# THE NEW CEO'S BRANDING HANDBOOK

How business leaders
ensure sustained success
in a world of rapid change.

Kevin J. Walker

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# ACKNOWLEDGEMENT

This ebook would have never come together without the talent and generous efforts of Aaron Halabe. Both a friend and a colleague, Aaron applied his fine editor's eye, addressing early drafts that were disjointed, disordered, and full of discrepancies, uneven style, and grammar errors. Thanks to the many refinements he suggested, this ebook is now an actual pleasure to read, and for that I'm most grateful.

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# FORWARD

Boy, do things move fast in the branding world. Back in 2015, when I wrote *A Brand Is A Promise Kept – Branding Essentials For The Busy CEO*, there was hardly any talk of "purpose-driven brands" or of traditional brand managers ceding (or losing) control of their brands to their markets. Now these two topics are among many that are dominating the whole conversation around branding.

For a while now, I've been meaning to write a second edition of that ebook. These two topics, and others, are not even addressed in its first edition. But it's important for a CEO to be clear on the differences between social purpose and brand purpose. It's important to understand that losing control of a brand to a dedicated customer base is not necessarily a bad thing. I wanted a chance to explain these things.

So why did it take five years to get around to the second edition? Time. Or, more accurately, the lack of it. I'm still running Boardwalk, a branding consultancy working mostly with middle-market businesses. I'm still writing my weekly blog/newsletter, *Brandtalk*. (Your complimentary subscription is waiting for you *here*.) And I'm still trying to have a life.

But here it is, finally. Think of *The New CEO's Branding Handbook* as something of a sequel to *A Brand Is a Promise Kept*. Like a movie sequel, it covers some of the same topics but it moves the story along. I just want to ensure the reader has the latest practical information about branding.

But then, of course, branding will change again so, I suppose, someday there will be a third book.

Aaaand … no sooner I write that last sentence than it seems branding could be changing again. About halfway through writing this ebook, the world was afflicted by a global pandemic – COVID-19. At the time of publication, we're still in the thick of it. The U.S. is still in the first wave of infections and the rate of infections is still rising. It's predicted there will be several more such waves. Many hospitals are at their breaking points. We're learning which health care systems around the world were prepared for this.

The global economy was shut down for months. Now, at various points around the globe, they're trying to reopen for business, with mixed results. Open too late, businesses fail and people lose their jobs, causing a malignant domino effect throughout the economy. Open too soon, infections – and deaths – go on the rise again. Ultra-conservative, capitalist political systems are rushing toward socialist-style cash bailouts to keep their economies on life support.

What does this all mean for branding? Nothing. But then again, maybe everything.

That is, as tragic and disruptive as this event has been, the insights I try to share in this ebook are pretty universal. They were true before the pandemic, they appear to be true during the pandemic. And I believe they will be true after the pandemic.

Having said that, there's no doubt we're in the middle of disruptive change. And that means pretty much every brand in the world is changing as I write. But that only means the insights in this ebook are more important than ever to the owners and managers of marketable assets.

Some things in the way we do business will definitely not go back to the way things were. And that means the insights in this ebook may have to change. But they haven't changed yet. For the foreseeable future you can inform your branding decisions on what you read in these pages.

# INTRODUCTION

This ebook is written for the busy chief executive officers of middle-market businesses who don't have a great deal of time to study branding but, nevertheless, have to get it right. CEOs of small and large firms may also benefit. The guidelines and recommendations also apply to them. But the middle-market CEO stands to gain the most from reading this.

The day-to-day responsibility for the health of the organization's brand assets may lie with the chief marketing officer. But, when that CMO suggests a plan of action or a change to the brand, the CEO needs enough basic understanding of branding to evaluate the recommendation and give it the go or no-go. That understanding will be found in these pages.

This ebook will also help the CEO insulate the organization from a brand's greatest enemy—change. The CEO needs to see what the CMO may not see. The CEO observes the entire business landscape and must recognize when the market is shifting, notice when change is afoot, and anticipate when disruption will come charging over the horizon.

The insights I'll offer will teach the CEO how to think about that change, what it means for the brand, and how best to lead it, forestall it, or adapt to it.

The CEO will also learn why branding is so important and how it adds value – lots of value – to the enterprise. This ebook will impart how to increase topline revenue by leveraging one's brand assets. And it will show the CEO how to use the brand as a tool for making important strategic decisions.

You'll get a focus on branding essentials, what every CEO absolutely must know – not all you ought to know, should know, or everything you might like to know. Unless they're needed to illustrate an important point, you won't see lengthy case studies, which you can find anywhere.

This document should not be considered a comprehensive source of all things branding. There are devils within details, color, and nuance. But the CEO can leave all that to their CMO, whether it's an in-house employee or a fractional contractor. For the CEO, we'll just keep it to the essentials.

Also, to keep things simple, and to ensure a quick read, I'll be talking mostly about corporate or organizational brands. But the same tenets hold true about branding other things. We'll get into that a little in *Chapter 11 – What to Brand*.

Finally, it's important that the CEO understands, at the very least, the basic essentials of branding. Because it's the CEO who is held responsible when brands falter, when sales flatten, when growth is stunted, when costs skyrocket, when employees leave, when customers are fickle, when margins get thin, when leadership is unclear, or when value plummets. Effective branding helps with all those problems.

# HOW TO READ THIS BOOK

As this book is written for the busy CEO, it is deliberately kept short enough to be read in one sitting. But that's not recommended. Too much information to retain that way. You're likely to forget the first chapter by the time you get to the last.

Heck, I wrote this book, and whenever I try to read it all the way through, my eyes start to glaze over by about Chapter 13.

A better way is to read one short chapter and internalize it. Trust me. You'll get more out of this book if you let each chapter percolate for a day or two. Share the questions at the chapter's end with your senior staff and discuss the answers you get back. The page size is 8.5" x 11" so you can print a chapter out and write your answers down if you like. I left plenty of space for that.

Each chapter examines one essential insight about branding that the CEO should know well. So take the time and get to know it. When you're sure you won't forget what you've learned, move on and do the same with the next chapter. This way, you will gradually build up real branding acumen, and you and your team will all be on the same page – as branding experts!

Once you've read it through, keep it handy. Revisit it from time to time. Pull it out when you have a branding issue. Odds are you'll find the answer you want somewhere within its pages. If you don't find the answer that works for you, contact me. My email is at the bottom of every page.

CHAPTER 1

# ALL SUCCESSFUL BRANDS ARE CEO-DRIVEN

*If the CEO isn't excited by the brand, no one else will be either.*

If you, the CEO, are not on-board with the brand strategy, then it's not going to work, pure and simple. If you have a new Marketing VP who lobbies for a new brand strategy but can't get you excited about the idea, do not allow the VP to proceed.

You have to be the new brand's number one champion. If not, the roll-out will be uninspired, the implementation uneven, and the employee engagement half-baked.

The brand strategy is the flag around which all your troops need to rally. As CEO, you need to be able to wave that flag with confidence and enthusiasm. The Marketing VP can try waving it furiously and exhort the troops to come running. But, if your company sees that their CEO doesn't really get it or isn't enthused by it, their response will be lackluster to say the least. The rest of your market won't think too highly of the brand once they see that lackluster response.

CEOs have to truly believe in their brand's purpose, promise, mission, voice, and positioning. They have to have absolute faith that their brand strategy is the way forward. That's how they can lead their company. That's how they can give clear and direct orders. That's how they can enforce those orders. So it can't be emphasized enough: Branding is the CEO's job. It is the CEO's responsibility to develop a strong brand strategy.

There are, however, two dangers the CEO must guard against. One comes in the development of the brand strategy. The other comes after implementation.

A CEO, especially a founding CEO, typically knows more about their company than most other employees. But it's a role that can also be somewhat isolating. And when developing a brand strategy, their deep and intimate knowledge of the firm can result in an overly narrow view of what is needed. To prevent this, the wise CEO needs to understand how other constituencies experience the brand.

Once the brand strategy is launched, a second danger – complacency – becomes an issue. The CEO should believe in the brand strategy wholeheartedly, wave the flag, and encourage the troops. But theirs should not become a slavish love. The

CEO has to maintain an "above the battlefield" point of view. Otherwise, they can become oblivious to market changes that render the brand strategy ineffective. The CEO has to be the first to notice when the brand strategy is not working and should be adjusted, refreshed, or replaced.

The best way for the CEO to avoid both these mistakes is to try to become a dispassionate observer, to remove emotion from the equation, and to take that 30,000 ft. perspective.

So here's a little mental trick. Imagine you've been asked to run a firm that's owned by someone else. They're going to spend the next four years on a sabbatical or something. What kind of brand strategy would you build for them? One that strokes your own personal ego? Certainly not. You'd look for the optimal relationship between all the parties involved, especially between customers and employees. You'd aim to make that relationship as strong as it could possibly be, regardless of your personal feelings. And, if it turned out you miscalculated, you wouldn't double down on a bad strategy, would you? You'd take swift action to get back on the right track.

To reiterate: It is the CEO's sole responsibility to develop the optimal brand strategy for a business. But then, everything the business does is the CEO's sole responsibility, isn't it? The brand is no different. Of course, the C-suite helps the CEO with all their different duties. The Chief Marketing Officer will be of enormous help with developing the brand strategy. But the buck, as always, stops at the top.

## QUESTIONS FOR YOUR SENIOR STAFF

Is there a compelling reason to address our brand strategy now?

How will a new or refreshed brand strategy benefit our business?

Will those benefits be worth the time and resources we'll need to invest?

CHAPTER 2

# DEFINE YOUR MARKET BY THE CONSTITUENCIES WITHIN IT

*As CEO, it is essential that you appreciate how your brand is perceived by everyone who is important to its success.*

In the famous poem by John Godfrey Saxe, The Six Blind Men of Hindustan, he relays a famous Indian folk tale of six blind men using their sense of touch to experience an elephant. The first man felt the elephant's side and determined it was a wall. The next felt the tusk and decided an elephant was a spear. The third felt the leg and thought it was a tree. The fourth felt the trunk and declared that an elephant was a snake. The fifth felt the breeze from the animal's flapping ears and concluded an elephant was a giant fan. Finally, the sixth took hold of the tail and was disappointed to conclude that an elephant was nothing more than a rope.

The poem goes on to point out that each blind man was partially right … and yet they were all completely wrong. None of them had really gotten the complete picture.

Brands are just like that elephant and each of the brand's constituencies – people whose perceptions of the brand are important to it's future – can be represented by a blind man. Figure 1 lists some typical constituencies. I use the term constituency instead of stakeholder because every stakeholder is a constituent but not every constituent is a stakeholder.

*Figure 1 – Constituencies*

| Constituencies (blind men) | Stakeholder? |
|---|---|
| Customer/Client | Yes |
| CEO (Founder?) | Yes |
| C-suite Executives | Yes |
| Rank and File Employees | Yes |
| Shareholders/Lenders | Yes |
| Board of Directors | Yes |
| Advisory Board | Varies |
| Vendors | Yes |
| Competitors | No |
| The Press | No |
| Regulatory Agencies | No |

For instance, employees are stakeholders in that they have a stake in the brand's success. That's one reason the best employees want to work for strong brands. The press, by comparison, is a constituency that couldn't care less if your brand succeeds or fails. They'll happily report on it either way. But, as CEO, you still have to care about how the press perceives your brand, because that perception is important to your organization's future.

Each constituency experiences the brand in an entirely unique manner. Each has only one angle on the extremely complex organization known as a brand. The customers experience the brand in a way that is completely different from the way the staff does. And the staff's experience is wholly different from the way the CEO experiences the brand, as we discussed in the previous chapter.

As CEO, you can achieve real value if you can get all of these constituents to understand your brand in a consistent way. You don't want them each thinking: wall, spear, tree, snake, fan, or rope. You want them all thinking: elephant.

This can be achieved by leveraging insights from qualitative research, building on the views that each constituency holds in common with the others, and developing a single brand platform that is simple and true enough to be meaningful to all of them.

## QUESTIONS FOR YOUR SENIOR STAFF

Who are our brand's constituencies?

How do their experiences of our brand differ?

Do they all see our brand truth?

CHAPTER 3

# WHY WE BRAND THINGS

### *As CEO, it's essential that you clearly grasp the enormous value a strong brand brings to your organization.*

Here's something for you to think about:

*Your brand is your most valuable asset*
*and the only asset that appreciates with time.*

That bears repeating:

*Your brand is your most valuable asset*
*and the only asset that appreciates with time.*

Say it aloud a few times.

It is your job, as CEO, to define your organization's true brand promise, to communicate it to all constituencies, and to empower your employees to deliver on it. Do this, and your brand will grow like wild vines. Fail to do it, and your brand will wither, go dormant and, possibly even die.

An organization's products and services will evolve over time, but a company's brand should be constant. Apple's customers, for instance, buy all sorts of things from them – computers, tablets, phones, and watches. Whenever Apple launches a new product, they support it with remarkable advertising. Most of Apple's products are wildly popular – but some fail. Most of Apple's advertising is pretty impressive and people respond well to it. On the other hand, sometimes it misses the mark and people snicker at it.

Yet Apple itself is constant. Apple is neither the product nor the advertising. It is Apple that is offering the product. It is Apple that is doing the advertising. Customers don't build a relationship with Apple's products or their advertising. They build a relationship with Apple. And, when that relationship is strong enough, they'll reward the successes and overlook the occasional failure.

Some readers may find it hard to believe that brand value can add so much to the overall market worth of a company. But international brand valuation firm, Brand Finance, Plc, conducts an annual worldwide study that shows intangible assets account for between 60 percent and 80 percent of a company's capitalization, with most of that attributable to brand value alone, as opposed to other intangibles like patents and copyrights.

Evaluating the worth of a brand can be as much art as science, but responsible brand valuation professionals are constantly improving their techniques to take as much guesswork as possible out of the mix. This is important when calculating licensing agreements, royalty rates, and damages, not to mention the sale price of a company.

Some people I know and respect might say that it's actually employees who are a company's most valuable asset. I'd counter that this is only true if the company has a well-defined, well-communicated brand promise and the employees all understand that keeping the brand promise is their #1 responsibility, no matter what it says in their job descriptions.

What's at stake? As much as 80 percent of the worth of your organization. So you ignore branding at your own peril. As CEO, it is your job to build and strengthen the relationship your organization has with its market. To accomplish that, you must do three things:

1: Sleuth out your true brand promise. (Not the one you think it is. The one your market knows it is.)

2: Communicate that brand promise to all constituencies.

3: Deliver on your brand promise consistently, without fail, over time.

These things are easier said than done. But, to build up an organization's brand value, the CEO must get them done.

There are more reasons to develop a strong brand beyond just building organizational value. We'll examine them in *Chapter 8 – The Eight Benefits of Branding*.

## QUESTIONS FOR YOUR SENIOR STAFF

Do we know the market value of our brand?

Who has the strongest brand among our immediate competitors?

How strong is our brand compared to that brand?

CHAPTER 4

# FINDING YOUR CAPO D'ASTRO BAR

## *As CEO, it's essential that you sleuth out your unique, differentiating competitive advantage*

There's a famous story told in advertising called, "The Search for the Capo d'Astro Bar." It's the true story of one Bud Robbins who, as a young man in 1965, took a job as a junior copywriter at a Madison Avenue ad agency in New York. I'll try to give his story the justice it deserves.

Bud had been assigned to write ad copy for a piano account, but he didn't know anything about the brand – or about pianos, in general, for that matter. So he went to visit the client, The Aeolian Piano Co. in upstate New York, to see if he could learn enough to write an intelligent ad. He was met there by the Vice President of National Sales and his whole marketing staff. They ushered Bud into a large, ornate showroom and there sat three magnificent concert grand pianos – an Aeolian, a Steinway, and a Baldwin.

Bud asked the VP why anyone would want to buy an Aeolian when, for about the same amount of money, they could have either one of the better-known brands. The VP responded by playing the Aeolian, filling the room with magnificent sound. When Bud asked him to play the other two pianos, they also sounded pretty amazing. So But asked for more reasons to buy.

"It's a high-quality instrument, made from the finest materials. It's a good investment."

"Yes, yes, yes." Bud responded, "But, along with sounding good, those are claims either of the other pianos can and probably do make." Bud started drilling down deeper, asking more specific questions.

"Do these pianos vary in height, width, or length?" No, no, and no. "What kind of wood do you use? What are the keys made of? Where do you source your strings? Do you have any unique manufacturing processes? Is the bench adjustable?" Bud and the marketing team spent all day examining every feature of the pianos but discovered nothing that differentiated the Aeolian. Across the board, they found nothing but absolute parity.

After hours of this, Bud threw up his hands in frustration and shouted, “There must be something different about your piano!” Someone in the back of the room joked, “It costs more to ship it.”

Bud stopped. “Why would it cost more to ship? These pianos are alike in every way.”

The VP explained: “Actually, our piano weighs a little more. So we have to pay more in shipping. But, in the scheme of things, it’s no big deal.”

Bud: “But why does your piano weigh more?”

The VP: “We use a heavier Capo d’Astro bar. We think that’s important.”

Bud: “OK, I’ll bite. What the heck is a Capo d’Astro bar?”

The VP: “Meet me under the piano.”

So they both get under the piano, and Bud is introduced to a large metal bar that spans the harp of the piano and bears down on the strings. As it turns out, when you tighten up all those strings, the instrument is put under an enormous amount of stress. After enduring that stress for 50 years or so, any piano is going to want to start to warp. It’s the Capo d’Astro bar that keeps the piano from warping over time.

Bud gets up. “You mean that metal bar doesn’t even have a job to do for another 50 years?”

“Exactly right,” says the VP.

So Bud dives under the Steinway, then under the Baldwin. He gets up again. “Compared to your Capo d’Astro bar, those two look like Tinker Toys.”

The VP looks proud. “Maybe that’s why the Met uses our piano.”

“Wait! The Met?! The Metropolitan Opera that’s about to move into this new Lincoln Center they’re building? They have one of your pianos?”

“Yes they do and, in fact, their piano is about 50 years old. Their Capo d’Astro bar is probably starting to go to work just about now.”

Bud thanks his hosts and rushes right back to the city. He doesn’t go home. He doesn’t go to work. He goes straight to the Met and pesters the front desk until they find a nice lady willing to take him backstage to look at the piano. As they’re walking backstage, he learns that this lady is, in fact, the woman who’s in charge of the Met's upcoming move to Lincoln Center. While they're standing backstage, admiring the 50-year-old piano she says, "You know, the only thing the Met's taking with them is their piano."

That quote became the headline of the first ad of the campaign. A campaign that was so successful that, in short order, there was a six-year waiting list to get an Aeolian piano.

Bud, without even realizing it at the time, had re-branded the piano. Remember, when asked what made the Aeolian different, the VP sat down to play it. He thought the differentiator was the piano's sound. But sound is too subjective to be counted on to set the instrument apart. Plus, it's not differentiating because you know that Steinway and Baldwin were also claiming their pianos had the best sound. By wrapping the ad copy around the heavier Capo d'Astro bar, Bud changed the differentiator from the quality of the sound to the quality of the investment.

He took Aeolian from a company that claims to make a superior instrument to a company that demonstrates superior value. The new brand promise: If you invest in an Aeolian, we promise that 50 years from now, when this piano is sitting in your grandkid's living room, it will sound as good then as it sounds today. It will not warp. You can take your chances with the other brands that skimp on their Capo d'Astro bars.

The takeaway, of course: every brand has its Capo d'Astro bar – that one thing that sets it apart from its competition. Even if your offering is an apparent commodity like pianos or ball bearings or legal services – trust me – your Capo d'Asto bar is in there, somewhere. You just have to sleuth it out and spotlight it. Differentiate the brand. Communicate the brand promise. Keep the brand promise. That's how you build lasting brand value.

But there's a second take away in Bud's story. I wonder if you've spotted it. It took years before it became clear to me.

As mentioned, these events happened in 1965, after which Bud went on to have a distinguished career in advertising, ending up with his own agency on Madison Avenue, Kresser & Robbins. Bud first shared his story in the early '80s, and it went viral as only a pre-Internet story could do – by running in all the advertising trade magazines. At that time, I was an ambitious young man trying to find my own niche in the marketing/advertising field. Bud's story inspired me to follow my instinct and go into branding.

Since then, I've had a long career and have worked with lots and lots of clients just like the people at Aeolian. And, now, when I re-read Bud's story, I see the second takeaway. Let's look at the facts.

Who was Bud talking to that day? Professional marketers, at least one at the VP level.

What was he asking them – repeatedly? He wanted to know what made their piano different.

Who knew that the piano had a heavier Capo d'Astro bar? Every single one of them did.

Who mentioned it? Nobody. Bud practically had to trick them into revealing it.

Why didn't anybody mention it? They all thought of the heavier Capo d'Astro bar as a feature of the product's engineering. But they didn't recognize the significant role it could play in marketing. It never occurred to them to think of it as a differentiator that could be meaningful to people. They were all too close to the paint to see the painting.

The second take away, clearly, is that it's almost impossible to rebrand yourself. I've observed this truism gleaned from years of experience seeing similar examples: we all have blind spots. That's why, as CEO, you need a dispassionate third-party like Bud to come in and start asking questions. Lots of questions. Dumb questions. Pestering questions. Questions that only an outsider would think to ask because insiders already have all the answers. If you're thinking of reassessing your brand, please do yourself a favor and get experienced, independent help.

## QUESTIONS FOR YOUR SENIOR STAFF

What can our company learn from Bud Robbins' story?

What is our Capo D'Astro Bar?

Do we need external help to sleuth out our brand promise and maximize brand value?

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# CHAPTER 5
# THE BUSINESS LEADERS' DEFINITION OF BRAND

### *As CEO, it's essential that you learn the quick, money-making way to think about your brand.*

At the end of the day, what is a brand really? Is it a name? A logo? A tag line? Is it advertising? Is it your reputation? Is it the sum total of every touch point between the organization and the customer?

Wait! Don't answer! This is a trick question. There is no universally accepted definition of "brand." Economists, designers, PR people, ad agencies, academics, business evaluators, and brand strategists – we each color our meaning of "brand" with our own experience, education, and background. I've even seen a highly reputable business publication conflate "trademark" with "brand" – two wholly different concepts.

I'm convinced the inconsistent language branding professionals use when talking about brands contributes to the confusion that many businesspeople feel about branding. They think that we're all very excited about something that they can't see or grasp. Who can blame them for being uncertain, even suspicious, when someone tells them they need to work on their brand?

About 15 years ago, some colleagues and I resolved to come up with a final definition of "brand." It turned out to be a difficult assignment. We kept revising our definition, over a period of years(!), until we got to this:

*A brand is the making and keeping of*
*a unique, differentiating promise,*
*or set of promises,consistently, over time,*
*thus establishing a covenant*
*with important constituencies,*
*forming a bond*
*that is both rational and emotional.*

In order to simplify this definition, I started paring away everything that wasn't absolutely necessary. That took another year, but I finally got it down to six words:

*A brand is a promise kept.*

Every CEO should memorize those six words. It will save a lot of time, money, confusion, false starts, misdirected marketing, etc., etc., etc. By adopting this definition, you have the quick and revenue-driving way to think about your brand. Now you know that you need to define your brand promise, communicate it to your market, and keep it.

That's it. You'll no longer be distracted by your communication, your advertising, etc. Your advertising is important – vital. It is how you communicate your brand promise. But you'll no longer confuse the promise for the brand itself. A brand is a promise – kept. To see how it works, let's parse that sentence. See Figure 2.

You need to define your brand promise. And that requires you to put on your strategic thinking cap. You need to make your brand promise. That's all your marketing communication from the simplest blog post to your Super Bowl ad. Finally, you have to keep your brand promise. That's your operations, from research to shipping and billing.

*Figure 2 – Parsing the sentence*

| A BRAND | IS A PROMISE | KEPT |
|---|---|---|
| Define your brand promise | Communicate (make) your brand promise | Deliver on your brand promise |
| **Strategy** | **Marketing** | **Operations** |
| Market Definition<br>Purpose<br>Mission<br>Competitive Advantage<br>Differentiation<br>Positioning<br>Brand Voice<br>Corporate Values<br>Market Values | Naming<br>Visual Identity<br>Advertising<br>Public Relations<br>Online Presence<br>Social Media<br>Events<br>Networking<br>Storytelling | Effective Leadership<br>Positive Culture<br>Attract/Retain Top Talent<br>Good Training<br>High Standards<br>Strong Systems<br>Quality Control<br>Exceptional Service<br>Accountability |

Strategy. Marketing. Operations. It takes your entire company to create a brand. You can't just leave it to marketing alone. You and your senior management have to define your brand promise, probably with the help of an outside consultant. Then, your marketing people can make the promise, communicating it to everyone whose perception of the brand is important to your success, your constituencies. But it is everyone else in your organization who have to deliver on that brand promise. And if they don't deliver, the brand is never really born.

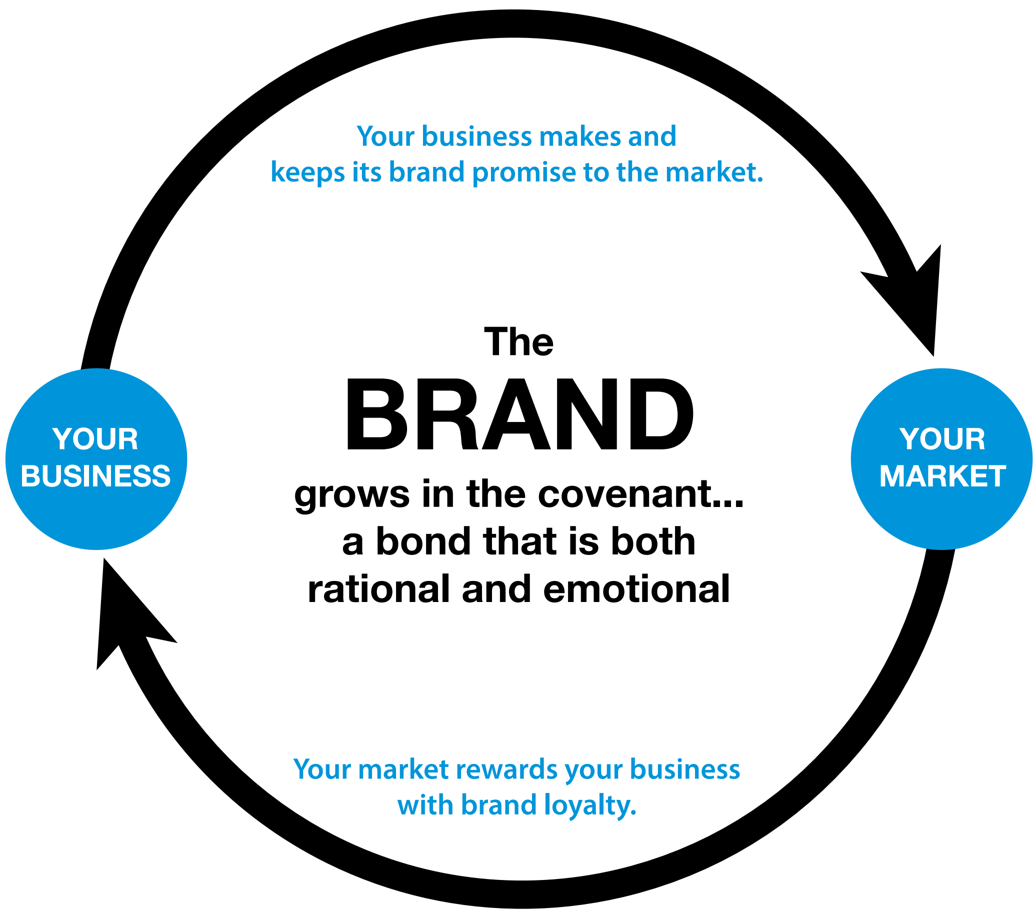
Once you know what a brand really is, your work has only just begun. What is your promise, exactly? Is it unique and differentiating enough? If not, how can you make it so? How can you communicate that promise to the market? How do you even define your market?

Now, I want to underline an important point. You'll hear many other branding professionals talk about how a brand is a promise. It's strange that so many of them seem to forget the part about actually keeping the promise. Perhaps they take it as a given that everyone keeps their promises, so it doesn't need to be mentioned. But it really does. Any fool can make a promise. I want to impress upon you, in the strongest possible terms, that a brand is not just a promise.

A brand is a promise … kept. You don't begin to grow a brand until you begin to keep your promise.

Figure 3 illustrates the model. After you begin to make and keep your promises, and your customers begin to see that as a reliable pattern, they will begin to value their relationship with you and start to reward you with brand loyalty. In that covenant, in that space between you and your customer, that's where your brand takes seed and begins to grow.

*Figure 3 – Brand covenant*




Using this business leaders' way to think about your brand, you'll uncover an ironic point. You can't build and grow the brand without the market's help. If the company or the market dropped out of the covenant, the brand would cease to exist. So, in a sense, the market "owns" your brand every bit as much as you do. Your customers or clients get an emotional benefit out of purchasing what you're selling. More on that in *Chapter 15 – The Role of Emotion in Branding*. But, lucky you, all the monetary value of the brand falls into your pocket.

Finally, remember, to build a brand of any real worth, you have to keep the promise consistently, without fail, over time. The longer the better. Coca-Cola has been keeping their brand promise for over 125 years. That goes a long way to making them the powerhouse brand that they are.

## QUESTIONS FOR YOUR SENIOR STAFF

What is our unique, differentiating brand promise?

How well do we keep it?

Do all our people understand how their role here helps to keep our brand promise?

# CHAPTER 6
# THE EIGHT CHARACTERISTICS OF A STRONG BRAND PROMISE

*As CEO, it's essential that you understand the qualities that make up a successful brand promise.*

A brand is a promise kept. But what kinds of promises should you make to begin with? Successful branding strategies feature strong brand promises that have eight key attributes, listed here. They are arranged in order of importance; however, the truth is that they're all pretty vital.

A strong brand promise is:

**1: Proprietary**

You should own your brand promise. You need to claim a unique position within the market. You should have an unassailable distinction that sets you apart from your competitors. Your brand promise should be one that no one else can match or would want to try to match.

**2: Authentic**

Your constituencies should find it easy to believe your brand promise. It should be rooted in your background, your experience, and your values. If your brand promise comes from too far afield, the market will suspect you can't deliver, and you'll be dismissed as unserious right out of the gate.

**3: Aspirational**

Your brand promise should reflect who you are, but also where you're going. Stretch your boundaries. Tell the market what you aim to be.

**4: Achievable**

Stretch your boundaries, yes, but don't set yourself up for failure. You should be able to deliver on your brand promise without undue difficulty. You should be able to demonstrate progress toward your ultimate goals.

**5: Focused**

You can't be all things to all people. Prioritize your audiences. Target those that you can serve better than anyone else and make your brand promise directly to them.

**6: Consistent**

Every facet of your organization, every word, image, communication, and especially every deed should reinforce your brand promise. Make your brand promise consistently, and deliver on it every opportunity you can, without fail.

**7: Sustainable**

Strong brands can last for many decades, so only make a brand promise you know you can keep for years to come.

**8: Simple**

On top of all of the above, remember to keep your brand promise -- as expressed through a brand platform -- simple. You need a purpose statement that is simple enough for the whole market to grasp and retain. It has to be simple enough that employees can keep it in mind and understand how all the tasks they undertake every day, no matter how mundane some of them may appear to be, are vital to keeping the brand promise. For best results, write a brand promise that even a 12-year-old can understand. At that age, they're whip smart, but they don't have a lot of context. They need it spelled out clearly.

For instance, STAPLES Center's brand promise, back when they started planning in 1998, was: "We're bringing nightlife back to downtown Los Angeles." Boardwalk helped them articulate and communicate that promise. And they were, in fact, quickly perceived by everyone – developers, contractors, financiers, potential naming sponsors, sports teams, the press, City Hall, and the general public as the one organization that could, and would, get that done. They have been consistently delivering on that single brand promise ever since, and the venue enjoys a very strong brand.

They brought in L.A. Live entertainment complex, which led to the arrival of City Target, dozens of new apartment buildings, and a huge influx of new restaurants, bars, music venues, and other contributions to a healthy nightlife. Think of all the complex tasks that needed to be accomplished in order to do all that. Think of all the relationships that needed to be built and negotiations that needed to be successfully concluded. They've done an exemplary job by sticking to a simple brand promise.

As CEO, your challenge is to present a single, unique, differentiating brand promise that is meaningful to the whole market.

It may seem daunting to craft one that includes all of the attributes listed above. And, in truth, it does take some time and effort. But it's time and effort well-invested. Trust me, as someone who has helped craft many brand promises, you can define such a promise. And when you do, you'll have a powerful tool that will drive all your branding, marketing, and sales for years to come.

## QUESTIONS FOR YOUR SENIOR STAFF

Does our brand promise possess all eight attributes of a successful brand?

Where are we weak or strong?

How simple is our brand promise?

# CHAPTER 7
# THE BRAND LENS

## *As CEO, it's essential you use your brand as a regular, future-proofing, strategic tool.*

Although frequently overlooked, a well-articulated brand promise is actually an extremely powerful strategic decision-making tool for management. Senior executives should be using that tool every day.

All too often, after a business successfully completes a branding or rebranding initiative, they roll it out, throw a party, and then forget all about it. "Hey, the new logo is out there, right? Let Marketing run with it." With this kind of attitude, it isn't long before their brand is in the weeds again. That's because it's not enough to just roll out the revised brand. Companies have to live their brands. They have to infuse their everyday business operations with the brand promise. Every department needs to know how it is expected to contribute to the fulfillment of that promise.

The bottom line: you must view everything through a Brand Lens – the vantage you get by asking how each action you take will affect your ability to deliver on your brand promise.

Imagine your company is facing a significant strategic decision. You'll have a lot of tools to help you make that decision. These may include financial models, operational considerations, etc. But before you pull the trigger on the deal, take a moment to view the choice through your Brand Lens. Ask yourself this: Will saying yes or no to the decision help us keep our brand promise or will it contribute to a drift away from that commitment?

If you have a strong brand strategy – one that you believe in – then, by all means, make the decision that will do the most to help you keep your brand promise. Never do anything that will make it more difficult to do so. And if you don't have a strong brand strategy … well, if you've been reading this ebook, then you'll know my advice is to get one fast.

All of the leading companies in every market sector, including Target, Apple, Harley-Davidson, Caterpillar, and Pampers use the Brand Lens as a decision-making guide. They wouldn't be market leaders if they didn't. They are well aware that their brand is their most valuable asset, and they refuse to make any strategic decision that would dilute it.

Steve Jobs was said to hate the words "branding" and "marketing." He believed those functions should permeate every aspect of the business and literally be built into the product. Thus, his obsession with design, user friendliness, and customer experience was imbued into Apple products.

Ironically, it is actually because of his approach that Apple is unsurpassed in branding and marketing, and the brand has become one of the most valuable in the world. Your brand is too crucial to the success of your enterprise to be left to the marketing department alone, no matter how good those folks may be.

The Brand Lens can be applied to less critical decisions, too. A couple of cases in point: A loading dock worker at a huge manufacturer left his post to help a visiting customer find his destination within the factory. The worker was well-trained on his employer's brand strategy. In deciding whether to help the customer or continue on with his assigned task, he viewed the situation through the Brand Lens and concluded it was more important to help the customer. That was the best way he could deliver on the company's brand promise. He did fall behind on his schedule, but it hardly mattered, because he turned the customer into a life-long brand champion.

The president of a middle-market food distributor was involved in merger discussions with another company. While in an overly long meeting at the other company, he suddenly remembered that his father was due in at the airport, and he was supposed to pick him up. Negotiations were at a critical stage, so he started to contact his father to advise him to take a cab. Hearing this, the outside counsel for the other company considered how she could help. Living up to her firm's brand promise, "We're the helpful law firm," she immediately dispatched an associate to pick up the elderly man and bring him straight to his son. Negotiations were successfully concluded, and it was the "helpful" attorney who picked up the newly combined distributor as a client.

The Brand Lens is an immensely powerful strategic tool. It will empower and focus your employees. Make it available to everyone in your organization, not just the marketers.

## QUESTIONS FOR YOUR SENIOR STAFF

Do we look through our brand lens when making strategic decisions?

If we reviewed our last strategic decision through the brand lens, would we have decided differently?

What damage would we do if we ignore our brand while making important strategic decisions?

# CHAPTER 8
# THE EIGHT BENEFITS OF BRANDING

*As CEO, it's essential you know where to look for improvement when implementing a strong brand.*

In the olden days of yesteryear, cowboys used to burn their marks into the hides of their cattle only to identify them, to distinguish them as their own, and to claim them from competitors or rustlers. Today, however, we brand to add value.

Consider this. The Lazy B herd regularly hoofs it into market first, driven hard by an aggressive trail boss on a short, quick route that bypasses one or two watering opportunities. The cattle arrive first, but they're scrawny and exhausted. Then, a week later, the Top D herd arrives rested, watered, fat, and healthy. Within a couple of years, not surprisingly, buyers begin to associate each brand with a set of values. Lazy B is first to market, but their meat is lean, lacking flavor, and tough. Top D takes longer to arrive, but their meat is well-marbled, tender, and flavorful. The rancher from Lazy B may get paid first. But who do you think gets the higher price?

When markets put values on brands, it is every CEO's job to maximize that value. Here are eight ways a brand adds value in today's world:

**1: It boosts your sales.**

A well-positioned brand gives your sales force a huge advantage. Just think – your salespeople no longer have to explain the benefits of your product. The market already knows and understands it. A brand drives more sales from existing accounts and is a strong attraction for new customers. A strong brand, once launched, almost always drives an uptick in sales. It may be dramatic; I once saw a client's sales double in one year. Or it may be just a tiny blip. But that blip can grow significantly because the real sales value of a strong brand strategy is long-term: the ability to drive 15 to 20 years of year-over-year growth in topline reveue.

**2: It grows your market.**

A powerful brand provides a consistent and credible platform for geographic expansion, new product or service lines, and other new business endeavors. When Krispy Kreme donuts decided to expand to the West Coast, the entire state of California got excited. That's because many Californians were transplants from the East and remembered how much they loved those donuts. They told their friends, and everyone waited in anticipation for the first shop to open. That's a strong brand.

**3: It cuts your costs.**

Brand strategy simplifies your messaging. No longer are you communicating about attributes (wall, spear, tree, snake, fan, rope); you're sending out one simple message (elephant). Nike has a very simple branding message, "Just Do It." They don't have to create individual marketing plans for each and every line of shoes. Sure, they may vary their approach from time to time (I'm thinking of the Colin Kaepernik campaign.) but they do that because they want to, not because they need to. Imagine the costs if every couple of years they had to replace Just Do It! And when prospective, high-caliber employees believe your brand is strong, they will seek you out, reducing your recruitment and training costs.

**4: It attracts and retains a superior work force.**

When existing employees perceive your offerings as valuable and authentic, they become true brand ambassadors, happily maximizing all customer relationships and touch points. You only have to look at all the dedicated, motivated staffers at the Apple Store. They don't see themselves as selling to you. They're helping you. A strong employer brand also helps attract top talent. The best employees want to work alongside the best colleagues while doing meaningful work for the best employers in the best environments.

**5: It bonds your customers to you.**

They become your best brand champions. They evangelize on your behalf, bringing you new accounts and opportunities. They strenuously resist the efforts of competitors to lure them away. Just try showing up at a Harley Davidson rally on any other type of motorcycle. See what happens.

**6: It gives you pricing power.**

Strong brands can charge more. That's a fact. Just look at Apple's iPhone. They're much more expensive than competing brands, yet consumers still line up for days to buy them. When the market falters, owners of poorly-branded products and services find themselves cutting prices to stay in the game, thus commoditizing their offerings. Strong brands have price resiliency because their customers are loathe to give up on a brand relationship that they value. The savvy CEO continues to nurture that relationship in good times and bad.

**7: It future-proofs your company**

A strong brand is a simple but incredibly powerful tool for making strategic decisions. When looking at your choices through your Brand Lens, as described in the previous chapter, you'll always make the decision that keeps your brand relevant, strong, and growing in value.

**8: It increases the net worth of your company.**

As we read in *Chapter 3 – Why We Brand Things*, the market regards a strong brand as a premium asset. It rewards organizations that integrate a clear brand vision into their everyday business operations. Those who neglect to invest in effective branding strategies leave money on the table – again, as much as 70 percent – when it comes time to merge or sell.

Responsible CEOs will always strive to keep their brands strong so as to maximize the above eight advantages.

## QUESTIONS FOR YOUR SENIOR STAFF

Are we reaping the rewards of all eight benefits?

Where are our weak spots?

Are we attracting/retaining top talent?

# CHAPTER 9
# WHAT IS A BRAND PLATFORM?

### *A CEO should have the planks of the brand platform memorized and ready to preach.*

Every on-target marketing campaign is launched from a sturdy brand platform. Any marketing effort that hopes to be successful needs a well-designed brand strategy behind it. When you devise your brand strategy, you're actually making a business case for why your business, product, service, event, campaign, or project – whatever it is – should be positioned in a particular way. You're sleuthing out your true competitive advantage, the reason your market will want to walk right past your competitors and knock on your door.

And, just like a political party runs on a platform, and that platform is made up of declared policies called planks, so is the brand strategy defined by a set of declarations – also called planks. But what are these planks in the brand platform? And how does that platform support marketing? How does it make it better? More effective?

**Plank #1 – Market Definition**

As we learned in *Chapter 2 – Define Your Market by the Constituencies Within It*, your market is more than just your customers. It is more than just your clients. Your market is composed of every group whose perceptions of your brand is important to its future success. So yes, that means customers, employees, vendors, etc. But it also means financiers, boards of directors, competitors, and more. Some businesses even have to concern themselves with how they appear to regulatory agencies. It's important to list all these groups, being careful not to omit anybody. When completed, you can look at that list and know … that's your market. These are the people you have to reach with your messaging. You can't afford to run multiple marketing campaigns to all these different groups. Nobody can. You're going to need proper positioning to ensure that any marketing messages you run will authentically resonate with all of them – equally well.

**Plank #2 – Purpose Statement**

Now that you can "see" your market all on one piece of paper, you have to ask yourself: What purpose do you serve in their lives? Every viable business is born to meet an existing need within the market. So what need was there that allowed your business solution to come into being? Think of your business as a "tool" that your clients or customers use for the purpose of achieving some sort of emotional benefit. What is that purpose?

There's an old adage: People don't buy a drill because they want a drill. They buy a drill because they want a hole. What products or services is your business selling? Those are your "drills." But what is the "hole" that your customer really wants? That's what they use you for. That's their purpose for you.

Do not try to come up with this yourself. You'll only get an obvious, superficial answer. To get to your deeper, true purpose, conduct some one-on-one interviews with sample members of each group within your market. They'll give you the insights you need. For instance, FedEx learned their purpose was not to deliver packages at all, but to remove the anxiety their customers experienced when sending or waiting for packages. That's the depth of understanding you want to achieve. When you have the real picture of why your business even exists, write a formal purpose statement from your customer's point of view, and in your customer's voice.

**Plank #3 – Brand Promise**

What distinguishes you from your competitors? This can be obvious if your business is bringing some new, patented piece of technology to the market. But in most cases, your brand promise, aka, your competitive advantage, is not so quickly evident. Remember the Bud Rollins story in *Chapter 4*? What makes one brand of piano different from another? The sound? That's too subjective a test on which to bet the whole company. Your competitive advantage has to be concrete – something you can point to and demonstrate as real. Many businesses actually balk at contemplating their brand promise, afraid it may turn out to be unneeded by a big chunk of their market. But that's actually marketing focus. If 80 percent of your market turns away from your offering, it's a safe bet the remaining 20 percent will be dedicated, repeat customers. Again, your one-on-one interviews with your market sampling will go a long way to helping you learn how you truly differ from your competition. And, of course, you'll need to survey your competition to find out how they're branding themselves.

NOTE: I distinguish between a brand promise, a.k.a. a competitive advantage, and a value proposition. I don't believe value propositions belong in the brand platform. The brand promise is factual and fixed. It empirically sets one entity apart from another either through a physical feature, a proprietary process, or some other demonstrable characteristic. The value proposition is mutable. It often promises value through a special offer, discounted pricing, or some other sort of promotion. It has more to do with how a business chooses to present its brand, at any given time, rather than what the brand actually is, in essence.

### Plank #4 – Mission Statement

It should be stressed that the mission statement is an important plank in your brand platform and a great deal of care should go into drafting it. That said, it's one plank that's relatively easy to define. Simply put, your mission statement declares how you intend to fulfill your purpose, as defined in your purpose statement. Don't worry about the tactics you'll use to fulfill your purpose. They are likely to change over time. Keep your mission statement all about the long-term strategy or strategies you intend to pursue, emphasizing how you intend to leverage your brand promise or competitive advantage.

### Plank #5 – Voice and Personality

With what voice will your brand speak? This needs to be explored carefully and, once that decision is made, should be formalized into a plank in your brand platform. Characteristics should be listed and explained. Give plenty of examples of passages written in the brand voice. Brand voice and brand personality can range widely, of course, depending on the type of entity you're branding. You wouldn't want the Keebler elves to be "speaking" to the market with the same serious tone that JP Morgan uses. When deciding on your own brand's "personality," my advice is avoid the extreme ends of the range. Even the most serious brand should allow itself room for an occasional light-hearted comment. And even the zaniest brand might have to make a serious statement once in a while. Don't let those kinds of occasions take you off brand.

### Plank #6 – Positioning Statement

The positioning statement might be the most important marketing document you will ever write. It describes how you want the entire market to perceive you. More than that, it describes how you want the market to *feel* about you, viscerally.

However, make sure you finalize the first five planks before tackling this one. Knowing your market, your purpose, your mission, your values, and your voice are prerequisites to preparing a positioning statement.

It should contain your brand promise – that one, unique, differentiating benefit you can deliver the market that no one else can match.

The entire function of the positioning statement is to formalize how people should feel about what makes you different. And the brand promise is that differentiation. You want people to feel that you have a fantastic brand promise. You want to be able to articulate the emotional benefit people get when transacting with you.

Feelings are primeval, after all. But writing the positioning statement can be a complicated endeavor. Don't be surprised if it takes many drafts. But the final positioning statement should be simple. The process of getting it right might cause you a few sleepless nights. But, once you have it, you will know it. It will just feel right on you, like your favorite sweater.

Let's look at a few examples of successful positioning statements:

■ STAPLES Center – We're bringing nightlife back to downtown Los Angeles.

■ International Trade Education Programs – We reveal all the doors that are open to students and show them how to walk through.

■ theatre dybbuck – We are a virtuosic performing arts group that challenges and moves people with contemporary investigations of Jewish thought.

These statements describe how the brand owners wanted their different markets to feel about them. When these three brands do their marketing, they use the positioning statement to guide their messaging, so that every ad, posting, and touchpoint is created to support that desired feeling.

**Plank #7 – Brand Strategy**

In essence, the brand strategy is an outline that puts the first six planks into a cohesive, actionable plan. It takes your corporate values, commercial offerings, and optimal customer experiences and puts them into the context of your competitive environment.

It explains your unique position within the market and describes why that positioning is likely to drive business.

The seven planks described above are must-haves in any brand platform. It's conceivable that, depending on some unusual business model and/or competitive environment, a few brands might require an additional plank or two. But I've never run across such a situation and I can't imagine one. Taken as a whole, this is the platform from which a successful marketing campaign can be launched.

Marketing fails when it makes an offer to the market but forgets to communicate exactly who is making the offer and why. More than ever, buyers want to know who they're purchasing from. They want to know who you are and why you're in the business you're in. The brand platform provides all that in a snapshot.

Anyone charged with developing a new ad campaign can refer to the brand platform and know, instantly, how to prepare the messaging in a way that will authentically portray who is positioned behind the ads. That authenticity makes the advertising more effective, resulting in more interest, demand, and ultimately, revenue.

## QUESTIONS FOR YOUR SENIOR STAFF

Are we launching our marketing campaigns from a sturdy brand platform?

Are there any planks missing from our brand platform?

Do we know where our brand lives in our market's collective mind?

# CHAPTER 10
# BRAND ARCHITECTURE

## *As CEO, it's essential you understand your options for how to group – or not group – your brand assets together.*

Brands often exist not as stand-alone entities but as members of a brand family. The iWatch is sibling to the iPhone, the iPad, the iPod, and the iMac. Everybody knows this as soon as they see that tell-tale, lower case "i" starting off the name. All these product brands are the offspring of the parent brand Apple. Everyone knows that, too.

One of the most difficult decisions CEOs can make, if they find themselves responsible for a collection of brands, is whether to position as a branded house, a house of brands, or some kind of hybrid. The choice can make a huge difference in the success of the brands and of the parent company.

Nike can be described as a "branded house." Go to their website and behold the hundreds of products they offer, at least 90 percent of which sport the Nike swoosh and name. Sometimes the swoosh is used as a subtle accent. Sometimes it's the basis for a large, overall pattern or graphic. Sometimes the branding is reinforced with the slogan: "Just Do It." Sometimes it's paired with a particular technology, like Air Max. Sometimes it's associated with an outside brand, like a sports team.

But Nike is always the dominant brand. It's clear their brand strategy is to have millions of customers who really want a pair of Nikes, not thousands who want a pair of Zooms and thousands more who want their Flywires or Lunarlons. These sub-brands serve as differentiators within the category. But make no mistake, you're always buying Nikes. The exception, of course, is Air Jordan, the only shoe products in the catalog that people refer to as "Jordans," as opposed to "Nikes." But the genesis of that particular line is so unique that it is the one exception that can be made while still considering Nike as a branded house.

At the opposite extreme, Proctor & Gamble is clearly a "house of brands." P&G's portfolio consists of a wide variety of products in the personal and home care categories. Each brand is treated as a distinct enterprise with its own business model, growth strategy, and marketing budget. Some of the strong brands that can be found within the P&G family (as of this writing) include Head & Shoulders, Old Spice, Pampers, Gillette, Charmin, Mr. Clean, Tide, and Tampax.

P&G is not interested in developing loyalty to the parent company. Most shoppers have little or no idea that the Cincinnati, Ohio company even exists. But each of the firm's products have earned their own fierce brand loyalties or are on their way to building them. There are consumers out there who would rather wear dirty clothes than wash with anything other than Tide. P&G clearly thinks a house of brands is the more profitable model for them.

Coca-Cola is an interesting case. Since the Coca-Cola Company began life in 1892, it has grown into a kind of super brand and also a hybrid of branded house/house of brands. To start, the name of the company is also that of its principal product. The Coca-Cola brand has grown so strong that it has an equally strong nickname, Coke, and it leads the way for a litany of sub-brands – Diet Coke, Cherry Coke, etc. Of course, many of these spin-off brands exist, at least in part, to maximize retail shelf space. There isn't a lot of demand for Diet Coke Black Cherry Vanilla. But, even so, Coca-Cola's model aligns more with Nike than with P&G.

So you could call Coca-Cola a branded house.

Along the way, however, Coca-Cola has picked up other strong beverage brands:, Fanta, Dasani, Minute Maid, and Odwalla. Coca-Cola keeps its ownership of these brands well in the background, obviously deciding they would be stronger – and more profitable – standing on their own. So, in this regard, Coca-Cola is also a house of brands, more like P&G than Nike.

The benefit of the branded house model is it's easier to build awareness of one name than of many. Less expensive, too, as you can promote everything with one marketing budget. The downside: It's almost impossible to divest an under-performing product line. Look at Google Glass, a product that was soundly rejected by the market but might have worked if taken over by new management. But Google had trouble unloading it because the product was so closely identified with its corporate brand. To solve that problem, Google gave birth to its own parent. In 2015, it created Alphabet, a company that owns Google and many other holdings. It instantly went from a branded house to a hybrid model. Now, Google can group some companies into the Google name whenever it makes sense to do so. And, where it doesn't make sense, it can have other companies report straight to Alphabet.

The benefit of the house of brands model is that you can build up individual businesses that can then be bought and sold with relative ease. Of course, individual businesses require their own infrastructures, their own staff, and their own marketing and advertising budgets. And that's the downside: It's expensive.

The hybrid model gives a company the best of both worlds, but that is a tough road for all but the most well-capitalized businesses.

Which strategy is right for you? How should your organization be positioned? That depends on a myriad of factors specific to your situation. What kind of business are you in? Where are you in your firm's life cycle? Do you develop new products in-house or do you go out and purchase them? Are your marketing pockets deep enough to support the house of brands model?

What's important here is that you, as CEO, have to decide on your architecture – and stick to it! The worst thing you can do to your portfolio of brands is send mixed messages on whether they are all related or somehow distinct from one another. The market doesn't like to be confused.

## QUESTIONS FOR YOUR SENIOR STAFF

(Assuming your organization has multiple brands)

Are we a house of brands, a branded house, or a hybrid?

Would we be more profitable if we organized our brands differently?

If we're a branded house, is that immediately apparent to our market?

# CHAPTER 11
# WHAT TO BRAND

## *As CEO, it's essential you recognize your opportunities to brand.*

When considering what should be branded, there's an important maxim: Anything that needs to be marketed can use the benefit of a strong brand strategy.

Consider the following examples.

**PRODUCT** branding is familiar to everyone who has ever walked the aisles of a grocery store. Obviously, products require brand strategies. My consultancy, Boardwalk, has developed our share of them, mostly in service to the consumer products divisions of major motion picture studios. Below, read about the other kinds of marketable assets that we've branded.

While products of all sorts require branding, **SERVICES** need brand strategies too, especially if the service is unique or new. Trillium Digital Systems started as three engineers sitting at a kitchen table. They wanted to be among the first to pioneer the licensing of protocol software, which allows the software in your mobile phone to talk to the software in the cell tower. Another protocol software patch is needed to allow the cell tower to talk to the orbiting satellite, and so on. In fact, across the telecommunications universe, there are by now hundreds, maybe thousands of connections that require protocol software.

Trillium asked us to help them realize their dream of becoming the gold standard in their industry. We saw to it that everything about the firm -- their logo and visual identity system, their trade show booths, and their marketing communications, always conveyed that you could expect a little bit more from Trillium. A little more expertise, a little more responsiveness, a little more professionalism. And then, importantly, they always delivered on that expectation. We enjoyed a wonderful working relationship with Trillium for about 15 years until they were acquired by Intel. It's always gratifying to be associated with a success story like that.

**PLACES** can also be branded, especially if they have some appeal as a destination. Brand strategy drives tourism, business investment, relocation, and population growth. There's a reason STAPLES Center in Los Angeles, California is called STAPLES Center and not STAPLES Arena or STAPLES Anything Else. One positive feature, recognized by all its constituencies was its central, downtown location. It could draw from east, west, north, and south. No competing venue could match the claim. We also wanted to underscore the central role we expected the arena to play in the cultural life of Los Angeles. So, before a naming rights partner had even come aboard, we knew the name was going to be "_______ Center."

The Santa Monica Pier, also in California, is the western terminus of the famous Route 66. When two thirds of it washed away in the storms of 1983, the city formed the Santa Monica Pier Restoration Committee to raise the money to restore and improve it. The Committee still runs the Pier today and, like many nonprofit organizations, it faces an eternal struggle to find sources of revenue. When it was learned that the sign over the entrance to the Pier was one of the most photographed structures in Southern California, we quickly mobilized to give them a strong visual identity, using the sign as the anchor to the whole system. The resulting trademark gave the Pier the legal standing to collect royalties and, eventually, market their own line of souvenir consumer products.

**EVENTS**, like upcoming sports tournaments and music festivals can set up enormous expectations that require management through a well-planned brand strategy. As a gesture of appreciation to their fans, and as a means of giving Simpsons sponsors additional exposure, News Corp. and Fox Licensing and Merchandising decided to send a traveling carnival around the world. We worked with them to develop the Simpsons Global Fanfest, creating a visual identity system that was clearly of the Simpsons, but distinct enough to stand in its own right. Whereas typical international campaigns require a great deal of work to localize the messaging for each stop along the way, the Simpsons are so universally beloved that very little needed to be translated.

**PUBLIC INITIATIVES** clearly make promises that must be kept. Brand strategy plays an important role here, too. The Metropolitan Water District (MWD), a water wholesaler headquartered in Los Angeles, California, decided to launch a campaign that would guide consumers in their efforts to save water. Any water-saving product on the market was deemed to be "California Friendly" and labeled as such if it met MWD standards. What's more, educational programs, local initiatives, and even entire cities could be labeled as "California Friendly" if they did enough to conserve water. We worked with MWD to develop a comprehensive system that clearly marked all qualified entities as having earned the designation with packaging badges, hang-tags, point-of-sale displays, and signage. The system tested well with consumers, and was first rolled out through a partnership with Home Depot.

**PROJECTS**, even relatively short-term ones, can find value in branding. For instance, St. Jude Medical Center, in Fullerton, California, had plans to add a large, new wing to the hospital. It would require an enormous construction project that would disrupt traffic patterns, create noise and dust, and generally annoy patients, doctors, hospital staff, and the neighbors -- both retail and residential -- for two to three years. We created a brand for the construction project itself, naming it

“Blueprint for Excellence,” and positioned it as an activity that would bring a better quality of life to the community. All communication about work schedules, traffic detours, changing parking areas, air quality, and other news was published by Blueprint for Excellence, not St. Jude. All neighborhood complaints were taken by Blueprint for Excellence, not St. Jude. And when the construction was complete, Blueprint for Excellence went away, leaving St. Jude itself with a reputation that was as stellar as it was before the construction was planned.

**PERSONAL BRANDING** has been a popular topic for several years now. How does an individual with talent stand out from the crowd? When Tony Hawk was beginning to take the skateboarding world by storm, corporate America wanted to keep that world at arm’s length. They saw skateboarders as borderline delinquents, covered with tattoos and piercings, who could not be trusted in a licensing agreement the way one could do business with, say, an athlete from one of America’s more traditional team sports. We worked with Tony’s management to position him as an All-American dad and family man who just happened to be the dominating champion of a sport that was catching on and growing leaps and bounds with a much-prized demographic. Tony’s licensing deals got started.

While there may be some necessary differences among the details of each of these examples, the process for developing brands for them is essentially the same as it is for branding a business. Know the brand promise. Tell the brand promise. Keep the brand promise.

As CEO, you have to keep an eye out for opportunities to create new brands that support and add value to your business. And once again: Anything that needs to be marketed, can benefit from a strong brand strategy.

## QUESTIONS FOR YOUR SENIOR STAFF

Does our organization have a strong brand? Why/why not?

Are we branding our products and services, too?

Are we missing opportunities to brand other things like promotions, events, etc.?

CHAPTER 12
# WHEN TO BRAND

*As CEO, you must regularly address your brand's needs – especially in times of change.*

Have you ever noticed that television commercials suggest that the very best time to buy a new car is always right now!? There will never be a better time to get a great deal! They show hundreds of people abruptly dropping what they're doing and, literally, stampeding to the dealership because that long-anticipated moment – now – has finally arrived.

But in branding, a really good CEO always thinks about how he or she is going to keep the company's brand promise every single day. Remember this: Change is the enemy of the brand. And change is happening all the time.

Whenever a business is going through any kind of change at all, management needs to revisit the brand strategy and determine if it's still relevant or if it needs to be modified or replaced. If the brand strategy needs no adjustment at all, then it's possible you have little or no work to do. Sometimes a cosmetic refreshing of the company's visual identity is all that's needed. More often than not, however, a change in the business means a change in the brand strategy. The bigger the change, the more likely there's an urgent need for a formal re-branding effort.

There are three kinds of change that can trigger a reexamination of the brand:

**1. Disruptive change**

In the mid-19th century in the American west, most small towns were supplied by a single general store. Since local customers had no other option but to shop there, the general stores felt safe to charge exorbitant prices for staples and other must haves. The Sears mail order catalog soon put a stop to that. It was a disruptive juggernaut that drove most general stores out of business or, at least, forced them to get reasonable on their pricing. How those shopkeepers must have hated it!

Sears grew into a huge company and started opening their own stores all around the nation. By all rights, they should have evolved into Amazon. But they didn't see the potential of the Internet. So Amazon became Amazon and Sears, ironically, went the way of the old general store. There are plenty of other examples of huge businesses done in when management failed to recognize the significance of new, industry-disrupting technology: MySpace, Kodak, etc.

And even if new technology doesn't wipe out an industry, it can cause severe existential headaches to others. Look at how taxis are struggling to make a stand against Uber and Lyft. Consider how AirBnB has the entire hospitality industry scrambling.

It's not the technology itself that sounds the death knell for companies like Sears. It's the failure of management a) to recognize what any given new technology could mean to its market and/or b) to act quickly to either leverage the new tech or somehow get out of the way. Both options will require a new brand strategy.

And let's think about all the technological change that's out on the horizon as of this writing:

- 5G networks
- Blockchain
- Internet of things
- Artificial intelligence / Machine learning
- Virtual reality / Augmented reality / Mixed reality
- Quantum computing
- Nanotechnology

That partial list doesn't even touch on breakthroughs we can expect in medicine and life sciences, including genomic technologies. It's going to be a busy time ahead.

CEOs today must always keep one eye on the horizon to see where the next storm is arising.

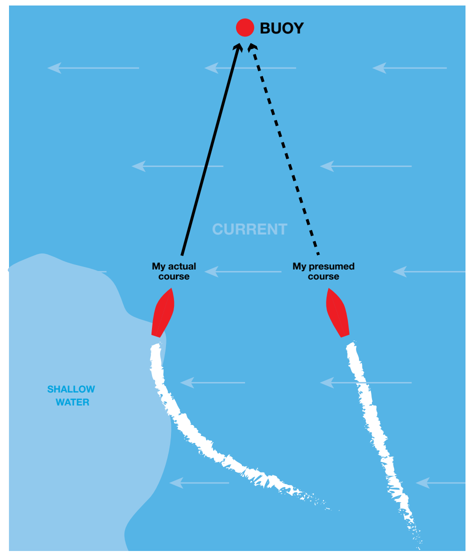
They have to constantly scan for new technological breakthroughs. They have to understand the implications for their business model. And they have to act quickly and decisively.

*PANDEMIC NOTE: The above few paragraphs were written as COVID -19 infected the globe and devastated the world economy. I wasn't around in 1918 when the Spanish Flu did the same thing. Until now, every disruptive change I've witnessed was caused either by some new technology, new business model or new business model made possible by some new technology. Now we see that disruption can come from anywhere – disease, war, climate change – anywhere.*

**2. Incremental change**

Sometimes, change is external. Everything is going on business-as-usual within the company, but the market changes. Sudden, disruptive changes are hard enough to manage. Even more insidious are slow, subtle evolutions in the market, because those are almost impossible to detect until it's too late.

When I was just out of college, I had a friend who made a living buying old sailboats, restoring them, and reselling them. He asked me to crew for him once as he took one of his finished masterpieces from North Carolina down to a buyer in Florida. Every time we crossed one of the many sounds along the way, he would give me a sailing lesson. One day, he told me I was ready to solo. So, after we both checked the local charts and noted the wind, he gave me a bearing on a buoy out on the horizon. He told me to wake him when we neared it, and went below for a nap. I was determined to hold the course and kept the bow aimed squarely at the buoy for the next half hour. I concentrated on keeping that buoy in my sights, dead ahead.




Suddenly, the boat shuddered, lurched, and stopped. I had run aground. But how?! We had checked the charts and knew there were no shoals between our position and the buoy. The wind was at my back, and I had my goal in my sights the whole way. When my friend ran up on deck, facing aft, he instantly knew, by observing the boat's wake, what had happened. I had not accounted for the water current. The illustration shows the result. Sounds are wide bodies of water where rivers flow into the ocean. Emphasis on "flow." I hadn't thought about a water current that was pushing us out to sea. From my perspective, the view seemed unchanged, yet I had drifted way off my bearing.

Lesson learned. Even if you hold steadfast to your course, market currents can change your position relative to the goal. Even though everything seems normal, you still need to check occasionally to see if a tactical course adjustment might be needed to keep you out of trouble.

It's not unusual to see brands that were once on top of the world suddenly find their sales declining with no apparent explanation. It could be that customer tastes are changing. It could be any number of things that are outside of the company's control.

The business needs to adapt to these changes, but it can't unless it stops to look at the market and tries to understand what's going on. As I headed toward the buoy, I checked and rechecked every key indicator but one, my wake, and I ran aground. As CEO, you need to determine key performance indicators for your brand and check them, if not every day, at least at regular intervals.

If you do make a tactical adjustment, even a subtle one, your organization's marketing and sales staff needs to fully understand how that affects the brand promise they're making to customers. Failing to grasp it completely, in all its facets, could result in unrealized sales. Even more critically, the rest of the company needs to internalize any changes to the brand promise that they're expected to keep. If not, there's a risk that customer experience – thus customer satisfaction – will be diminished.

**3. Planned change**

Even though a change to the business may be well-planned in advance by management, it can still wreak havoc on a brand. Re-examine and refocus the brand strategy when a company is:

- being bought or sold.
- merging with another company.
- expanding in size or in territory served.
- entering new market segments or adding new products or services.
- emerging from a restructuring of some kind.
- under new management.
- growing and ready to move up "to the next level."

When any of these circumstances arise, that's when you need to adjust your branding and keep your marketing from going off-target. That's when you need to maximize your brand's efficiency and boost brand value.

To avoid being done in by change – of any kind – I recommend following the Rule of 15. Every 15 years, conduct a full brand strategy exploration with a reputable branding agency. No brand strategy lasts more than 15-20 years. They die quicker if you're in a trendy business like fashion or music. But the good news is, if you do it right, you've got a plan for the next 15-20.

Every 15 months – Top management should have a lunch or an offsite meeting of some sort for the specific purpose of discussing the brand, its continuing relevance to the market, its current strength, any threats, likely solutions, etc.

Every 15 minutes – Think about what you're doing right now to keep the brand promise.

There's never been a better time than right now to get the brand of your dreams! Run on down to the dealership and get in the habit of following the Rule of 15. You'll be a branding rock star.

## QUESTIONS FOR YOUR SENIOR STAFF

When was the last time we took a serious look at our brand?

Besides the pandemic, what else is out there that can disrupt our industry and how would we adapt?

Do we have a formal system for keeping our brand fresh?

# CHAPTER 13
# WHEN THE MARKET TAKES CONTROL

### *As CEO, you have to remember you share your brand with your market. Emphasis on "share."*

One kind of change can come either incrementally or all in one big disruptive rush. That's when the market that shares "ownership" of your brand decides to take over. As we discussed in *Chapter 5 – The Business Leaders' Definition of Brand*, your brand is really the relationship between your marketable asset and its market. "A brand is a promise kept" is the succinct definition we use. As a brand manager, your job is to shape and influence that relationship so that it stays healthy and happy and pumps money into your business. The market wants to keep the relationship strong to ensure continued access to your product and the emotional benefit it gains from it. It's like a good marriage. Both parties get what they need from it but neither party actually owns it.

Traditionally, the brand manager had sole discretion for the direction the brand would take. How would it grow? What should it do next? Etc. After more than a hundred years of doing business that way, it's natural for business leaders to feel like they own their brand. But they never really did. Powered by new Internet tools, markets these days are flexing newly developed muscles to show that they have some control over the brand relationship as well. In *Chapter 20 – Branding, Culture, and Values*, we'll note how consumers can rate businesses and employers online now. We'll show how they can organize boycotts and "cancel" organizations of which they disapprove.

But markets can have positive effects on brands too, if only CEOs would let them. George Lucas is a phenomenally successful film maker. His production company, Lucasfilm, Ltd., built an incredibly strong brand around the Star Wars franchise. The ardent fans of that science fiction fantasy are legion, and are known for their intense dedication to it. It's a brand that would make Coca-Cola jealous. There was only one problem.

It takes time to make a movie, especially one on a scale like a Star Wars film. And Star Wars fans can't wait that long. They hunger for new content every day. So they started taking matters into their own hands. They dress up as Star Wars characters and hold their own meetings and conventions. They started writing their own scripts. They "improved" the Star Wars logo. They created illustrations of favorite scenes and characters. They created graphic novels and animations taking the Star Wars saga into new directions. They even wrote and starred in their own unofficial Star Wars short films. And they shared everything on the Internet.

To a traditional brand management team, this was a nightmare. None of these creators were following the branding guidelines or even knew they existed. Most of the work was of terrible quality. Everything ran afoul of the first dictum of copyright law: never confuse the market. And Lucasfilm couldn't make it stop. Their fans had seized control of the brand relationship and was running amok with it.

First, Lucasfilm tried legal action or, at least, the threat of it. But they soon realized the futility of sending out of cease-and-desist letters to hundreds of penniless teens who didn't get what the big fuss was about. So Lucasfilm started to relax. Their next move was to just let it happen while emphasizing that nothing the fans were doing was "official" Star Wars content. But there was still a very real division between the management of the Star Wars brand and the fans.

At some point, Lucasfilm must have decided either to take an if-you-can't-beat-them-join-them attitude, or they woke up to the fact that this was, indeed, a marriage that needed saving. They started putting some effort into the relationship.

Eventually, when Disney bought the Star Wars franchise from Lucasfilm, they purchased a healthy brand. The brand relationship was supported by both sides. Fans have portals now where they can submit ideas, where their meetings are sponsored, and where they can enter their mostly terrible illustrations into official art contests. Everybody's happy and the brand is more valuable than ever.

This goes to show that it's not necessarily a bad thing if your market starts to exert influence on the brand relationship. In fact, it's probably a good thing. It shows that your market cares about the brand. It shows your "spouse" is interested in you. This is the time to reach out to your market and show you're interested too. Listen to your customers. Find out what they need and find a way to give it to them. In some cases, loosening your grip on the brand is what makes the brand stronger.

## QUESTIONS FOR YOUR SENIOR STAFF

Does our market care enough about our brand to want to influence it?

What's our reputation on Yelp, Glassdoor or other rating sites?

Is there some way we could bring our market closer by giving them more influence over the brand relationship?

CHAPTER 14

# IDENTITY: YOUR BRAND'S FIRST IMPRESSION

*As CEO, you must understand how your customers first encounter your brand, and fully grasp how that has an enormous and lasting effect.*

In an ever-accelerating world, decision-makers use your brand's identity as a short-cut to make instant judgements about your business, your offerings, your values and, ultimately, whether or not they want to include you in their lives. That's why it's so important to understand, exactly, what your brand is saying about you at any given moment.

The most important moment, of course, is the instant your brand first appears in someone's eye. Your brand's identity provides your crucial first impression to the market. Human beings are visual hunters. The vast majority of the data we take in about the world around us, we take in through our eyes. And we gather and process that data almost instantly. During that brief second, we decide almost everything we think we need to know about a brand. And, even if those conclusions are later proven wrong, our first impressions still stick with us and influence subsequent decisions we make about the brand. So it's no surprise that the market leaders in practically every business sector spare no expense when it comes to designing the way their brands are perceived during that first moment of contact.

A brand identity starts with a name that evokes the kind of emotional response you want your market to feel when encountering your brand. Your name will appear at almost every touchpoint between your business and your market – usually prominently so. Unfortunately, some mature businesses have decades of equity built up in terrible names.

But if you're stuck with a less-than-perfect name, consider the many benefits of using a tagline. Taglines can finish telling the story if the name doesn't say it all. They can position the business and differentiate it from its competitors. They can serve as inspirational calls to action for both employees and customers. The best name/tagline combos walk that fine line between being too generically descriptive and too unfathomably abstract. Taglines, by their nature, cannot be part of that instant first impression. They're the second read. But they're often a crucial part of the identity system.

If you started a car company today, I would beg you not to name it BMW. An initialism, each letter has to be spelled out to say the name. There must be a billion such initialisms cluttering the global landscape. Most of them are utterly forgettable. BMW, by virtue of its years of accumulated brand equity, is more memorable than most. But it's a name that conveys nothing about the product. It triggers no emotional response in a potential buyer who doesn't already know the brand. However, if you add a really great tagline to a terrible name …

*BMW*
*The ultimate driving machine*

… and presto! You get a grade-A first impression. Taglines are phenomenal branding tools, especially when you're stuck with a less-than-stellar name.

As prominent and every bit as important as the name is the logo. It is the focal point of all the communication you will have with your market. So be sure to treat its design and development as the critical business engine it is, with a budget that reflects its importance to the company's future. A logo is not an irritating, unavoidable expense. It is an investment in the success of all your future marketing efforts.

As crucial as it is, the logo does not exist without context. It is just one part of your overall visual identity system. The rest of the system has to be crafted, too, in a way that supports the logo and gives it a home in which to welcome guests (your market). Any good identity system will include a color palette that complements the logo, a family of fonts for use in various communication formats, a definition of the kind of imagery that will promote brand objectives, and some rules for composition of stationery and other common marketing material. Depending on the size and complexity of the company, an advanced system may involve iconography, patterns, additional color palettes, informational graphics, and plenty examples of applications on everything from tote bags to retail interiors and signage.

The visual identity system extends everywhere that eyeballs go – print materials, online, outdoors – wherever your market may be. And here's something to keep in mind: it's more and more likely that that first instant of contact will happen on a mobile device. So the CEO must instruct the marketing team to ensure that the brand's first impression is just as strong and on-brand there as it is everywhere else.

It's true that identity systems are, primarily, visual identity systems. But, for some businesses, it pays to extend the system to the other senses. Broadcasters and filmmakers have known for years that sound can evoke incredibly strong emotions. Think of NBC's three-tone signature or of the MGM lion's roar, both trademarked and both powerful symbols of the companies they represent. These days, more and more businesses are using the Internet's full capacities, including sound, so this kind of audio branding is now available to almost everybody. We'll go into a little more detail about using sound in *Chapter 18 – Using Sound to Build Your Brand*.

The other senses can also be brought into the mix. Chains like Cinnabon, Panera Bread, and Starbucks have long been carefully manipulating the aromas in their stores to maximize sales. Major department stores are following suit and are leading the way for other retailers to do the same. Auto manufacturers like BMW pay detailed attention to how it feels to drive their cars – the touch of the smooth, burled-wood dash, the grip of the leather-clad steering wheel, and the responsiveness of the vehicle itself to commands from the driver. The feel of a BMW is as important to sales as its functionality.

Again, your brand's identity provides your crucial first impression to the market.

Today's leading brands build relationships with their markets in every conceivable way. The strongest of them take a systematic approach. They organize carefully crafted visuals, sounds, aromas, textures – but especially visuals – into fully integrated brand identity systems that present a consistent point of view across all touch points. They build proprietary worlds that meet their markets' expectations, put customers at ease, and prepare them to be receptive to targeted messaging. This kind of environment drives interest, demand and, ultimately, revenue. And it does most of it in that very first instant of contact.

## QUESTIONS FOR YOUR SENIOR STAFF

Does our name, logo, and visual identity deliver the best first impression?

Do we need to invest more to put our identity on an equal footing with our competitors?

Are we in a position to exploit other senses like hearing, smell, or touch?

# CHAPTER 15
# USING KEY MESSAGING

## *Every CEO needs to know the purpose and proper use of key messaging.*

OK. Here's the truth. Key messaging is really not that big a deal. In fact, I hesitated even including it in a book for CEOs. The chief marketing officer of any business should know what it is and have it ready to go. The head of PR certainly knows and can deploy it at a moment's notice. But, in the end, I decided every CEO should at least know what it is and what it's for. That way, they can make sure a) they have it, b) it's up-to-date and c) it's at the ready.

Extrapolated from a brand's Positioning Statement, key messaging is designed to influence the way a market feels about a brand.

Brand platforms need seven key planks. We've covered these planks in some detail in *Chapter 9 – What is a Brand Platform*? But for now, let's just look at the Positioning Statement and the key messaging that comes out of it. Let's consider how and what that communicates about a brand.

The Positioning Statement defines how a market should perceive a brand so that it maximizes its competitive advantage over its rivals. More than that, it should define how a market should feel about the brand. It's usually written in very simple terms so it's easy to "get" on a visceral level. Once you do the research required to define your Purpose Statement and Mission Statement, you can deduce how you want your market to think of you. Now explain it, and make it believable, to a 12-year-old child. That's the idea.

Here is an example of a positioning statement Boardwalk developed for a Los Angeles-based, non-profit theatre group called theatre dybbuk (The lower case initials are intentional.): "An intensely creative performing arts group that genuinely moves people with meaningful, engaging experiences based on modern interpretations of Jewish tradition."

The goal is not to have everyone who comes in contact with theatre dybbuk to be able to recite this statement. The goal is to have everyone feel that this is the truth about the theatre group.

This is their brand promise. This is what they're going to deliver if you engage with them. But to get people to feel this way the group has to communicate. This is where key messaging comes in.

Whatever topical messages need to be communicated over the life of any business, "one-day-only sale" or "we're hiring," there should be some sort of messaging that reinforces the feelings articulated in its positioning statement. This is key messaging.

Very often key messaging is integrated into advertising messaging, either literally or through semiotics. See *Chapter 17 – Tell Your Brand Story with Semiotics*. Sometimes it runs alongside it. Some brands run completely separate brand advertising solely to deliver their key messaging.

When theatre dybbuk adds one or another of their many stories, they can easily turn it into an elevator self-introduction. They can add the who-what-when-where-and-why kind of information that journalists need and turn it into the boilerplate language at the end of their press releases. They can add more detail as they go, and write 50-word, 100-word and 200-word descriptions of their group. That way, they'll have them at the ready when a journalist calls them up and asks, "Hey, can you give me 50 words on what it is you guys do?" No one will have to scramble to write something and make sure it's on-brand. It's already done.

They can add these descriptions to any of their advertisements, programs, website, social media, or any other communication. And they'll know that each time they do, they're reinforcing the brand positioning they want. They're letting their market know what kind of experience to expect, just like a movie poster does.

Your key messaging quiver should include the following arrows:

- 15-second self-introduction (elevator pitch)
- 50-word description of your business
- 100-word description
- 200-word description
- Boilerplate for press releases
- List of trigger phrases

Let's talk about trigger phrases. To get a strong brand started, you have to embark on a brand strategy exploration (that's another book). When you do that, you'll be talking to actual people who make up the different constituent groups within your market. During those conversations, you'll hear different phrases used, across constituencies, that clearly put the constituent in the right emotional space to engage with your brand. Those trigger phrases should be used to construct your multi-length descriptions. But they should also be listed on a separate document.

That's because sometimes your "pre-fab" statements won't do. Sometimes you'll be forced to write something new on the spot. When that happens, pull out your list of trigger phrases and be sure to use as many of them as are appropriate. They'll keep your key messaging on brand.

Other arrows in your quiver could be visual: your logo, fonts, and color palette, a hero photo of your product -- anything that would help you trigger the desired emotional response in your audience.

Key messaging, constructed and used properly, will eventually "train" the market to have the kind of feelings about the brand that are advantageous to its future growth. But you want to have it ready in advance.

## QUESTIONS FOR YOUR SENIOR STAFF

How do we want people to feel about us, relative to our competition?

What opportunities do we have to use key messaging?

Who will be responsible for the proper usage or our key messaging?

## CHAPTER 16

# THE ROLE OF EMOTION IN BRANDING

### *As CEO, it's essential you understand how your market makes purchasing decisions.*

"Can we talk about our feelings?" You don't often hear that one in the boardroom. Although, on more than one occasion, when things get too left-brained, I've been tempted to blurt it out. Developing a brand strategy can be a painstaking process that can get bogged down in the nuts and bolts of establishing the definitions of words, of articulating the intent of people, of determining the value propositions of products, and a myriad of other logical exercises that would test the mental mettle of any math major. Too much reliance on this kind of thinking results in positioning statements that read like legal treatises.

People forget that branding is the first step to selling, and people buy on emotion. I know a professional woman who needed to purchase a new car. She listed out what she needed in a vehicle. She wanted something small and economical for her fairly long Los Angeles commute. She listed out the pros and cons of each model she considered. On paper, the Toyota Prius was the obvious choice. But, in the end, she bought a MINI Cooper. It wasn't quite as economical as the Prius, but it was quick and nimble and could handle cross-town traffic with ease. It made her commute fun. She had forgotten to put fun on her list of desirable qualities.

In prehistoric times, people had to band together to survive. They formed emotional connections with one another. Or they did not. Those decisions were made in the oldest part of the human brain, the limbic system, sometimes referred to (hilariously) as our lizard brain. Today, we still make decisions there. We form logical, reasonable explanations to justify those decisions using the newer (in evolutionary terms) part of the brain, the cerebrum. But we still make the original decision based on our emotional connection, and that's based on lizard-brain thinking.

The brand strategy is where to begin defining the kind of emotional connection you want to build with a desired audience. This will guide your marketing efforts and, in turn, your sales efforts. A lot of what you'll need to know will come out of the discovery process as you develop your brand strategy. If you question people closely enough, they will reveal why they buy. Typically, they'll only admit the rational reason at first: I want this car because it gets good mileage. But keep them talking and eventually they'll reveal the emotional reason: I want this car because it excites me.

So, when defining your brand strategy through a positioning statement, don't be afraid to talk about feelings and establishing an emotional bond with your end user. Many executives, especially CEOs, are uncomfortable discussing unquantifiable values like emotions, but that bond is perhaps the most important characteristic of your brand. Do not shy away from discussing it openly and honestly. Remember, it's not just about how the market perceives your brand, it's how the market *feels* about your brand.

To understand the outsized role emotion plays in branding, you should watch this ad by Johnnie Walker. It's a 90-second spot called *Dear Brother*. This ad packs such an emotional wallop that, immediately after watching it, I couldn't move for a long time. And the next time I was at the grocery store, I had a compelling urge to pick up a bottle of Johnnie Walker.

Branding builds the platform, marketing launches the campaigns, but emotion makes the sale. You have to think about emotion throughout the process.

As CEO, you need to understand the emotions that are triggered within your customers when they experience your brand. Do whatever you need to do to ensure they are positive emotions. That's how they decide to buy.

## QUESTIONS FOR YOUR SENIOR STAFF

What emotions trigger our customers' need to buy from us?

How much do we consider our customers' emotional needs?

How can we establish a pattern of meeting their emotional needs?

CHAPTER 17

# TELL YOUR BRAND STORY WITH SEMIOTICS

### *The CEO needs to understand that very little communication occurs through the written word.*

One of my favorite quotes of all time comes from George Bernard Shaw:

*"The single biggest problem in communication is the illusion that it has taken place."*

It seems hilarious because it's so true. When one relies on the written or spoken word alone, people tend to zone out. They're busy and time is in short supply. Visuals tell an instant story and we're better at visuals anyway.

Most information is conveyed through the use of signs and symbols – a concept known as semiotics. When children are first enrolled in kindergarten, they are tested so teachers can find out what each child does and doesn't already know. Can they tell a circle from a square? Do they know their colors? The vast majority of them do already know these visual stimuli. Not many, however, already know their numbers 0-9 or the entire alphabet A-Z. Visual literacy comes before reading or math skills.

When you think about it, the degree of visual literacy we master by age five is pretty impressive. Not only do we have shapes and colors down cold, but even kids can read facial expressions and body language with remarkable accuracy.

By the time kids are twelve, most can read a room in an instant. They can tell what experiences seem attractive and what should be avoided, who seems nice, and who's probably a jerk. What's amazing is that it all happens in the background, without us even having to really think about it. That's our lizard-brain at work.

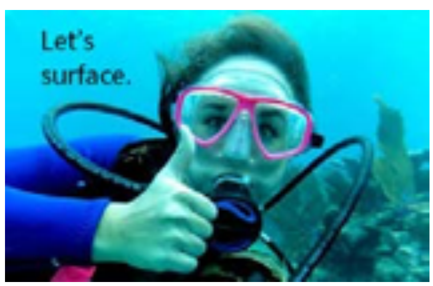
Marketers rely on our visual literacy every day. They tell us about their brands using visual clues, counting on our sophisticated "inner language" to add in meaning and read the story. Marketers may straight-up tell us their advertising message. But, mostly, they use semiotics – employing signs and symbols to get the brand story across. Here's why.

Visual communication is better at generating long-term buy-in. When a consumer hears or reads an advertising claim being made, it doesn't stick. That's why advertising messaging needs to be repeated over and over. Because consumers don't actually know the claimant, they have no reason to trust the claims being made. So the messaging isn't retained. But semiotic signals, for some reason, do stick. The fact that, as infants, we seem pre-programed to be able to think visually offers a clue. Our visual literacy operates at a much deeper level – somewhere way down in our limbic system – than our speech and math skills.

When we see something "with our own eyes," it's much easier to accept it as true, even when we're fully aware that what we're seeing is being staged for our benefit.

The actor Larry Hagman was sometimes attacked in public by total strangers. Because the character he played on a popular American TV show, *Dallas*, was considered so evil, some viewers forgot that it's all just make believe. Likewise, for decades, Marlboro cigarettes associated itself with an iconic figure known as the Marlboro man. Everybody knew he was just an advertising ploy, that he was only a fictional character. Still, Marlboro sold boatloads of cigarettes because some male smokers wanted to think of themselves as free, capable, and adventurous just like the Marlboro man. Their limbic systems formed an emotional connection.

It gets even more complicated. Not only are we expert at reading symbols, but we're also really good at understanding the contexts in which the symbols appear. Take the famous "thumbs up" sign. Everybody knows what that means, right? All good. A-OK. Right? Well, that depends on context. The photos below show what the sign means in three different contexts.



But you knew that already, right? You've known what the thumbs up meant since you were a toddler and, very soon after, you understood its variations as modified by its context. We all know how to read the non-verbal signs around us. In a very real way, we're all semioticians. (I'm told, by the way, that in some parts of the world, the thumbs up sign also has a very rude meaning. So please be careful when traveling.)

But what does this have to do with brand storytelling? Simple. Every marketing campaign has its advertising message and its branding message. A good illustration of that is the famous Miller Lite campaign from McCann-Erickson in the '70s and '80s. The ads depicted two sides of people arguing about the beer. One side would shout, "Tastes great!" The other side would counter, "Less filling!" That's the advertising message, front and center. That's the sell. Those are the two features that Miller Lite wanted to stick in your mind. And they were about as direct about hammering those two points home as they could be.

In contrast, the branding message is implied through semiotics. Every ad included sports figures, popular comedians, and beautiful women. The "arguments" usually took place in a sports bar, a sports venue, or a home den with sports memorabilia all around.

The bickering was all played for broad comedy, all in good fun. The branding message is: Drink Miller Lite and you can feel connected to us really accomplished, athletic, and fun guys who happen to attract beautiful women. It's an unspoken promise that you'll be one of the cool kids. You'll be in the tribe. The semiotics of the ads spark an emotional connection between the viewer and the brand. It's what makes the beer attractive to the beer drinker. By the way, Advertising Age cites the "Tastes great! Less filling!" campaign as the 8th best in advertising history. It ran for decades.

Advertising messages change all the time. Ads do whatever they have to do to drive up sales. Branding messages are constant or, at least, they should be. Long-term, branding drives up year-over-year revenue growth. That's why it's so important to understand your brand completely and develop a strategy to drive its development.

Next time you're walking down a busy street, pay attention to all the store fronts. Look at the logos and how they're constructed. Look at the fonts and color schemes they use. Look at the architecture and what's displayed in the windows. What store piques your curiosity? What store do you ignore? What are the visual cues that spark that attraction or repulsion? Why are you responding to them the way you are?

Business communication occurs on many levels, including via these mechanisms:

■ Personal contact – email, text, phone, Zoom, or face-to-face
■ Advertising – through any sort of media, online or off.
■ Branding – through understanding semiotics and designing each touch point to match or exceed the market's expectations, resulting in a consistent and superb customer experience.

## QUESTIONS FOR YOUR SENIOR STAFF

How are people reading our visual identity?

Where to we have opportunity to "speak" visually?

How can we adjust our visual identity to leave the impression that we want?

# CHAPTER 18
# USING SOUND TO BUILD YOUR BRAND

### *As CEO, you must consider ways to use sound to bolster your brand identity.*

We touched briefly on using sound effectively in *Chapter 14 – Identity: Your Brand's First Impression*. But sound is such a useful tool, it deserves a little more in-depth examination.

In the ancient, pre-Internet days, only a few brands were able to use sound as part of their brand-building efforts. They all had to be either on TV or up on the silver screen. I'm thinking of sound signatures like the roar of the MGM lion, the "Avon calling" doorbell, or NBC's three-note chime. Advertisers also made frequent use of jingles. "Winston tastes good like a cigarette should" just popped into mind. It has to be about 40 years since I last heard it, but I remember it well. (Kinda scary, I know. I also know I'm dating myself.) In today's world every business is on a screen somewhere. So there's really no excuse to overlook sound as an important part of any brand identity system.

Sound signatures, music, even background noises can all be used to augment a visual identity system and boost memorability. It's a fun and mostly inexpensive way to build and maintain brand awareness, keeping the brand at the top of its market's collective mind. Moreover, these sonic tools are not even on the radar of most businesses. So they can serve as very effective differentiators. That is, until everybody starts doing it. But by that time, your signature sound will be as memorable to your market as those old jingles are to me. Let me offer one example of how it can work.

I'm a little reticent to share this story because it's a brand identity project that my firm did not get. And even though it never came to pass, we had a great idea on how to use sound to terrific effect.

Some years ago we were in discussions with a trucking firm – I'll call it Palway. Mostly, they delivered huge spools of cold-rolled steel to manufacturers. One of the first things they stressed to us was their stellar on-time record. Palway didn't promise to deliver faster than anyone else. But they took great pride in arriving exactly at the appointed hour, right down to the minute. If they promised to arrive at 8:16, they arrived right at 8:16 – not 8:15, not 8:17. Their customers really valued their skill at this because it helped them do a better job managing inventory.

Over the years, I've learned not to start thinking of solutions before you put in some work and gain a complete understanding of the problem. But sometimes you just get a great idea and can't stop thinking about it. That's what happened here. I couldn't stop thinking about outfitting Palway's trucks with a musical horn, just a three-note signature that would serve as an announcement of the vehicle's arrival. That way, the driver could sound the horn upon pulling onto their customer's lot and everyone in the building would note their on-time arrival, not just the guys on the loading dock. The same three notes would sound each time someone logged onto their website, reinforcing the effect. In my head, I even heard the tune. Two quarter notes and a half note, one skip (two steps) apart. I thought it could "translate" into an announcement of sorts like, "Palway here!"

I did not propose this idea to the client. I knew that once we started the brand exploration work and got a much better understanding of the business and its market, we'd have a more comprehensive plan for them. And there was, at least, a chance the musical signature would not fit into that plan. But I was pretty certain it would, so I kept the idea in my back pocket to reveal at the right time. In the end, it never came to be. Palway had a sudden change in management and they ended up going in a different direction. But I still believe the concept would have been a great use of sound to help build a tremendous brand.

If you're considering whether sound can help build your brand, first ask: Can sound fit organically into your business like it did for Palway? Do you have any unique sounds related to your business like, for instance, livestock auctioneers do? How can you use these sounds … in a way that doesn't annoy people?

Annoyance is a very real issue when sound is involved. Most people watch online videos with the sound off because they don't want the sound to bother their coworkers. Or, perhaps, they don't want their boss to know they're watching videos. In the case of our proposed Palway sound signature, it was a short, three-note tune that would be over before anyone could have a chance to react and become annoyed. If you decide to use background music on your site, you must give visitors an easy and obvious way to turn the sound off.

But, if used judiciously, sound is an excellent addition to most brand identity systems. Where it makes sense, I heartily recommend it.

One more thing. Your sound can be registered as a trademark. The U.S. Patent & Trademark Office maintains a list of some registered "sound marks." *Listen to them here*. But beware of falling down this rabbit hole. Listening to these can become addictive.

## QUESTIONS FOR YOUR SENIOR STAFF

What sounds are associated with our line of business?

Where are our opportunities to employ sound as a brand builder?

What kinds of sounds would make sense for us to use?

# CHAPTER 19
# BRANDING ACROSS BORDERS

### *As CEO, it's essential you realize that brands have to be localized to different cultures.*

Do you have a website? Congratulations, you're doing business internationally. You may not be targeting overseas markets but prospective clients and customers from around the world can still find you. And, if you're doing your inbound marketing correctly, some will. So you have to be ready.

Some overseas markets love foreign brands as they are. I was once contacted by a Singaporean company that wanted to buy some sort of specialty beverage in the UK and sell it in Chinese theme parks. They wanted to know if I could package it and make it look British. Apparently, at that time, British products were all the rage in China. For all I know, they still are. Why they wanted Boardwalk, an American firm, to step into the mix was beyond me. But that's international business.

International commerce used to be reserved for huge commodity traders. Ships full of oil, coal, coffee, and steel plied the oceans, night and day. But, now, even the smallest online business should consider the international impact of its brands before it launches them. That's because one can never predict when its online offerings may go viral on a worldwide scale. Taking an international approach to branding from the start is usually the best bet.

However, some readers might be targeting global markets specifically. Just as American businesspeople abroad must learn the customs and protocols of their host country's business environment, brands must also adapt to overseas markets.

Everyone has heard the famous story of the Chevrolet Nova, which sold poorly in Latin America because, in Spanish, "no va" means "doesn't go." The same translation issue is true for brands entering the U.S. market. How many products from overseas have failed stateside because of confusing packaging or indecipherable assembly or operating instructions?

In international branding, however, there's more to consider than just the issue of clear and accurate translation. As we've already discussed, people make buying decisions based, in large part, on emotional needs. That's true all over the world, but the customs and habits of different cultures trigger different emotions in various places. Colors have different meanings in different regions. Symbols are viewed differently, and the iconography in your logo may be appealing in one country but repellent in another. Packaging standards diverge from one country to the next.

Consumers in different countries have differing expectations. Ultimately, your brand promise has to be re-assessed and, possibly, fine-tuned for every country you intend to enter. This is a process called localization. Even if you determine that your brand promise is as valid overseas as it is in the United States, you may still need to revise the way you express that promise in your naming, in your messaging, or in your visual identity.

It's also true that businesses, large and small, need to think internationally when registering trademarks for their brands. If a product is successful in one country, then it's easy for someone else to register the trademark in other countries, positioning themselves to either go into business with your identity there or to license you the rights to your own product name in those countries.

Even a U.S. company with a manufacturing partner in China found their trademark locally registered by that very same partner. Imagine building a brand for Acme Widgets in your own country while your manufacturing partner, unbeknownst to you, is exploiting your efforts by selling Acme Widgets in China. Ask your trademark attorney how, where, and when you should register overseas. Although this is not legal advice, a viable strategy for most companies is to have your attorney register you in the U.S. and simultaneously, to save on legal fees, in China, where most knockoffs originate. Then register in other countries as you learn of any market interest there. Again, ask your trademark attorney.

Domains also have to be protected. Rolex does business through only one official website, rolex.com. But they have over one thousand registered domains with Rolex-y names. Counterfeit watches are such a problem for Rolex, they have to snap up any domain that could be confused for an official Rolex site. Many of those domains are international so Rolex has to register, and protect, rolex.ca, rolex.fr and hundreds more. It's better to pay $20 each for a thousand domain names than to have to buy even one from a squatter or, worse, a counterfeiter. There are firms that specialize in guiding businesses in strategies to protect domains.

Even if you only do business in your own country, as CEO, you need to look further down the road to determine if your brand might have a future in overseas markets. If so, you need to prepare the way for it by localizing. In the meantime, before you even venture into other countries, you need to guard against domain and trademark bandits by looking farther afield to see if your brand is being noticed overseas.

Moving a brand to compete in overseas markets is an expensive proposition. A lot can go wrong. Work with an experienced branding consultancy to help guide you through the complexities of localization. Get your domain protected. And retain a good trademark attorney to protect your intellectual property.

## QUESTIONS FOR YOUR SENIOR STAFF

How well does our brand “translate”?

How difficult would it be for us to enter new, overseas markets?

What would we have to do to make our brand more international?

## CHAPTER 20
# BRANDING, CULTURE, AND VALUES

### *As CEO, it's essential you understand and share the values of your market.*

Some years ago, the Nike brand took a major hit when it was revealed they employed children working in sweatshop conditions to manufacture their shoes. Long considered masters of branding, Nike was caught off guard by the controversy. They hadn't said a word about their manufacturing processes in their brand promise.

One Nike director was quoted as saying, "Hey, we don't own the factories. We don't control what goes on there." That dismissive attitude aside, it was a surprise for them to learn that their customers would even care about how the shoes were made.

But, once the word got out, Nike customers experienced a major "ick factor" every time they laced up. They didn't want to be seen in public wearing the famous Swoosh Logo. Customers stopped buying. It took a lot of effort but, masters that they are, Nike did all the right things and, eventually, they stabilized the brand.

At the time the controversy was happening, I referred to this phenomenon as a hidden brand promise. I urged our clients to look for those promises that had perhaps never been expressed, but nevertheless their customers expected them to keep.

Of course, now we know it's much more involved than that. A business has to understand its customers more completely in the first place. They need to detail the customers' total set of values and then align their brand in support of those values. That way the company will understand, in advance, what behaviors it should embrace or avoid.

Besides Nike, there are plenty of other examples of major businesses that misjudged the changing culture. Ringling Bros. Barnum & Bailey Circus and SeaWorld both fell behind the market's changing views on the treatment of animals. Hobby Lobby, Chick-Fil-A, and Bulleit Bourbon each found that their management team's religious views brought on the disdain of the LGBTQ+ community and its allies. Climate change, murder sprees, and police violence are all harsh realities that are causing values to shift within markets – and businesses to shift with them.

Businesses that are misaligned with their markets' values will find themselves with a lack of both good customers and good employees. Internet-enabled communication allows the market to pressure for change at a much faster rate than in the past. Social media platforms and rating sites like Yelp and Glassdoor keep management on its toes. Boycotts with international scope can be organized in a matter of hours.

As a young rock-climbing enthusiast, Yvon Chouinard supported his nomadic lifestyle by making and selling pitons – metal spikes that are driven into the rock and used as climbing aids. When he discovered that his invention was littering the landscape of many prime rock-climbing locations, he quickly invented a removeable, reusable piton, and Patagonia was born. It is now more than just a billion-dollar company. The firm's management, employees, and customers all share the same values centered around caring for the Earth. They are a true culture. As is Nike. As is Apple. As is Google. As are most market leaders.

So the wise CEO will investigate the culture he or she is leading. Who has the real control over it – management, workforce, or clientele? How do the three engage with one another? What is at the core of the values they can share? And how does the business make those manifest?

When it becomes necessary to shape culture, there are a couple things to remember. First, management must eagerly and honestly champion the idea of building culture. Cultural change requires leadership. The person at the top has to want it as much as anybody.

But, when it comes time to actually define the desired culture, leadership should enable a bottom-up process. The culture must rise, organically, out of the history and demonstrated values of the entire company and with input from the customer base. Management should facilitate the process and steer away from bad decisions, but the ideas and suggestions should come from the workforce of the company.

Second, if shared values compel a company to champion a cause, like Patagonia promotes environmental conservation, it must have standing. That means that a firm can't just pick a cause and decide, "OK. That's our thing now." Any successful culture will see certain issues where it has experience in some way.

In 2018, Nike had real standing when it ran an ad with Colin Kaepernick's image and the headline, "Believe in something. Even if it means sacrificing everything." Nike does quite a bit of business with the National Football League. By running the controversial Kaepernick ad, they jeopardized a significant part of their business. They actually put something at risk. So they have earned the right to weigh in on this controversy. But Nike's stance comported with their brand and culture. So, whatever you may think about the campaign, Nike's commentary is viewed as authentic and worthwhile in the public discussion.

It goes without saying that this value-alignment effort can't be just a cynical ploy to curry favor with customers. It has to be a genuine reflection of shared corporate, community, and customer values. This is part of the reason you hear so much about brand authenticity. Without true authenticity, you come across as lacking credibility.

Luckily, in a kind of organic way, most businesses do share values with their customers. All businesses grow out of a market need, so the founders of the business are usually quite in tune with the market's values. Still, that alignment can't be just taken for granted. It should be formalized and, from time to time, it must be examined, strengthened, and maintained.

Some companies base their whole brand promise on doing good or on making the world a better place. Jim Stengel, an American business executive and author, investigated how well a values-based branding model performs. He studied 50 companies, now known as the Stengel 50, that were growing at such a rate they outpaced the Standard & Poor 500 by 400 percent over a ten year period.

Stengel tracked these brands for a decade, watching their habits, processes and, most of all, growth. He observed that these companies based all their activities on a desire to make the world better in some unique way. So they tended to attract customers and employees whose own ideals matched that approach.

Stengel found that the values each company held dear -- the values anyone could hold dear -- all fell into five categories that he called the Five Fields of Fundamental Human Values. They're listed in Figure 4 along with a corresponding sample brand, pulled from The Stengel 50. Next to them are their Stengel-expressed ideals statements. Which of the Five Fields do you think best describes your own brand?

*Figure 4 – The Five Values*

**STENGEL'S FIVE FIELDS OF FUNDAMENTAL HUMAN VALUES**

| The Five Values | Matches from the Stengel 50 | Corresponding Ideals Statements |
|---|---|---|
| **Eliciting Joy** | Coca-Cola … | … exists to inspire moments of happiness. |
| **Enabling Connection** | FedEx … | … exists to bring peace of mind to everyday interactions. |
| **Inspiring Exploration** | Apple … | … exists to empower creative exploration and self-expression. |
| **Evoking Pride** | Mercedes-Benz … | … exists to epitomize a life of achievement. |
| **Impacting Society** | Dove … | … exists to celebrate every woman's unique beauty. |

*Source: Grow by Jim Stengel, Virgin Books*

To learn more about Jim Stengel's amazing exploration and eye-opening findings, I encourage you to read his excellent book, *Grow, published by Crown Business*.

# QUESTIONS FOR YOUR SENIOR STAFF

How do we make people's lives better?

Do our values align with those of our customers?

Which of the Five Values best describes our brand?

# CHAPTER 21
# PURPOSE: BRAND, SOCIAL, AND CAUSE

## *A CEO needs to know the difference between brand purpose and social purpose.*

Many in the business community are already skeptical about branding. Some still think of it as touchy-feely, unmeasurable hogwash. It's often dismissed as just another buzzword. And part of the reason these misconceptions are so hard to dispel is because the branding community confuses people by using different jargon to mean different things.

For example, there's so much confusion these days about what's called the purpose-driven brand. Regular readers of my newsletter, *Brandtalk*, know I've complained in the past about how people muddy the waters by assigning different meanings to "brand."

Now we're muddying the waters further by each having our own definition of brand purpose. I'd like to propose we, the branding community, attempt to clear this up by standardizing our terminology. To help clarify for everyone, I propose using definitions that Jotform founder Aytekin Tank outlined in an article in *Fast Company*. Let's take a closer look at Tank's definitions.

He suggests we adopt "brand purpose" to mean the purpose that a market has for a brand – the deep-seated emotional benefit customers get out of engaging with the brand. He proposes "social purpose" as the way a brand makes its customers' overall lives better. Finally, he defines "cause marketing" as the leverage of social issues for commercial purposes. If we could adopt those terms, or some just like them, we'd finally be able to stop talking past each other. And our clients would find clarity.

Although I didn't invent the above definitions, I've always used "brand purpose" in this way.

**Brand Purpose**

What is the purpose of a hammer? It could be to drive a nail. It could be to pull a nail. It could be to smash open a piggy bank. The point is, the hammer doesn't get to define its purpose. Lying inert on a workbench, the hammer has no purpose. It is only when someone picks up the hammer – with intent – that the tool gains a purpose. It is the user of the tool that gives the tool its purpose.

So it is with brands. People use the products and services of businesses to achieve

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some sort of aim, some purpose in their life. Businesses usually have no idea what their clients' or customers' true purpose is. If three guys wanted to buy Teslas, nobody at Tesla would know the reasons why. Maybe one's a car enthusiast and always has to have the coolest ride. Maybe one wants to do his bit to fight climate change. Maybe one's frugal and wants the good gas mileage. Tesla does not get to decide for itself what its purpose is to these three guys.

The only way a brand can determine its purpose is to do some deep research. FedEx did it. If those same three guys all wanted to send packages via FedEx, presumably they each would have different purposes for doing so. Or would they? Digging deeper into their own research findings, FedEx learned that there was a common denominator that all their customers wanted – peace of mind. So FedEx is really not about sending packages at all. Any courier service can do that. People come to FedEx because they want the certainty that their packages will "absolutely, positively" be there overnight. As we saw in the previous chapter the FedEx brand's ideals statement, which could easily serve as a purpose statement, is: "FedEx exists to bring peace of mind to everyday interactions." Note that this statement is written from their customers' point of view.

**Social Purpose**

These days, when people refer to the purpose-driven brand, they're almost always talking about what Tank calls (and I'm with him) social purpose. We talked about this at some length in the previous chapter.

If IBM were to suddenly start advocating for saving the planet, I don't think many would complain. But its voice wouldn't carry as much weight as Patagonia's for the same social purpose. As far as most of us know, there is nothing about IBM's history in the market that would make them a credible authority on the matter. Patagonia's whole origin story is about saving the environment.

And that's the key to social purpose. Any business that is considering promoting a social purpose must ask itself: Who are we to start preaching about this issue? What standing do we have? What do we know about the subject? Are we willing to stick with this long-term? Because this will be a permanent part of our brand promise, not a temporal campaign. Most importantly, what are we willing to risk to go down this path? If nothing, then find another social purpose.

That brings us to …

**Cause marketing**

I have to choose my words carefully here. I can't think of an example of cause marketing that isn't cynical and exploitative. But that doesn't mean it hasn't been done, or that it could never be done.

Cause marketing, in this definition, is piggybacking off a popular cause solely for commercial purposes. And the classic example here is the 2017 ad featuring model Kendall Jenner that Pepsi ran and had to quickly pull off the air. It's been written about extensively, including by me. So if you don't know the story, *here it is*. Suffice it to say that the ad was harshly received because it was perceived to be a crass, commercial exploitation of social protest movements, particularly the Black Lives Matter movement. Pepsi has no experience with these sorts of movements. It has no standing to make any sort of commentary. It risked nothing with its tepid endorsement of protest as a "lifestyle." It was sad and pathetic. Kids, don't do what Pepsi did!

So these are my definitions, as inspired by Aytekin Tank. I'm open to hearing other points of view, other definitions, or refinements of the definitions provided here. And, if anyone knows a successful, non-exploitative example of cause marketing, as defined above, I'd love to hear about it. (Perhaps the recent spate of *pandemic-themed ads* qualifies. Or do they also exploit a crisis to toot their own horns?)

## QUESTIONS FOR YOUR SENIOR STAFF

What is our brand purpose? What problem do we exist to solve?

Do we have standing to comment on any social issues? What are they?

Assuming we do have such standing, does it make business sense for us to be vocal about it?

CHAPTER 22

# THE MYTH OF THE EMPLOYER BRAND

## *As CEO, it's essential you leverage your brand to help attract and retain top talent.*

In previous pages, I make the claim that one benefit of a strong brand strategy is that it makes your workforce more productive. That bears a little extra exploration because most people think of their brand as a marketing tool, something that faces outward toward the customers. But remember that employees and prospective new hires are constituents too. They experience your brand in their own particular way.

Consider this: In 2015, the National Center for the Middle Market (NCMM), an organization that studies and promotes companies in the $10 million to $1 billion annual revenue range, conducted a survey of that sector and found a key insight. When they asked middle market companies what their top five internal concerns for the future were, the results were as indicated in Figure 5.

*Figure 5 – Employers' Top Concerns*

| Greatest Internal Challenges | |
|---|---|
| 1. Staff/Employees | 43% |
| 2. Business Growth | 18% |
| 3. Finances | 14% |
| 4. Costs | 14% |
| 5. Government Regulations | 4% |

It's clear that attracting and retaining top talent is the primary concern for the middle market. In the long term, it's more than twice as concerning as the next most important issue they face. How can an organization recruit the best, most capable, most productive employees and then keep the competition from poaching them?

In the past three or four decades, a candidate for a senior role at a middle market company had only two concerns:

1: Base pay and salary structure.

2: Benefits package.

Those days are over. Those are just table stakes now. According to the NCMM, by 2015 top talent are expected to receive offers at the high end of salary/benefit scale.

They know they're the best. They expect to be offered the best, and they will only accept the best. But, when all prospective employers are making the same offer, how do these candidates make their decision?

They look at four additional aspects of working for the prospective employer:

3: The mission and purpose of prospective employer.

4: The meaningfulness of the work there.

5: The quality of the co-workers there.

6: The culture of the prospective employer.

You may notice that these four are all branding issues.

To make a compelling argument that you're strong in these four remaining areas, you have to make what the NCMM calls a strong Employee Value Proposition. You must have what they term a strong "employer brand." I contend that the existence of an employer brand, as something distinct from the employer's customer-facing brand, is a myth. But, before we get into that, let's look at some more findings from the NCMM study.

■ 50 percent of candidates who turn down an offer from a middle market firm do so because of the lack of a strong employer brand, defined as the way the company's brand is perceived by employees and prospective employees. (Remember, this study was done in 2015. In 2019, LinkedIn did a study of its own and put this number at 67 percent!)

■ 83 percent of middle market executives with strong employer brands believe those brands play a role in securing and keeping top talent away from competitors.

■ 79 percent of middle market executives agree that a strong employer brand is essential to their ability to attract top talent.

But the survey went even further. It evaluated the respondents' employer brands and examined the correlation between strong-to-weak brands and strong-to-weak growth. Figure 6 displays the results.

*Figure 6 – Benefits of a Strong Employer Brand*

| Overall Company Performance by Strength of Employer Brand | | |
|---|---|---|
| Strong Employer Brand | Average Employer Brand | Weak Employer Brand |
| 20.1% mean revenue growth<br>12.3% employment growth | 7.9% mean revenue growth<br>4.4% employment growth | 6.0% mean revenue growth<br>3.0% employment growth |

As you can see, there is not a lot of difference between the growth of a weak employer brand and an average employer brand. But a strong employer brand attracts a superior workforce and double-digit growth.

Here's why I call the "employer brand" a myth. Remember that employees and potential employees are also constituencies in your market. You want to make one brand promise to engage your whole market – clients, customers, employees, everybody. So the employer brand is just the brand you share with your market but as seen through the prospective employee's eyes.

If your employer brand is not attracting good employees, it's more than likely your brand is not attracting good customers either. If you ask your human resources department to "fix" your employer brand, you could well end up with two brands, one to attract customers and one to attract employees. That is expensive to pull off – two sets of messaging, two marketing campaigns, etc. More to the point, it's ineffective. Potential employees will see the divergent messaging and read it as inauthentic. They won't like your brand. They'll be among the 50-67 percent who turn down your job offer.

To fix a company's "employer brand," one has to find a single brand promise that works for the relationship you share with your entire market – your entire brand.

It has to be as appealing and engaging to potential employees as it is to potential customers or clients. Here is an obvious example. For every pair of shoes it sells, Tom's Shoes famously gives away another pair to a person in need. That attracts a certain kind of customer – one who appreciates and wants to support Tom's altruistic business model. It also attracts a certain kind of employee – one who wants to be a part of that altruistic business model. The management, customers, and employees of Tom's Shoes all share common values. They are a distinct brand culture. And the strategy is profitable enough that Tom's has now given away more than 35 million pairs of shoes.

## QUESTIONS FOR YOUR SENIOR STAFF

Is our brand promise attractive to potential new hires?

Do we have an attractive “employer brand”?

Is our “employer brand” promise the same as our customer-facing brand promise?

CHAPTER 23

# FORGET B2C AND B2B. IT'S ALL B2H NOW.

*As CEO of a B2B enterprise, you must understand that all the best branding advice applies to you, too.*

Every company has a brand. B2C companies tend to take their brands seriously. They know how important it is for them to establish a rapport with consumers. They know that their customers buy based on emotional factors. So they take care to wrap their messaging in the right kind of emotional triggers, using the right colors, fonts, imagery, etc., that will evoke the desired response from their target market.

B2B businesses, on the other hand, are notorious for ignoring their brands soon after giving birth to them. I've heard all the arguments:

■ "We don't need branding because we only have 25 potential customers and we know them all personally."

■ "Our customers set up purchasing committees to take all emotional connection out of the procurement process."

■ "Our customers buy on specs and price alone. They won't respond to a fancy logo."

■ "Our products don't sit on store shelves. We don't need branding."

There are hundreds of excuses like this. And they're all horse crap. If anything, the branding practices that B2C businesses use so successfully are even more effective when applied in the B2B world. That's now more true than ever, and it's trending ever more rapidly in that direction. Because more and more, every business is operating in a B2H – business-to-human – world. Let's take a closer look at that.

Let's say a hapless shopper enters the grocery store with one lonely item on his list, raspberry jam. There is no brand name indicated. Just raspberry jam. The shopper has never bought jam before and has no personal preferences for any particular brand. He has no purchasing strategy in mind. He works his way to the proper aisle and stands in front of the shelving, staring at all the labels. How will he make his decision? And how long will it take him to decide?

Before we answer that, let's take a look at some of the steps the jam manufacturer took to build a strong brand.

- They surveyed the competitive landscape and saw an opening for a new product.
- They researched their market, conducting surveys and focus groups.
- They developed a differentiating brand promise.
- They developed their brand story and key messaging.
- They came up with a name for their brand.
- They designed a logo and visual identity system for the brand.
- They designed, tested, and redesigned their packaging – jar shape and label.
- They spent money on advertising (none of which our shopper has seen).

They spend hundreds of thousands of dollars – maybe millions – to make sure their brand story comes through on their label and engages the consumer. Our shopper makes his decision by assessing the labels of the various brands. Some will appeal to him. Some will not. And how long does our shopper take to decide and pick a jar off the shelf?

About 8 seconds.

That's it. All that time and effort, all those personnel-hours and dollars invested, all to make that raspberry jam package jump out and appeal to the consumer – all within an 8-second time frame. That's some short sales cycle. The brand has to do all its work within that tiny window of opportunity.

Compare that now to the typical B2B sales process. The first major difference is the length of the sales cycle. Forget 8 seconds. A B2B sale can take 8 days, 8 weeks, 8 months, even 8 years! Compared to the B2C model, the B2B brand has much more time to do its job. Also, the purchase price is usually much higher in the B2B world. That means that businesses build in fail-safes to guard against a bad decision or a corrupt purchasing agent taking bribes.

One way they do this is to set up purchasing committees. Those committees might include the head of the department that needs to make the purchase. They might also include a procurement officer, the CFO and/or anyone else who has standing to weigh in on the purchase. This committee will set up check lists of the criteria they'd like to include in the deal. These lists might cover product features, pricing options, and terms of purchase.

And yet, even though businesses will do everything they can to remove emotion from their purchasing decisions, it remains a highly emotional process. That's because the pressure on the decision maker in a B2B environment is enormous. Imagine being told, "Here's a million dollars. Upgrade our software, implement it, make sure it works. You have till the end of the year." The business buyer knows they'll have to justify their decision to their superiors and their job may depend on that decision. Try eliminating emotion from that scenario.

When that committee meets to make their final decision, the savvy B2B marketer should have already formed a memory-forward position and an excellent perception in each committee member's mind. Do you still think it will all come down to how many boxes get ticked on their lists?

Not a chance. Those committees are made up of human beings, and human beings are not just emotional, they're social. One of them will be dominant by virtue of rank or personality. Another one might feel compelled to challenge that person's dominance.

Others may be more inclined to follow the leaders' positions. They might tick off the boxes, but then find justification to vote for the salesperson they liked the best. Like every other decision they make in life, they make them on emotion and then search for rational explanations to justify their choice. These committee members will discuss the proposals they are considering and will try to influence each other's vote. They may succeed. They may not. But in any case, the more positive prior impressions the committee has had with your brand, the better it will be for you.

In fact, the more you look at the social dynamics of a four-person purchasing committee, the more it begins to resemble that of four teenagers on a shopping spree at the mall. Really. The same sorts of relationships play out and the exact same sorts of considerations are discussed: features, prices, and terms. "Bob, this proposal scores high on every metric. I recommend we proceed with this vendor." It's not really that far from, "Ashley-that's-so-cute-you-should-get-it!" There is no longer any such thing as B2B or B2C. It's all B2H now.

And one more reason B2B businesses should commit to developing a brand strategy. As of this publication, it's very likely that none of their competitors are even considering doing it. So, if you're the first B2B business in your market to put successful branding practices to work – you win!

## QUESTIONS FOR YOUR SENIOR STAFF

When was the last time our B2B business addressed its brand strategy?

Are we ready to begin actively building relationships with our B2B customers?

What human needs do our customers have? How can we meet them?

# CONCLUSION

In the introduction to this ebook, you were promised you'd get all the branding insights a CEO needs to know – not all you ought to know, should know, or everything you might like to know. Those who work in branding every day will surely wonder why this insight or that consideration was left out of these pages. There is so much color and nuance in branding. The many books written on the subject testify to how vibrant the discipline is. So I have limited this ebook to only those insights that I believe are imperative for you, the CEO, to know.

When you start talking about your own brand, the explorations must go deeper and wider. You're looking for what distinguishes you from others, what makes you special and memorable. If you find yourself out where "no man has gone before," well, that's the whole idea, isn't it? The problem, then, is the rules of branding become less certain just like the rules of Newtonian physics become unworkable at very large or very small scales. At a certain point, you have to develop only those rules that are specific to your brand.

In earlier pages, I joked that the undertaking a brand strategy exploration – the actual process of researching, analyzing, and determining the best brand strategy – would take another book to explain. But I actually have my doubts about whether any such book could ever be written. Again, because to be useful, the guidance would have to be specific. And therein lies the problem: a specific recommendation for one business would very likely not apply to another. Eventually, it would be necessary to over-generalize. Not very useful when you're looking for tailored guidance to help you develop, nurture, and care for your unique brand.

But fear not. As a CEO who is looking to brand or rebrand a middle-market business, you really only need to have three assets at your disposal:

1 – A smart Chief Marketing Officer, who knows the importance of having a strong brand and who can launch effective marketing campaigns from the brand platform.

2 – A good Brand Strategist, who has been down this road before and who specializes in working with you and your CMO in developing a superlative brand strategy. (No overt sales pitch here, but you can email me from every page of this ebook.)

3 – The insights you've learned from this ebook, so you can lead the branding team effectively and inspire your entire market to enthusiastically engage.

As we learned from the Bud Robbin story and the search for the Capo d'Astro Bar, it's almost impossible to do this alone. But with the right help and the right information, you can lead your brand to market dominance.