



SUCCESS

FEATURES

FACTORS

IN ESTABLISHING YOUR BRAND



by **DR DONALD TAN**

In a highly competitive environment, companies strive to out-do each other in the race to win the consumer's dollar. Yet many companies struggle in the face of competition without realising how branding could have given them the competitive edge in the short and long run.

Why is branding important?

- It distinguishes one company/product from another.
- It tells the customers what the company/product is about
- It helps customers identify with the company/product and what the company/product represents

Having a brand in itself is not difficult. Simply registering a company will force any company to legally incorporate a somewhat unique identity. Yet many companies, especially small and medium enterprises, do not place enough emphasis on branding when engaging their customers. The two most common reasons given are the lack of budget allocated for branding and the absence of the know-how in addressing branding. To many, the key instrument for branding lies in creating awareness through advertisements and promotions.



Though awareness is an important component of branding, it is not the only component in its success. Many models have been developed over the years to address the respective components in building a successful brand. But while many have found their way into the fundamental building blocks of branding, many smaller companies may find such a concept foreign to them.

The aim of this article is to provide a simple approach to branding. Whether big or small, companies must ensure that the brand, or brands, intended for their customers must conform to the following guideline of 5Cs: Communication, Confidence, Connection, Commitment, and Consistency. The guideline applies to both corporate branding and product branding.

The 5Cs for brand success:

Communication

This is one of the most critical. While the main objective of communication is to ensure optimal awareness of the brand, companies must carefully consider the following to ensure that the communication is effective.

Companies must decide:

- How they would like to communicate their brand to their customers
- What their brand value is
- Who their customers are
- What message they would like to bring across
- What medium would be best to carry the message

The questions listed are just some of the key questions the company must first address before embarking on other areas of branding. Once the key aspects of brand communication have been identified, the company's next task is to create the necessary awareness for the brand.

Key takeaway: If the intended customers are not aware of the brand, it will not be considered.

Confidence

The next key component in branding is to build up confidence among your customers in your brand. When customers make a purchase, they are not just buying a physical product, but the confidence of what the brand provides to them. This includes believing that the product will meet their needs; the company has provided the product based on their expectations; the company will address any issues with the product; the company will be around to address their needs and so on. In short, whenever a customer makes a purchase, they look for how much confidence they have in the brand. Any time the customers feel "short-changed", the confidence level declines. Customers are also more willing to pay a premium for brands they have more confidence in.

To address the confidence in the brand, companies must also address the following;

- Performance of the product and services they provide
- Perception of the company and values
- Customers' assessments

Therefore, building confidence is not just a facade that the company creates, but an authentic and holistic experience that the company must provide for the customers - from the customer's perception of the brand, to the experience with the brand and to the assessment of the brand. This confidence component cognitively influences the customers.

Key takeaway: When customers choose a brand, they are buying the confidence they have in the brand. Customers are willing to pay more for brands in which they have higher confidence.

Connection

As we have mentioned the importance of creating confidence for the customers, it is also worthwhile to note that the connection the customers have with the brand is also very crucial. While it is common to find many reputable companies competing for the same customers with very similar products boasting comparable confidence, it is the connection the

customers have with the brand that will affect the decision. Therefore, companies must address the connection with what the brand encompasses.

This includes

- Image of the brand
- Aesthetic design and presentation of the brand and products
- Association customers have with the brand

The connection component effectively drives the customers in their purchasing decisions. Therefore “what” and “how” the customers feel about the brand can have a powerful impact on the decision, sometimes superceding the rationality of their buying decisions.

Key takeaway: When customers have a connection with the brand, decisions may not always be rational and any “short-falls” in the product may become acceptable.

Commitment

Any company that has addressed the previous 3Cs will already have an advantage over many of its competitors. However, building a brand over a longer term period requires the company to drive brand commitment. Commitment from customers come when companies continuously innovate and address customers’ needs. Activities can be implemented to encourage loyalty. In short, brand commitment is not uni-directional but requires both the company and the customers for this component to work. Some key areas the company must address:

- Continuously listen to its customers
- Continuously engage its customers
- Continuously meet and exceed its customers’ expectations

Companies that have won the hearts of the customers will be rewarded intrinsically and extrinsically.

Key takeaway: Commitment comes from both the customer and company. A partnership is key to driving success in the long term.

Consistency

The 4Cs earlier form the building blocks of branding. But to ensure that customers are not confused, companies must exercise consistency in their branding strategy, ensuring a clear message is continuously delivered. Any contradicting or

conflicting messages during the branding exercise will dilute any key message the company aims to communicate to the customers. In addition, customers may be confused with what the company is trying say and eventually lose the confidence and connection they may have with the brand.

To ensure consistency in your branding, the company must have;

- A clear and consistent message to its customers, regardless of the medium
- A consistent “look” and “feel” throughout
- A clear understanding of the brand, by all the brand’s stakeholders in the company

Once achieved, the consistency component secures the other components to form a strong foundation for your brand.

Key takeaway: Driving consistency in your brand minimises confusion among your customers and increases the identification of your brand message.

Conclusion

Companies must understand the importance of branding and how a successful brand directly adds to their bottomline. Creating awareness in itself is not sufficient. It is important for companies to be consistent in their brand message, to clearly communicate to their customers to boost their confidence and improve the connection they have with the brand. Continuous engagement also drives commitment.

Once successful, customers will actively seek out your brand and choose your brand over the competition because they have confidence in, and a connection with, your brand, and sometimes even paying a premium for it.

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Dr Tan will be conducting the following Executive Development Programmes at the Marketing Institute of Singapore:

- Successful Channel Management – 30 June & 1 July 2011
- Brand Equity & Positioning – 7 & 8 April 2011
- Strategic Marketing Management – 14 & 15 April 2011

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