

Take a Stand White paper



TAKE A STAND FOR YOUR BRAND

by Dave Sutton

Every successful brand has managed to communicate its company's core beliefs and attitudes—what the company stands for—to its target customers. Brands allow you to clearly define and communicate what you stand for, whether you're the "lowest-cost provider," the "most innovative," the "best total solution," the "preferred choice," and so forth. But you've got to decide what your brand stands for, and communicate that value proposition effectively and repeatedly. It's not good enough to just run a quality business—you've got to let everyone know what sets you apart from the pack.



1

COST OF ENTRY

These drivers encompass the benefits that any brand must deliver to be considered a viable option. If you're a fast-food provider, you'd better be able to serve your customers their burgers and fries in a hurry. Everyone in the competitive frame can deliver these benefits; they're the minimum ante necessary to play the game. To determine the cost of entry benefits, you need to understand why consumers purchase any brand in the competitive frame, and determine how your brand stacks up on these benefits.

2

DIFFERENTIATION

These drivers are the benefits that begin to positively separate you from the rest of the competition. These are capabilities or equities that you possess that others in the competitive set may not. Of course, these benefits may not appeal or be motivating to all customers in the target audience. Indeed, if these benefits are not of significant importance, they may remove you from customers' consideration—it doesn't matter how comfortable your minivan is, for instance, if someone's determined not to buy a minivan. More importantly, your distinct benefits may not be in the top of your consumers' minds, and will require a certain amount of communication and education in order to induce purchase.

3

PREFERENCE

These drivers are benefits that can propel a brand to category leadership. These benefits are crucial in the minds of customers as they consider various brand alternatives in your competitive set. These types of benefits represent significant points of leverage with customers and can become the source of sustainable advantages. These may be as simple as a "buy American" consideration, or may come about through extensive research and experience with a variety of competitors. Preference drivers are the trump card, the brand attributes that keep your customers coming back again and again.

These Brand Equity Drivers encompass the sets of benefits where your brand has an advantage over all others in your sphere.

BRAND EQUITY DRIVERS

Once you've got the basic framework of your Brand Architecture, it's time to figure out what you can do that no one else can, the unique attributes that set you apart from your competitors. These Brand Equity Drivers encompass the sets of benefits where your brand has an advantage over all others in your sphere. If no one brand holds a sustainable advantage, it's an open opportunity—nobody has enough sway to pull consumers one way or another. It's the high ground not yet taken—and the turf you should strive to conquer.

Brand Equity Drivers include the following:

1

KEY EQUITY DRIVERS

They give you direct leverage against your competition. Quite simply, your business performance is higher than your competition's, and you can use this strength to take new ground, building new equities in areas that were previously open opportunities.

2

MINOR ADVANTAGE DRIVERS

These are those benefits where your brand rates statistically stronger than the competition but your business performance is actually lower than the competition. Your brand is intrinsically strong, even if your performance is weaker than your competition, and in this case, perception is reality—if your target customers think you're a stronger company than your competition, in the long run, you will be.

3

PARITY EQUITY DRIVERS

These come into play when your brand rates are statistically equivalent to your competition, but you have higher business performance. In this case, it's to your advantage to highlight your own strengths and your competitor's weaknesses.

4

POTENTIAL VULNERABILITY DRIVERS

They are those benefits where your brand rates at statistical dead heat with the competition, but your performance is actually lower than your competitors. This is dangerous territory; it's only a matter of time before the competition seizes on this vulnerability—and reveals it to your target consumers.

The amount of insight and ability to take action are directly proportional to the specificity of benefit statements and ratings of competitors.

HOW TO DEVELOP A BRAND ARCHITECTURE

Looking inward to help develop Brand Architecture is necessary, but it's only half the battle. Developing a Brand Architecture also requires a deep understanding of customer needs and wants. Such understandings must derive from quantitative data—that is, surveys of broad ranges of customers—rather than the qualitative data gained from focus groups. Analyzing the brand and its key competitors across a spectrum of potential consumers helps determine drivers, equities, and opportunities. Qualitative data is not typically sufficient to develop an appropriately thorough brand architecture.

But, as with so much in life, the devil is in the details. In order for your brand architecture to provide necessary insight, you've got to have specific information on the subtle but meaningful differences between brands. The amount of insight and ability to take action are directly proportional to the specificity of benefit statements and ratings of competitors.

It's important to point out that this is a more complicated process than simply asking the people what they like. Direct questioning along stated importance or stated reason lines elicits purely rational—not emotional—responses, and tends to favor existing, intrinsic

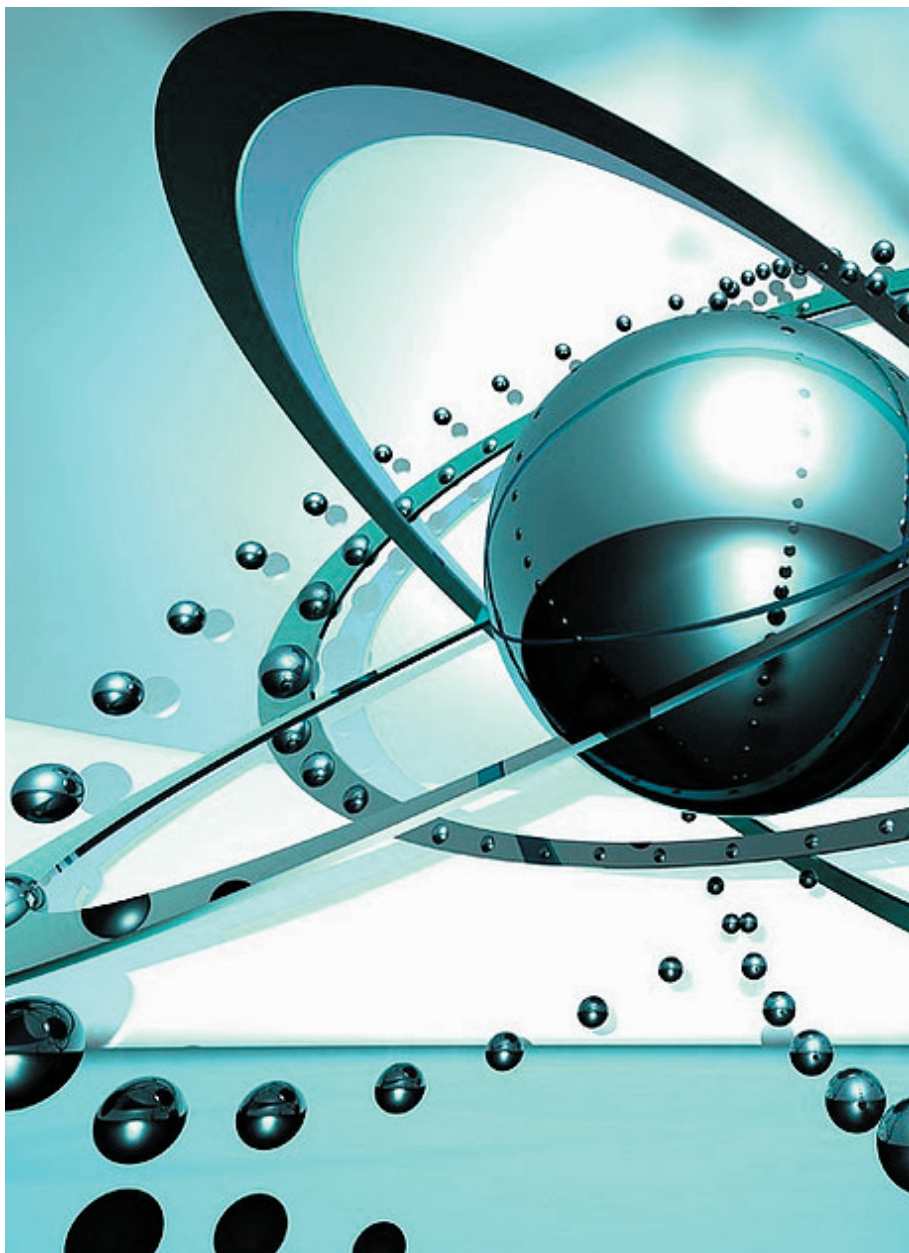
product benefits. The correlation of behavior and attitudes will give you a far more comprehensive and valid insight into your customers' behavior.

HOW IS A BRAND ARCHITECTURE USED?

Marketers use Brand Architectures as the basis for brand positioning, and as a means for bringing the brand to life via the advertising, packaging, promotion, and so forth. (Brand Positioning is, in effect, a shorthand version of the Brand Architecture.) And since the brand must come to life at every customer touch point, the Brand Architecture ensures a unity of appearances, appeals, and interactions.

The true value of the Brand Architecture comes through when developing and rolling out marketing strategies. In this framework, the key drivers focus energy on your strengths; open opportunities draw your notice to—well, to opportunities; and brand equities show you how to play to your best characteristics. With all of this scientific data in your corner, the creative team now has a concrete starting point for accentuating all of your product's benefits.

Brand Architectures also outline the framework for evaluating advertising, packaging, and promotions before, during, and after



going to market. You can get a clearer picture of what's working and what's not in your advertising matrix. On a broader scale, you can decide which properties might prove a good match for your brand—for instance, the Olympics, with a higher percentage of female viewers, might prove a better match than the more male-dominated NFL.

Brand architectures also form the basis for developing operational strategies—that is, how are you going to design your business so that everything orbits around your brand message? How does every element of your company contribute to the benefit of your customer? The Brand Architecture is a guidebook for operational changes across your enterprise: how to organize, train, and reward your personnel; how to design your selling and servicing processes; and how to implement various types of technology to support your customers throughout the process.

Your brand is thus the engine that drives the entire company. Think of it not as a collection of attributes, but a business unto itself—one that requires constant upkeep, analysis, and measurement, lest your competitors run your business...out of business.



BRANDS AS BUSINESSES

Today, most companies structure themselves into business units (or product lines) or perhaps they structure around the geographies where they sell their products. But you should view your brands not as a part of the marketing department's budget, but as discrete business units in and of themselves. Brands are some of your most valuable assets. In fact, brands are critical business assets (not unlike plant and equipment) each with its own characteristics, "maintenance" needs, P&L, and obligations for return on capital invested.

Your responsibility to your brands, then, is to drive profitable volume growth, which in turn maximizes total value for the whole enterprise. What this implies is a shift from product management, region management, national management, or any other kind of management to a measurement of the one variable—brand—that produces value for your company. Your brand is the only aspect of your company that truly differentiates your company from your competitors—treat it with the respect it demands.

Furthermore, brands serve as a "mental-shorthand" for customers looking to decide what to purchase. Marketing's sole purpose is to continuously create a distinctive air for its brands. Marketing must ensure that customers select your brand at every purchase location—which means that you must invest resources behind each and every brand to the point of diminishing returns. Again, this is where science comes into play—if you can generate complete P&Ls for every brand and every activity, you can maximize your advertising and resource allocation efficiency, standing behind what works and getting rid of what doesn't, effectively and efficiently. You need a scientific method to help you put management processes and systems in place to ensure that you are investing your resources in marketing activities that generate superior return on investment – and assuring that your brands are being managed and run like the businesses that they are.

Take a stand for your brand – but more importantly, take a stand for your business and the brand assets that drive profitable, sustainable competitive advantages. ■