



The Benefits of BUILDING A STRONG BRAND



Contents

Introduction 3

Chapter One

Strong Brands Charge Premium Pricing..... 4

Chapter Two

Strong Brands Thrive During Economic Downturns..... 5

Chapter Three

Strong Brands Attract Valuable Employees,
Business Partners and Clients 7

Chapter Four

Strong Brands Can Extend into New Business
Areas with Ease 9





Introduction

I have a confession to make. I'm not an order taker. If a client or prospective client instructs me to design an ad, a website, a direct mail piece, etc., I'm not going to whip out my notepad, or iPad for that matter, and start taking orders like a waiter in a restaurant...I won't be asking, "Do you want a side of SEO with that website"?

I'm a branding guy. I believe that before you can expect to get meaningful results from any kind of marketing tactic (i.e., website, brochure, tradeshow display or advertisement, etc.) you need to have a strong, established corporate brand that everyone in your organization can own, sell, and defend. Otherwise you just have a bunch of people rowing in different directions, going nowhere while spending a lot of time, money and resources.

This is why most marketing initiatives fail. They lack the foundation of a strong brand in which to build their marketing communication tactics and then find themselves unable to reap the true benefits of what a strong brand can bring them.

If you are interested in learning more about what the benefits of a strong brand can mean for your company and how it can help, I invite you to continue reading this e-book.

Jonathan Ebenstein

President
Strategic Seven Marketing

Chapter One



Strong Brands Charge Premium Pricing

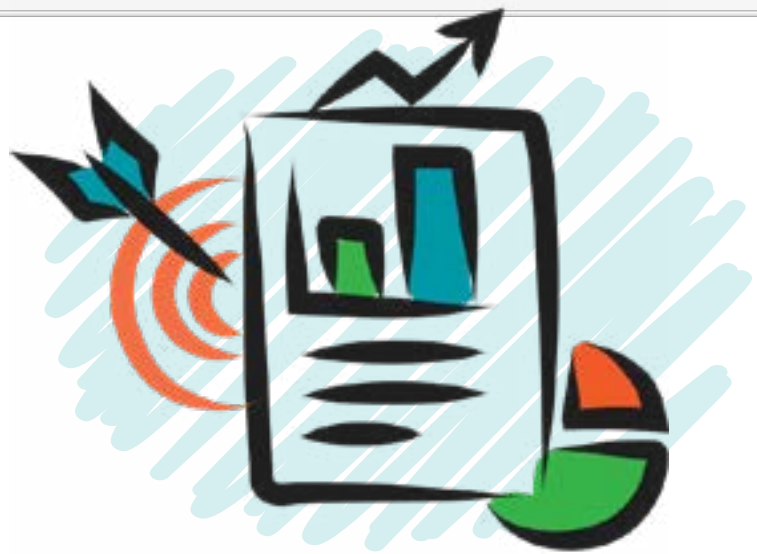
One morning, my wife woke up and decided she was going to train to run the Cleveland Marathon. She had never done anything remotely athletic in the 15 years I had known her, but on this particular Sunday morning she decided to start training for a marathon. Step one? Go get some running shoes. Several hours later, she came home with a pair of Nike's. Feigning interest, I asked, "Why did you get Nike's?" "Well", she started, "I don't know too much about running shoes, but I trust Nike..." (Pause) "...They were a little more than I wanted to spend, but you have to pay more for the best, right?"

And there it was...Benefit #1 of a strong brand. Strong brands can charge premium pricing. Think about it...Who hasn't been in a similar situation? You go into a store to buy something and while there are lesser known, cheaper brand options, you decide it's worth it to pay a little more for the top brand. Why? Because strong brands bring credibility, peace of mind and comfort to your purchasing decision. And, since people often buy based on emotion, how the purchase is going to make them feel will often trump cost. For most folks, peace of mind is worth the extra dollars.

Regardless of the market, only one company, product or service can be the least expensive. All the other players in that same marketplace must figure out a way to position and differentiate themselves from the rest of the field. A strong brand will not only help achieve this, but it will do so in a way that encourages your customers to pay for the intangible benefits they perceive they are receiving by associating themselves with your brand. And they'll pay more for it.

By the way...my wife finished the marathon in 3 hours and 57 minutes. Not too shabby.

Chapter Two



Strong Brands Thrive During Economic Downturns

Remember the old fable about the ant and the grasshopper? The ant labors all summer long storing up food for the long winter ahead, while the grasshopper spends the warm summer months singing, dancing and playing. Then when the winter arrives, the grasshopper finds itself dying of hunger while the ant is taking inventory of all the food it had stored. The story concludes with the grasshopper, ill-prepared for the hardships of winter, struggling for survival and ultimately starving to death.

Surviving Economic Downturns

Research has shown that during economic downturns consumers become more selective and value-oriented in their purchasing decisions. Simply put, they fall back to the brands they are familiar with and trust. They do this because during a recession, people are more careful with how they spend their money. They have limited discretionary dollars to spend and are more inclined to remain with a trusted brand than take a chance with an unknown one.

Like the ant from the story, companies that have spent the time, money and energy to build a strong brand during good economic times will have stockpiled enough loyalty from their customers to allow them to survive when the economy inevitably turns.

Marketing through Recessions

Unlike the grasshopper however, companies with weaker brands trying to make it in today's slow economy can survive if they are willing to think counterintuitively and invest in their brands now while their competitors' voices go silent.



History has shown that companies that significantly reduce their communications with their customers wind up selling less and losing more business to their more opportunistic competitors who are out there still communicating to the marketplace. This is business that they will be hard-pressed to get back after the economy recovers.

Over time, having a proactive uncontested voice with your customers will provide long-lasting results such as increased brand recognition, market share, sales, and profits.

Coming Out Strong on the Other Side

Businesses that refuse to follow the grasshopper mentality and work hard to remain visible while everyone else goes dormant will be in a stronger position when the economy recovers. By maintaining or increasing brand awareness in the collective consciousness of your customers, you will be ideally positioned to take advantage when the economy restarts. Additionally, you will be well ahead of your inactive competitors who will have to crank up the marketing machine from a dead stop in order to reestablish their brand and market value again.

So, is your company the ant or the grasshopper?

Chapter Three



Strong Brands Attract Valuable Employees, Business Partners and Clients

If business owners were asked on a marketing exam, “Who is the target audience of your branding efforts?” my guess is nine out of ten would answer, “Our customers.”

That answer would garner only one-third partial credit.

While it’s a given that brands are developed with the customer in mind, you would be selling yourself short (by about 66 percent) if your branding efforts stopped there. Your brand does more than just attract customers. It also attracts valuable employees and business partners.

Think about your business for a moment. Let’s say you had every Fortune 500 company as a customer, but you lacked the skilled employees to manufacture the quality products they demanded or the high level expertise needed to advise them properly. How long would you retain their business? Employees want to work for the best companies. They want to be proud of where they work. Having a strong brand not only will attract the best and the brightest, it will also help to retain them.

The payoff here is that employees who are in alignment with their company’s brand philosophy are much more likely to provide a higher quality of customer service. This will help to further the brand’s expansion and increase the number of opportunities for repeat business.

The same holds true for your vendors and strategic partners. No one can run a business in a vacuum. Whether it’s IT or strategic marketing services or a good telecom provider, we all rely on vendors and strategic partners to help us run our company and to serve our customers. On the flip side, your vendors aren’t looking for just any customers.



They want the best companies as their customers. And, they will work harder in terms of pricing and service to earn and keep the top businesses in their market. They do this because they know having quality companies as customers will help to recruit, excite and retain employees as well as impress prospective customers, which may help them earn more business.

So yes, one of the benefits of a strong brand is the ability to attract customers, but don't discount communicating your core brand message to your employees and business partners. Your ability to attract the best and most capable employees and business partners will play a crucial role in your ability to move your business forward.

Chapter Four




Strong Brands Can Extend into New Business Areas with Ease

On April Fool's Day, 1976, Steve Wozniak and Steve Jobs released the Apple I computer and Apple Inc. was born. They had one product they manufactured and sold and they were successful enough that they eventually came out with the Apple II a year later. The rest of Apple's history as a tech visionary developing groundbreaking products is well-documented, but not the intended focus of my blog. What I do want to focus on is the ease at which they were able to leverage their brand in an effort to expand into new markets.

When you think about Apple now, many people immediately envision their line of Mac laptops, but equally top of mind is Apple's other product lines (i.e., iPhones, iPads and Apple Music). When you think about it from a branding standpoint, the acceptance of these three very different product offerings into the technology space was virtually seamless. Nobody thought twice about buying an iPhone. The fact that lines started forming outside of retailers days before the first iPhone became available is astounding. Wasn't anyone concerned that Apple had never made a cellular phone before? If Uncle Rico's Electronic Gizmos Inc. came out with a smartphone this Christmas would people be camping out in their parking lot waiting to buy it? Of course not.

What worked to Apple's advantage was how trusted their brand already was and as such they were granted instant brand permission to push further into the technology marketplace. The product was irrelevant; their brand reputation gave them the authorization to play in the smartphone sandbox.



Turning to your business...is your brand strong enough to allow you to expand your product or service offerings? If you manufacture hoses, can you also provide the fittings? If you offer IT services, can you also offer telecom?

If your brand is strong enough within your marketplace, you just might be able to launch a whole new product line or service and, in the end, open a whole new revenue stream for your business.

About the Author

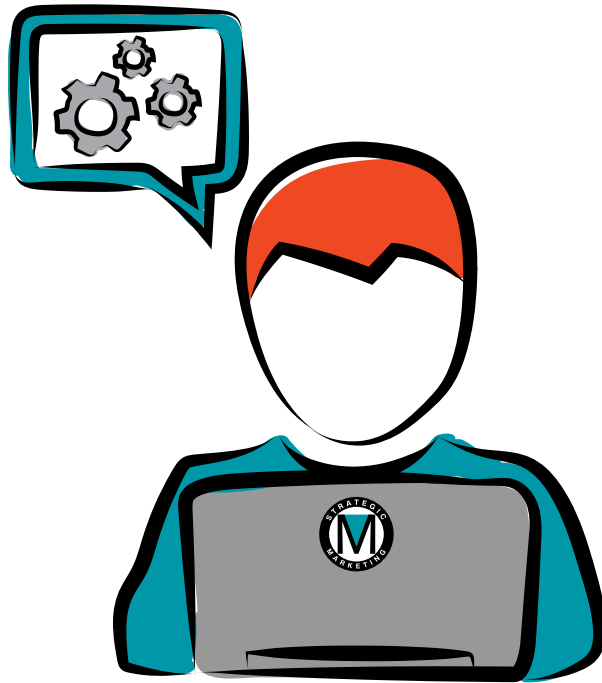
Jonathan Ebenstein, President

440.772.0180 | jebenstein@strategicseven.com

Jonathan has been a marketing communications professional for 25 years, specializing in marketing B2C and B2B companies. During this time, Jonathan has worked with businesses across the country helping them with brand development, creating effective marketing strategies, identifying growth opportunities, corporate identity development, digital marketing, website design and development, social media, and public relations.

Jonathan is Inbound and Growth Driven Design certified through the HubSpot Academy.





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6685 Beta Drive
Mayfield Village, OH 44143
440.772.0186
strategicseven.com