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CREATING A BRAND

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What is a Brand?

A brand can be thought of as a collection of intangible, consumer-perceived product and organizational attributes and characteristics. More simply put, a brand is a product's personality. A brand cannot be created over night as it is a summation of consumers' interactions and experiences with a product, and with the product's the parent company. Each time consumers have an interaction with a product (i.e., purchasing, being exposed to advertising and media coverage or through word of mouth) an impression is created and retained. Over time, these impressions and experiences form consumers' perceptions of a product, thus creating its brand. The image associated with a product's brand is the principle source of its competitive market advantage and is a valuable asset.

How to Develop a Brand

Conveying a consistent, clear, memorable and positive message consumers is critical to creating a successful brand. It is very important that interaction between a product and its consumers or potential consumers have a consistent theme or message. This consistency must be present in the name, logo, slogan, advertising and promotional campaigns, product packaging, organizational culture, company actions and every other point of contact with consumers. If a mixed or inconsistent message is delivered, consumers may have difficulty in creating an positive and memorable impression. An inconsistent message detracts from creating a successful brand. If a company desires a brand associated with quality, they have to ensure they offer a quality product, their marketing mix delivers a message of quality and any consumer interaction with the product or parent company (i.e., customer service department) leaves them with the impression of a quality organization. It may be easy to develop a memorable marketing mix stressing a quality product, but if the product is inconsistent or the customer service department is not responsive, the marketing strategy will most likely fail.

A company's actions are as important as more traditional marketing tools in creating a brand . For example, when a faulty product enters the market, a company may react by quickly recalling the defective or unsafe product. This action, conveys an image to consumers that the company puts its consumers' health and safety above corporate profits. The company's actions will have a significantly larger impact on consumer perceptions than a multi-million-dollar advertising campaign directed at telling consumers the company is health and safety conscious.

Overall, a brand may be summed up as the one word or phrase consumers use to describe a product or company. Companies like Coca-Cola[®], NIKE[®] and Xerox[®] have been very successful in branding their products. NIKE[®] invokes the image of athleticism while Xerox[®] is synonymous for photo copying. The NIKE[®] swish often appears alone in NIKE[®] advertising with no mention of the NIKE[®] name. The incredible branding of these products was not an accident and did not occur without significant planning.

Reasons for Creating a Brand

Branding a product provides a point of differentiation from competing products. Products are continually competing on price, quality and service. Over time, trying to differentiate a product based on one of these characteristics alone is very difficult. Branding on the other hand, is a viable means of maintaining product differentiation over time. For example, *Sunkist*[®]. The name exudes confidence and trust as people rely on the consistent quality of the product. There may be a cheaper orange, but consumers have come to associate *Sunkist*[®] with quality and they trust that the brand will consistently meet or exceed consumer expectations. Consumers then ask themselves, it is worth taking a risk purchasing a cheaper orange when they know nothing about it or its company?

Branding has been shown to have a significant influence on consumer purchasing behavior. This is why branding is such a powerful marketing tool. Through effective advertising, a company is able to make consumers aware that they have a "need," whether real or perceived, for a product. Evoking the "need" in consumers is the first step in the purchasing decision process.

Effective branding can also impact the information search step in the consumer purchasing process. Because consumers are familiar with a brand, they trust the brand and know it stands for values. The brand alleviates their need to seek information on the product or company. If consumers are not familiar with a product's name, they are not sure if they are going to get a quality product and have to search for additional information about the product. A successful brand alleviates the need for consumers to investigate alternative brands or products. Branding also impacts consumers need to evaluate competing products, i.e., consumers are familiar with a brand's attributes while they know little about the competitors attributes. Therefore, the brand has a significant impact on the purchase decision because consumers are more likely to buy products they are familiar with and trust.

Branding is an important ingredient in developing consumer loyalty. Brand loyalty can be thought of as a consumer's conscious or unconscious decision, expressed through intention or behavior, to continually repurchase a brand. A consumer repeatedly purchases a "brand" because they perceive it as being priced right and having the desired product features, image and level of quality they demand. Consumers are creatures of habit and become comfortable with things that are familiar and safe and a level of trust is developed. To entice consumers to break their habits, a company marketing a new product or marketing to new consumers has to convince them that their product offers greater value, encourage them to initially purchase it and convenience them to repurchase. Once a strong brand is created, competitors will have to entice loyal consumers to switch brands which is not easy to accomplish.

A loyal consumer has fewer incentives to engage in an extended information search among competing products. Purchase decisions can even be simplified or even become habitual as brand loyalty increases. This is attributed to the level of satisfaction and perceived value consumers associate with the brand.

In addition, branding¹:

- reduces marketing costs because of high brand awareness and loyalty among consumers.
- provides leverage with distributors and retailers because consumers expect them to carry the brand. New brands are typically given a few months to prove themselves in the marketplace.
- offers the opportunity to charge a higher price because of the product's perceived quality and value.
- allows line extensions (introducing new products under the brand name) because new products using the brand name reflect the same level of quality and value that is associated with initial products.
- provides some protection against price competition. There is a perceived value associated with a brand and therefore cheaper products may be perceived as being cheaper in quality and less of a value.

Consideration for Creating a Brand Name

The first step in creating a brand is name selection. A name ultimately becomes synonymous with the brand is the cornerstone for creating a strong brand. A product's name is often the first line of communication with consumers and triggers product recognition and recall (i.e., product attributes) creating an image in the consumer's mind. Therefore, name selection is extremely

¹ Myron, Monique R. Brand Identify, Crucial to Sold Product Image, The Denver Business Journal, July 23, 1999.

important in creating a brand. There are a number of considerations that should be evaluated before deciding on a “name.”

The following provides some food for thought when selecting a product’s name.²

1. Verbally describe the product. Include the product’s strengths (competitive advantages), key characteristics and other unique qualities associated with the product.
2. Determine the image the name should convey. Brain storm to see how, or if, various names are easily associated with key features and/or attributes or desired images. The name should clearly describe the product to consumers. It is easier to promote a product that readily conjures a description of a product in consumers minds than it is to promote a product whose name is not easily associated with its use. A name that does not allow consumers to associate it with a product will require additional advertising dollars to educate consumers on what the name means and what product it represents.
3. Make sure you have researched the product’s target market. The product’s name should be appealing to the target market. Ensure that the name evokes product features and/or attributes and images that are aligned with the market’s perceptions.
4. The name should test the stand of time because packaging, slogans and advertising campaigns may change over time but the name has to remain the same or all brand equity may be lost.

Names may be derived from real-world places, events or phenomena. The advantage of using real-world names is that they are generally descriptive and conjure specific images in consumers’ minds. One problem associated with using a real-world name, is that in many cases these names have been previously trademarked. Using the name of an individual person or place may be limiting in the future, i.e., the person for whom the name was created, retires or is no longer associated with the business.

Another naming option is using acronyms. IBM® (International Business Machines) is a good example of an acronym name. When using an acronym, be careful that the name does not represent jumble. It is easy to develop acronyms that may make sense to you, but have no meaning to consumers or are not easily related to your business.

² A brief Checklist for DO-IT-YOURSELF” Name Development.
<http://www.namestormers.com/namingguide.htm>