Barlyn, “Name That Firm, What Should You Call Your Business,” *The Wall Street Journal*, March, 17, 2008

Creating a Brand Image. There are plenty of branding pundits offering advice in print and on the web these days. Some pundits are true gurus with years of marketing experience under their belts. From the *Harvard Business Review* to branding blogs, the information and research on branding continues to spin out at a phenomenal rate. Expert branding marketers recommend a few key guidelines for making the important decision of naming. Most experts agree that to optimize the power of branding, you have to get and then hold the prospective client’s attention. Value creation and loyalty to the brand will follow.

What are the best practices in naming?

Brand names should be ...

- Short
- Simple
- Memorable
- Unique
- Richly Connotative

Keep It Short and Simple ... and Memorable. Short and simple do not preclude sexiness or richness. Who has followed this guideline for naming better than the movie industry? There are writers employed to convert long screenplay titles to one to three-word movie titles. The award-winning German film “The Lives of Others” has an intriguing name but it is not as memorable and dramatic as say “The Others.” (The German working title in 2006 was *Das Leben der Anderen - Die Sonate vom guten Menschen.*) Human beings rely mostly on short term memory. Repetition and consistency are like anchors for the consumer on a storm tossed sea of the marketplace. But repetition and consistency are weakened when what is to be repeated and what is to be kept consistent is too long and convoluted.

Unique. Singularity is a valuable asset in the branding/naming business. The basic meaning of branding or trademark is to make not just a mark but a distinguishing mark. When General Motors and General Electric had no real competitors, such generic company names were not a problem. Now with competitors, locally and globally, plain or generic names weaken the branding power. What if Yahoo! had chosen GeneralInternetDirectory as the brand name and URL?

Richly Connotative...and Emotionally Engaging. The logo, the tagline, and the trademark should be richly connotative and emotionally engaging...instantaneously. Again, the movie industry marketers are masters at effective naming. The movie title “There Will Be Blood” engages the prospective moviegoer on a raw, survivalist level. It’s a premonition and it’s a threat. Just the word “blood” carries layer upon layer of cultural, connotative meanings. Gerald Zaltman and Lindsay Zaltman (*Marketing*

Metaphoria: What Deep Metaphors Reveal about the Minds of Consumers) in an interview published in the Harvard Business School online newsletter (May 5, 2008) explained it this way: “Deep metaphors are basic frames or orientations we have toward the world around us. They are ‘deep’ because they are largely unconscious and universal.”

Show More, Tell Less—American Presidential Campaign Branding.

Consider the difference between the uncluttered, minimalist Barack Obama campaign sign “CHANGE We Can Believe In” consistently carried and held high by supporters at rallies to the “white noise” of multiple messages on the multiple Hillary Clinton campaign signs waved enthusiastically in the air by supporters. Presidential branding is expertly handled by the Obama marketers at all levels of the campaign.

Even short and simple company names, logos, or tag lines will be minimally effective if they are not richly layered in connotative meanings. The campaign logos for Clinton and Obama are both minimalist, but the Obama logo is richly layered. The O in Obama ties nicely to the 0 in '08. The essence of his campaign is reiterated with the graphic of an orb rising over a red-striped landscape, suggesting a new day (change) and, of course, loyalty to America. From the sonorous O in Obama and '08 to the visual O of the graphic shape and rising orb, the campaign managers have optimized the branding power of the logo. The logo is almost flawless. Unfortunately, while including the website address has value, it actually adds noise and is the straw that nearly breaks the camel's back.



The Clinton logo on the other hand is ultra minimalist, banking on the uniqueness of the candidate's name. The patriotic ribbon underscores the essence of her campaign and her “Hillary” character, also loyalty to America. The logo is not richly layered though. An opportunity to optimize

is either missed or if taken with the placement of the three stars, it is too obscure. In fact, the three stars are reminiscent of a “three-star general,” carrying a militaristic connotation (“Commander in Chief”) contrary to the new anti-war sentiment of most Americans.

Brand names should NOT be ...

- culturally, linguistically insensitive
- obscure or complex
- limited by geography
- unchangeable

Culturally, linguistically insensitivity. In a global marketplace, cultural and linguistic differences must be recognized. For instance, a name in one language may be richly connotative but completely negative and off-putting in another language. A cultural icon or myth valued by one country may be perceived by another as offensive and disrespectful.

“As both the world's third-largest advertising economy and an emerging market, China promises great potential for multinational corporations. However, the multiethnic Chinese culture, with its unique history and values, as well as its complex ideographic script and independent visual culture, also challenges the ability of the multinationals to communicate accurately, effectively, and without offense.” – Fengru Li and Nader H. Shooshtari, “Multinational Corporations' Controversial Ad Campaigns in China--Lessons from Nike and Toyota,” *Advertising & Society Review*, Volume 8, Issue 1, 2007

Obscure or Complex. Go for what is natural and intuitive. Protracted verbal descriptions have a wind drag effect. The prospect is likely to become impatient if forced to analyze an obscure or complex brand image or tag line. For instance, TFTEN was chosen as the name of a new company doing Search engine optimization, meaning “Top First Ten.” It was original but too obscure for consumers. The company wisely changed the name within two years.

Limited by Geography. In a boundary-free global market powered by the Internet, choosing a city, state or region as part of the company name can

inhibit growth potential. The Standard Oil Company of New Jersey by passed the tie to New Jersey by adopting the trademark Esso (pronounced SO, the initials for Standard Oil). But with the existence of several other “Standard Oil” companies in the U.S and faced with legal battles over naming rights, the company then changed Esso to Exxon.

Unchangeable. If the name you have already chosen does not match the essence of your company, product or service, then do not hesitate to change it. Discovering that you have chosen the wrong name and refusing to change it, weakens your position in the market. Cultural shifts can quickly make a name dated and even negative for the prospect. When the marketers of Kentucky Fried Chicken changed the company name to KFC, they addressed a cultural shift to valuing healthy food. Choosing the acronym KFC as the new name, the company directed attention away from the cholesterol-laden word “Fried.”

Lynchpin of Strong Branding—Consistency

Best practices in branding can be narrowed down to a few practical guidelines, but the lynchpin of successful and strong branding is *consistency*. This may seem obvious, but too often consistency is lost. Could McDonald’s market pizza as well as cheeseburgers and French fries—successfully? Could Levi’s market shoes as well as blue jeans? The Levi’s trademark sewn on the back of the jeans captured the essence of the company and set Levi’s apart from its competitors. But marketing the shoes with the same trademark contradicted the brand image, resulting in a failed venture to extend the product line.

“Consumers develop brand loyalty because the product consistently delivers what it promises, and it resonates emotionally.” - Gerald Zaltman and Lindsay H. Zaltman, *Marketing Metaphoria: What Deep Metaphors Reveal about the Minds of Consumers*, 2008

Brand Management and Brand Loyalty

The strength of a brand is only as effective as brand management. Staying within the brand character or image is one kind of consistency. Another is consistently upholding the promise of the brand. Remember branding is about creating value (emotional attachment) in the mind of the prospect. Adverse branding results when the brand image and the consumer's experience are not matched.

Global Brands

In "How Global Brands Compete" (*Harvard Business Review*, Vol. 82, No. 9, September 2004), Douglas B. Holt, John A. Quelch, and Earl L. Taylor conducted a two stage qualitative research project to determine how consumers from 41 countries value global branding. The researchers found **three common characteristics** expected of global companies:

Quality Signal. Consumers monitor reports in the media about transnational companies and quality of products and services. They value those who succeed in matching the promise of the brand message with the reported and perceived quality and reputation of the company or product.

Global Myth. Consumers are drawn to the idea of a global identity and value the cultural myths projected by global branding.

Social Responsibility. Consumers also monitor whether companies are socially responsible. They expect a linkage between what a company sells and how the company addresses social issues. Global warming and the energy crisis have recently spawned "Cause Marketing." Timberland (footwear and apparel company) now has a "nutritional label" on its product in a move to optimize branding power and capitalize on consumer global consciousness.

To optimize growth and sustainability, you should ask four salient questions before deciding on a branding strategy ...

- **Who are you?**
- **Who will you be?**
- **Who are your prospects?**
- **Who are your competitors?**

Choosing the right name is not as easy as you think?

Dwindling Stock of Brand Names. Naming is key to the success of your business enterprise. Choosing the right name to convey the essence of your company or product and add value is easier said than done. Available brand names are dwindling at a phenomenal rate.

“There are about 2.5 million registered trademarks in the United States--and at least 3 million more in the rest of the world. Last year, more than 500,000 new names were registered around the world.” - Jack Trout, “We’re Running Out of Brands,” Forbes.com, May 13, 2008

The good news is...you do not have to reinvent the wheel.

Vayton is a name creation company with global, broad-reaching experience in branding. No company is too small or too big to benefit from its service. The company mission is to create, test, protect and optimize revenue for your brand/company name.

CREATION: **Vayton** has a multi-language and multi-cultural team with creative, legal and web marketing expertise. The company offers three innovative services and proprietary technologies to create and test branding:

- Brainstorming and software-assisted name creation process
- Domain name and trademark availability testing platform
- *NameTaster* team in 30 countries to validate locally your name

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*Don't underestimate the value of strong name creation. Take advantage of the personalized, globally-conscious services of **Vayton** for a one contract, one company solution to name creation and management.*

Recommended reading list about naming and branding strategies
(Special Libraries Association, Advertising & Marketing Division)
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