

FIVE MYTHS ABOUT BRANDING
WHAT YOU REALLY NEED TO KNOW

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Five Myths About Branding

The terms “brand” and “branding” are among the most overused words in business today. A Google search will deliver 1.7 billion returns for the word “brand” alone. Every year, billions of dollars are spent on branding exercises, new brand campaigns and efforts to estimate “brand equity.”

Here are five myths about branding.

1. It's about your logo

It's important to make the distinction between your brand and your firm's visual identity. Often, people say “brand” when they mean brand identity. Your brand is made up of the attributes and qualities that people associate with your business. It is the words used to describe you when you're not around (e.g. large, expensive, high quality). It helps to think about your brand as being synonymous with your reputation. Your brand is what you are known for—for better or worse.

An example of this can be seen in the car industry. You think of Porsche differently than Toyota. When thinking about Porsche, concepts such as expensive, performance and status may come to mind. In contrast, the concepts reliable, good value and popular may come to mind when thinking about Toyota. Both cars perform the same basic function of transporting you from one place to the other and both are successful in the market, but they have very different brands.

Brand identity consists of the logo, colors and style elements that you use in your products and materials (e.g. on a high street sign, in a mailing or on a business card). These make your firm recognizable and familiar to others.

Your brand identity, sometimes called visual identity, is an important part of your brand but it is not all there is to it. It's not even the most important part.

Tip: Keep your visual identity simple and consistent. When you refresh your logo or the look and feel of your products, you should develop a set of brand guidelines that you apply to everything you produce—from business cards and brochures to power point templates. This makes it easy for different parts of the business to portray a consistent, professional look and to reinforce your brand attributes.

2. It costs a lot of money to develop

You can spend a lot of money on branding exercises. Often these consist of in-depth research and focus groups that ask your customers what they think about you, what you do well, what you don't do well and what they wish you would do for them. These can be helpful and can reveal a lot of important details, but they do not need to be exhaustive. Most firms will already have some awareness of what their customers think of them.

You should simply run a couple of focus groups with a range of customers and frontline employees to check for surprises and to see if there are changes from earlier surveys.

If you find major discrepancies between what you think are your firm's strengths and weaknesses, and what your customers think, then you need to stop and spend some time looking into that. You may have a much bigger problem that you think— one that can't be solved by a rebranding exercise.

A couple of years ago, a trade association in Washington, D.C. discovered that its members were much more interested in the advocacy it did on their behalf than on its economic research services. Yet, far more staff and money were being utilized on research than on advocacy. So the organization began shifting resources away from research and began building a much stronger advocacy team. This is a good example of paying attention to what the focus groups tell you and acting on it.

Acting on what focus groups tell you can also have its pitfalls. Many firms will take focus-group results too far and end up spending way too much money on their brand identity. They will agonize over the shape of a sphere or a particular shade of red. Pepsi is estimated to have spent \$1.2 billion on something that looks a whole lot like its old logo. British Airways spent a fortune rebranding as BA and painting its planes with cool global images before they realized passengers liked that they were—British.

Tip: Keep it simple, build on what is recognizable and on what already has value in your market. Listen to what your customers are saying but make sure you are asking the right questions and not trying too hard to get the answers you want. Focus on your strengths and the things your customers currently value.

3. Your customers don't care about it

Your customers don't care about the shade of blue or the size of the sphere you use on your brand unless it looks ridiculous. But they do care about being able to recognize and find you in a crowded market. They care about things being kept simple, consistent and straightforward. They don't appreciate ridiculous name

changes that make no sense (e.g. Andersen Consulting to Accenture, Guinness et al to Diageo, Comcast to Xfinity).

Of course, your customers do care when you try to convince them you are something other than what you are. For example, look at BP's sunflower logo. Regardless of their logo, BP is not in the business of flowers and fields; they're in fossil fuel!

Your customers would like to be involved with a company that has positive attributes, such as being customer friendly, responsive and successful as well as having high performance and high growth. They may even want their company to be cool.

More and more customers are looking for companies that have similar values to the ones they hold. This is particularly true in financial markets where so much trust and confidence was destroyed in the wake of the global financial crisis.

Simple, a bank in Oregon, began by marketing itself as "The bank that doesn't suck." Their tagline is now, "The way banking should be." Their visual images show people living normal lives in their communities. The photos of their staff are of regular people, not a bunch of actors airbrushed to perfection.

A McKinsey report found that millennials were concerned with the values they associated with their bank and the user experience they have via mobile devices or with real customer service agents. They were not as concerned about interest rates or APRs. A [Viacom survey](#) found that of all industries, banking was the most likely to be disrupted by changing consumer behavior—behavior that is being led by millennials. You need to take customer's values into consideration.

Tip: Your customers care much more about how you treat them than about the color of your logo. Spend more time listening to customers and giving them what they want. Make that your brand.

4. Branding, marketing and communicating are all the same thing

Your brand is what it is, regardless of what you do in marketing and communications, because it is what people think about you when you're not around. You can strengthen your brand through efforts in marketing and communication. Equally, you can undermine it and weaken it by doing the wrong thing.

To strengthen your brand, focus on being consistent and having your marketing emphasize your strengths. Use consistent language in your communications so that the "voice" and style in your written materials is always the same. Have a

tagline that actually reflects what you do for your customer and what you stand for.

Some of the largest companies have come up with extraordinarily bad taglines (e.g. UPS: What can brown do for you? or Cherry Dr. Pepper: Not for women.). Really? What exactly do these mean?

And yet others have used language to make clear what they do for their customers and to create desire for their product (e.g. Uber: Everyone's private driver).

Don't let your marketing efforts get too far ahead of your customers' actual experience of you.

A [Forbes survey](#) found that the best-rated companies delivered excellent service to customers daily. This in turn helped build trust and forgiveness for when things did go wrong. In some sectors, such as healthcare, telecoms and finance, some of the largest incumbents were actively disliked by their customers. This leaves room for competition even in industries where the effort required for the consumer to switch providers is high.

For example, Comcast changed its name to Xfinity, but its customer service is still ranked among the worst in the United States.

Tip: Recognize what you do well and emphasize that in your marketing and communication with customers. Don't overstate or over reach. Customers don't like cognitive dissonance.

5. Values and brand are unrelated

Values and brand aren't often linked. CEOs talk a lot about their companies being value driven or having a mission. Having a stated set of core corporate values is considered de rigueur in a mission statement nowadays. But brand is often seen as the slightly tacky, younger sister to values—a little too commercial and lacking in gravitas. But I think values and brand are closely related.

Your brand reflects your values. If you really value being customer friendly, you will pay attention to customers in your business and your brand will reflect that. People will think of you as being customer friendly. If you prize technology and invest in giving your customers a great user experience, you will be known for being technologically adept. If you don't invest in training your frontline staff, you will be known for being unfriendly and unhelpful.

L.L. Bean is famous for its customer service and customer loyalty. When you call their toll free number, you reach a person on the first ring. No prompts, no menu options, just an actual person who is familiar with their products and ready to

help you. This is so different from your usual customer experience that it's almost radical. They provide a lifetime guarantee on their products. They will actually replace those socks when they wear out if you return them. Very few customers actually do this, but it means the rest of us know they truly stand by their products and that encourages us to buy more.

Make sure your brand and values are in sync. Don't put up posters extolling your core corporate values if they are so generic that they could refer to practically any company in the world. And don't put up values that simply don't ring true for staff. For example, "We are inclusive and value diversity", when the makeup of your senior team doesn't reflect that.

Tip: Spending some time as a senior team exploring personal values and getting to know each other and respecting where you differ can often be far more valuable than agreeing on corporate values with which no one identifies.

Conclusion

Like many things in life and business, brand and branding is about focusing on your strengths and building on them—for your customers and staff. Being an authentic brand means being honest about your current state and clear about what kind of company you aspire to be in the future.

You can grow your business and build a powerful brand by focusing on where you want to be and mapping a plan on how to get there. For practical steps on how to do that, check out "Top Six Tips to Building a Strong Brand."

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