

E-LESSON #6: Branding

GENERAL AGENDA



HOW TO EXPLAIN 'BRANDING' TO A LOCAL DIRECT CLIENT By Paul Weyland

Many local businesses are slowly losing market share to bigger competitors. And if they're losing market share, that also means they're losing mind share. What is mind share? It's the portion of the consumer's mind that is owned by a particular brand. If a company owns enough mind share, it probably also takes in a significant share of market revenue in that product or service category.

Market share means mind share. Mind share means market share.

What Is Branding?

Branding is a simple concept and it means precisely what it says. When you brand livestock, you are leaving a permanent symbol that identifies that animal as a member of a specific herd. In the application of marketing, you are hoping to "brand" a client's particular product or service into the minds of consumers.

The concept of **BRANDING** is not a new idea, but branding is currently the big buzzword at top New York advertising agencies. What is Branding?

Branding establishes mind share. Consider this: When you think about the words SAFE AUTOMOBILE, what brand comes to mind? Most people immediately say, "VOLVO." It's no wonder. Volvo has spent millions and millions of dollars "screwing" their identity with safe vehicles into our heads. Volvo has tattooed that idea into your head and it will never, never come out. When we're all in the nursing home, sucking on ENSURE and sitting on DEPENDS, someone will say, "Safe automobile." And we'll all jump up and say, "VOLVO, VOLVO, VOLVO."

If I said the words, "great place to take the kids to get a hamburger," what brand immediately pops into your head? Of course you'd say, "McDonald's." When I asked this question at a seminar recently, a Burger King executive just shook his head in frustration and sighed when everyone else in the room shouted, "McDonalds!"

Had I said, "EXPENSIVE WATCH," most people would immediately say, "ROLEX."

How about LUMBER AND HARDWARE? Does Home Depot or Lowe's come to mind? This kind of BIG BOX STORE mind share is killing local hardware stores.

If I said, "CELLULAR PHONE" what brand do you think of? If I said, "SOFT DRINK" what brand would come to mind? If I say, "HOME PRODUCTS STORE" who comes to mind? Is it you?

These major companies have spent a great deal of time and money trying to "screw" their products and services into the tissues of our minds. Some businesses have done a great job with successfully branding. Many, many more are failing miserably.

If your client's business isn't somehow **BRANDING** his products and services into the minds of potential consumers (your audience, for example), he is in danger of losing those potential consumers to his competitors who are branding successfully.

How difficult is your client making it for your listeners or viewers to identify him when it's time for them to buy his product or service? Wouldn't you agree that it's pretty hard to do business with somebody when you aren't thinking about **who** the business is, **what** they do or **how** to get in touch with them.

Suggest to your client that he ask people who are not friends or customers who they think about when he mentions his business's product or service specialty. Will they mention the name of your client's business? Or is it possible that he's invisible to most of the very people he needs to be reaching?

Draw a circle on a piece of paper and put little X's inside the circle. This image represents a bird's eye view of the top of the head of a listener or viewer, in other words, a potential customer. The Xs represent the products and services that this individual knows and trusts, because those product companies have made an investment in **BRANDING** him or her. Now draw a little X outside of the circle. This X represents YOUR CLIENT'S company, if HE'S not successfully reaching out and branding that person with the image of HIS company.

Consider that right now, provided your client doesn't have marketing problems, that there are customers right this minute who would be doing business with him, but to most potential customers, he is completely invisible. Or even worse, his company might have a **NEGATIVE** branding problem.

Negative Branding?

Branding works both ways, both positive and negative. Is it possible that even if people manage to think about your client's business at all that they're thinking that he's TOO EXPENSIVE, or that he has a POOR SELECTION? What if your client is branded with, NOT OPEN OR AVAILABLE WHEN I NEEDED THEM? Are people thinking that his business is DIFFICULT TO FIND? How about BAD SERVICE or NO PLACE TO PARK? What if they're thinking that he has a GRUNGY LOOKING BUILDING? Or, SURLEY-LOOKING OR -ACTING EMPLOYEES?

Is it possible that your client's business has a negative branding problem that he doesn't even notice? You know that old saying, "He can't see the forest for the trees." Sometimes business owners are so wrapped up in their own little world that they lose sight of what others might clearly perceive.

Have you ever had a piece of gravel hit the windshield of your car? At first, you see a pockmark in the glass. Then, a small crack appears. And then the crack gets a little bigger. If you don't act and fix the glass quickly, the crack starts to disappear. It's still there, but you just don't see it anymore. The crack becomes completely invisible to you. Is it possible that your client's business has a negative branding "crack" that he can't see? How are potential customers branding his business? What might they see that your client is not seeing?

People seldom comment to others about routine experiences with businesses. But they always seem to remember their bad experiences. And then they relate those bad experiences to other people. Most of us have had a bad experience with some type of business. I know of a restaurant in my city with a beautiful view of the lake. People go there to drink and watch the colorful sunset. But they definitely do not go there for the food. Years ago, that restaurant was "branded" with having BAD FOOD. The word spread quickly. "We go there for a margarita and for the sunset on the lake, but DON'T ORDER THE FOOD THERE. IT'S TERRIBLE." The restaurant owners didn't get it. They continued to waste money on advertising, trying to convince people that the food there was really good. It didn't work. They were already negatively branded. Finally, they just gave up, shut down the kitchen and told people to bring their own food when they came to drink and watch the sunset.

Sometimes, it's no wonder that people in your community can't wait for the big, homogenized box store to open in their neighborhood. Over time, they've developed the perception that the local company they'd been doing business with was "ripping them off" with high prices, poor selection, no parking, bad service and a grungy, uninviting storefront. So, when the shiny new place opens, they rush to it like moths to a flame.

People are creatures of habit. We tend to shop the same stores and frequent the same restaurants and bars...that is, until we've just had it, or when something newer and better comes along. Why would your client give them any reason to change their habits and shop at the newer, shinier competitor?

We've been shopping at the same neighborhood grocery store for years. It's convenient to our home. Some time back, they initiated the "loyalty card" system. With the implementation of that system, we perceived that prices seem much higher at our store than at other grocery stores. The selection and the service appear to be getting worse. Still we shopped there, strictly out of habit and convenience.

Then one day I went in to pick up a few things. I spent about 78 dollars. The checker asked me for my card. I told her I didn't have it. I'd left it at home or my wife had it. "Too bad," she said. "You would have saved \$6.53." I asked her to use her card so I could get the discount I'd earned. "Sorry," she said. "We're not allowed to use our cards anymore when the customer forgets his. If you don't have the card then you lose the discount." "Then get the manager," I demanded (the people with carts behind me rolled their eyes and muttered curse words).

When the manager heard the story he said, "Too bad, sir. If you had your card you would have saved \$6.53." "Oh, I'll get my discount," I insisted. "Use your card." "We can't do that for you, sir. But if you'll kindly go to the Customer Service Area and fill out a short form, we'll get you another card," he told me. "I'd rather peel out my corneas with my thumbnails than stand in line to fill out another one of your forms," I said. "Look up my phone number in your computer. You'll see every steak, head of lettuce, every box of cereal and every TAMPON we've ever bought in this store. We spend about \$200 a week in this store. Over 15 years, that makes us close to a \$150,000 customer. And if I don't get my \$6.53 RIGHT NOW, I'M MARCHING MY \$150,000 BUTT OUT OF THIS STORE AND I'M NEVER COMING BACK!" "Here's your \$6.53." he said meekly. Other customers started applauding, and not just because I was holding up the line. Several people told me they too were sick of the "loyalty card".

A new chain grocery store is opening soon, about three minutes further away. We can't wait. Instead of victimizing customers with the card, they discount the merchandise right off the shelves. We've had it with our old store and soon they'll lose a \$150,000 loyal customer.

Sometimes, a case of negative branding can kill your business overnight. Just look at what happened with Firestone. The minute that the media began linking Ford Explorer rollovers and deaths with Firestone tires, their business took a sharp decline. It may take years to recover and regain their good branding status...that is, if they ever recover at all.

Remember what we said? Advertising a business with marketing problems is like putting lipstick on a pig.

But provided you don't have marketing problems, you must advertise and begin a positive branding process somehow. Or, you risk being totally invisible to potential customers.

When an agency says they are hoping to "**BRAND**" their client's product or service in the minds of consumers, what do they mean? And how will you explain this important concept to your local direct clients?

This concept of **BRANDING** is a major component in the process of convincing your client to maintain a constant presence on your station...i.e. **SIGNING A LONG-TERM CONTRACT** and owning "real estate" on your station.

"Word of Mouth is the best kind of advertising."

Have you heard the objection, "Word of mouth is the best kind of advertising,"? When I hear that I immediately say, "Yes, you're absolutely right. Word of mouth is the best kind of advertising. But it could also be the worst. One bad experience for a customer could destroy a 50-year reputation for your client. One rude employee could blow a good reputation for your client. If you have a good experience at a restaurant, you might tell a few people. But what if you have a bad restaurant experience? Who are you going to tell? You're going to tell EVERYBODY."

"Radio and television advertising is CONTROLLED word of mouth. You control the words. One reason for maintaining a long-term advertising campaign with our station is to provide a layer of positive, controlled word of mouth to consumers, to help put out little fires of insurgence that pop up when a customer has a negative experience with your company, Mr. Client."

Is branding important to your client? The answer is absolutely. Good, positive mind share means everything when trying to increase your market share.

There is an on-line companion video provided with this lesson.

*Paul Weyland is president of Paul Weyland Training Seminars.
Please call him with any questions regarding this session. He can be reached at (512) 236-1222 or
www.paulweyland.com*