

# What is a brand?

by Rachel Cost

Ask this question of ten professionals in the brand development industry and you will likely get ten different responses. This is because brands are not widgets. They don't have a length or a width. If you want to increase the strength of your company's brand you cannot just go out and purchase a bigger brand with more horsepower. A brand is a bit more tricky to deal with. It is a bit more like a personality. In fact a brand is exactly like a personality; the personality of your business.

This makes sense because brands are the culmination of impressions a person holds regarding an organization. And organizations are living things. Even the IRS, not known for its warm, fuzzy perspective, treats a corporation as if it were a person. And the culmination of impressions a person holds regarding another person is called a personality. So using the Socratic method (or something at least remotely resembling it) you can deduce that a brand is indeed just like a personality.

You see, while interacting with the public, your organization takes on a certain personality. It can be one that stands meekly against the wall waiting for someone to ask it to dance, or it can dress up, hone some pick-up lines and work the crowd. The first approach adds no value to your business whatsoever, while the second one draws people in and gets them talking. And if your approach is presented consistently, in interaction after interaction with the public, your business begins to take on a personality, and a brand identity emerges. When more people know and like a brand, its value increases.



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## What makes people like brands?

As it turns out, the answer to the question above is some of the same things that make people like other people. When a brand is well-defined, consistently presented and reflects authenticity, it creates trust in the marketplace. Trust is an important component of likability (for brands and people). Concretely speaking, this means that 1. Consideration should be put into the authentic mission and vision of a business or organization and 2. This vision should be communicated to the public through the use of appropriate words and symbols, and 3. The communication should be consistent across media and time.

Also, when a brand is stylish and taps into current trends and movements, it is able to create buzz in the marketplace. The more people talk about your brand, the more recognition your brand receives. If it is positive talk, you've gained positive brand recognition.

Trust + Buzz = Brand Value.

## Why should I care?

High brand value creates many benefits for a business including increased confidence from its owners and employees, increased sales from its customers and increased assets on its balance sheet. Brand recognition means companies can quickly and successfully roll out brand extensions, and can add a comfortable cushion to profits even in tough financial times. These effects plus others explain why brand value is indeed a bona fide asset. In fact, brand value represents over 50% of The Coca Cola Company's assets. Independent estimates ascribe over half of the company's intangible value, an almost \$70 billion dollar price tag, to the Coca-Cola brand name alone.

For some companies, up to 70% of their market value is attributed to the brand. It is worth pondering how much untapped potential value could be realized by investing in the development of your brand however big or small.



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## So how can I build my brand?

Just like any asset, developing a brand requires an investment in both time and money. It also requires a holistic process that strategically defines the brand and then implements all brand communication pieces consistently with the overall brand strategy.

For small brands the required investment and the entire brand development process can seem overwhelming. But for global micro-brands, or small brands that aim to compete in the national and international marketplace, building a strong brand is essential to success in a crowded environment full of brand-savvy customers.

Therefore, smaller companies must rely on strategies that make use of an intuitive process, not one mired in expensive market research. They must seek out independent talent that involves a search beyond just the biggest brand development firms, but with an approach that never accepts less than creative excellence. And mostly, business leaders must be willing to invest themselves in the creative process, helping to uncover the intricacies of their target market's mentality and match this with the specific trajectory of their unique entrepreneurial vision. Only then can a micro-brand be created that projects the personality that can compete on a very crowded dance floor full of big spenders.



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