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### ***The Three R's of Branding***

We hear a lot about “branding” these days. But, just what is it and why is it so important? Well, for starters, it’s the way your clients and prospects view and think of your organization. It’s their overall perception of what’s positive and negative about it. It’s their takeaway.

So, how important is it? It’s critical. It answers the question: What’s our promise and how do we want to be remembered? You can’t be successful without a brand. So build your brand now – and guard it jealously.

It’s not uncommon for large consumer companies to have an executive in charge of brand development and management, which tells you just how important branding is in today’s business world. But you don’t need legions of specialists to build a strong brand. What you need is a vision and a fair amount of sweat equity. When you get right down to it, the key to building a successful brand boils down to three basics: The brand must *reflect* the culture of your organization, along with its promise. It must *resonate* memorably with your clients and prospects. And, it’s got to be *relevant* to your target market.

Without “the three R’s of branding” you’ve not only lost a huge bet, but you’ll be lost in the crowd, just another ham-and-egger.

There’s a lot of confusion and misconceptions about branding. Some will tell you it’s advertising or a tag line or the logo on your letterhead. Others will tell you a brand has to be unique. Neither statement is true. Branding helps shape and manage the marketplace’s perceptions of your organization. Advertising and PR are just a couple of tools in the branding toolkit. And even if no brand is truly unique, that doesn’t mean you can’t clearly differentiate yourself from your competitors.

Look no further than IBM, still a great brand. Just mention IBM and an image immediately comes to mind that speaks to everything from corporate identity to the quality of their products and sales force, to the strength of their customer service. For years, there was even an IBM look—dark suit, white shirt, nice tie, well groomed. When a guy from IBM walked into your office, he reflected all of the positive characteristics of the IBM organization. You wanted to do business with the IBM rep because he projected attention to detail, right down to the shine on his shoes. Was he relevant? Absolutely. IBMers set a standard that Corporate America aspired to.

**Vanguard** is another example, in part, because of its extraordinary affinity strategy. Ask any individual investor, and they'll tell you again and again, they invest with Vanguard not just because they are a low cost provider, but because the firm gives the impression that they're looking out for your best interests. There's this implicit promise that you can rely on Vanguard to do right by you. It's one of the few organizations I know of that will warn potential investors against following the crowd or riding the crest of an investment fad—even at the expense of getting assets in the door.

Vanguard is about educating and protecting investors. What a great brand that is. You can trust them. You can rely on them. And while they may not always achieve shoot-out-the-lights performance every quarter, Vanguard investors know they'll be able to sleep nights because the firm does a good job over time and that someone there really is looking out for them. They're a partner and that's what people are looking for—partnership.

Then there are what I call the “a lots.” “A lot” of people spend “a lot” of money to achieve a certain look, but they fall short of relating, or being relevant, to the right audience. Several years ago, one of our clients, a mid-sized mutual fund firm, hired an advertising firm to develop a branding campaign. The advertising firm's chief creative director conducted “a lot” of focus groups, talked to “a lot” of people, and spent “a lot” of money developing an advertising campaign that would have made **Cecil B. DeMille** blush. Except it failed.

It wasn't for lack of “a lot” of effort. The problem was they didn't ask the right questions in the focus groups because they didn't understand the business or the target market. So they got the wrong answers—and went out to the target market with “a lot” of messages that weren't relevant and failed to resonate. They had confused the gloss and glitter of advertising with branding.

*Make certain your brand reflects the promise of your organization:* This is who we are and this is what we can do for you. You can rely on us. Nowhere is this more important than in the money management industry because everything comes down to trust.

So how do you build a brand that resonates? To my mind, it comes down to a single essential question: How do I want to be remembered? Answer that question well and thoroughly and you'll have a message that will be remembered.

In the end, brand-building is all about paying attention to the details. Day in and day out. You don't become a great orchestra leader by practicing for an hour, three or four days a week. It just doesn't happen. I've heard of people sitting on the beach managing portfolios, but I've never seen anyone successful at that over time. It goes back to that IBM salesman. When he walks in the door, with his shoes spit shined, it's the whole package. It's brand.

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