



Jump-Start Your Brand: Four Changes You Need to Make to Optimize Brand Performance

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**... research shows the right branding strategies can increase
the effectiveness of your marketing up to 35%.**

I. Introduction

Every year, generally during the planning cycle, it is common for marketers to step back and reflect on the past with a view towards the future. As you start to put the tough economic times behind you, it is now time to search for strategies and new ideas that will jump-start your business.

The purpose of this white paper is to help you do more than that. It is to help you shape your brand's future as you move deeper into the year. It is written in a straightforward manner so the insights presented here can be easily translated into increased brand performance.

Progress manifests itself in many different ways, but it always involves change. Sometimes you can hear or see that change coming, sometimes you can't. But, as you will see from this paper, some big branding changes have already arrived that have dramatically changed the marketing landscape.

There are four things you'll need to do to jump-start your brand:

- Recognize the dynamics and increasing power of the new consumer
- Utilize the new approach to differentiation
- Add more social media to your marketing mix
- Increase your use of content marketing

II. The Branding Shift

Over the past 10 years there has been a tremendous shift in how to effectively brand because of the dramatic changes in consumer behavior.

Research shows brands — even major ones backed by millions of dollars in advertising — are losing a large percentage of their accumulated brand equity. The branding they're attempting to do is hefty, but it isn't working the way it used to.

In the attached Exhibit “A” in the appendices section, the numbers paint a potentially bleak picture for an estimated 80% of today’s brands.* Not because of anything as obvious as the earthquake in our economy, but because many sophisticated marketers haven’t kept up with the times.

The reasons for these declines in brand performance can be traced to several shifts:

- Some of today’s new consumers (and you go home to some of them every night after work) are very different from generations past. You expect some change from generation to generation. But now, it seems as though we skipped several generations in the blink of an eye. We haven’t, but you may have been too busy solving problems to see a new one of huge proportions.
- The traditional approach to brand differentiation no longer works. The rules have changed. What’s more, your competitors haven’t changed the rules; your customers have. In a world flooded with parity products, branding now means more about interactive dialogues, relationships and continuous innovation.
- The social media and mobile tools needed to reach today’s new consumers exist. You can put your hands on them this afternoon. Many marketers use them. But, on a broad scale, they’re not being adopted quickly enough.
- People have grown weary of interruptive marketing techniques (e.g., TV advertising) — and have finally decided not to take it anymore.

III. The New Consumer

In December 1992, the San Francisco Chronicle ran an editorial stating, “the invention of the Internet is going to be as transformative to society as was the invention of the printing press.” Eighteen years later, even the skeptics have seen the light. Some of us may not have recognized just how transformative it would be. It hasn’t just facilitated business — it has completely re-shuffled it!

* Source: BAV, John Gerzema/Ed Lebar; The Brand Bubble

The new consumer's experience growing up in the digital age has transformed the very relationship between the buyer and seller of goods and services. No longer is it a one way conversation — it's now about an interactive dialogue.

The buyer doesn't simply choose, or even prefer. Today, like it or not, the buyer is in charge of the energy in the brand relationship.

This relationship tilt has handed the power to the buyer, and the faster companies recognize it, the quicker they will be able to adjust. For the first time, sellers no longer have the upper hand. Businesses no longer decide alone what to make, what to charge, where to make it available, or even how to promote it. We've always said, "The customer is always right." It's true now, more than ever before.

The new consumer profile-chart on Exhibit "B" describes some of the changes that are shaping the future. The chart is meant as a rough generalization to describe the nature of some of the shifts — not specific changes for all consumers. It certainly varies by specific product or service category.

Action Recommended

To better understand what the new consumers and prospects are expecting, you should update your own customized target profiles and strategies in accordance with the new rule of marketing — customers know better than companies!

It is important to recognize that you can't effectively market to someone unless you really know who they are, where they hang out, and how they want to get their information. Also, it's not unusual to have two separate media plans — one for people over 40, and one for people under 40 years of age.

IV. The New Approach to Brand Differentiation

Marketers have long considered differentiation to be the most important element of a brand's architecture. Unfortunately, many marketers have failed to keep their differentiation strategy relevant and fresh.

Several years ago, one research study found only 7% of prime time advertisers had a differentiation message in their 30-second TV spot. This leads one to wonder if there ever was any differentiation.

If you don't differentiate, your brand will become a commodity and you will be forced to compete on price. Once you become just a price, you are no longer a brand, just another supplier, and you're vulnerable.

What Has Changed?

For openers, because the world is so globally connected now, there are far too many choices available to the buyer, making the task of differentiation both tougher, and more important, than ever. Today when you differentiate, you need to differentiate in a new way; a way that projects into the future, not the past — in a way that syncs with the consumer's expectations.

Today's consumers want brands with an aura of creativity; ones that project innovation and a continuous stream of future benefits. It's an emotional feeling. Think Apple. Think HP. Or P&G.

Dr. Don Sexton, a former Columbia University marketing professor, in his book *Branding 101*, is convinced that "branding without innovation will not succeed."

Your differentiation-position cannot stand still. Brands without continuing innovation and dynamic, evolving differentiation will fail.

To bring this new concept into focus, the logos that follow show companies that understand the new way to differentiate. People perceive these brands as leaders that will continue to create products and services that will satisfy their future needs. Professor Sexton calls it "energized differentiation."

Apple is a good example. Yesterday it was the iPhone. Today it's the iPad. Tomorrow, you don't know. But you do expect it will meet your future needs.

Brands with Energized Differentiation



Action Recommended

Review your brand's differentiation strategy versus your competition's. Do you have one that's still relevant? Does your brand project a future that people recognize, understand and crave? What can customers learn about both you and your competitors on Facebook, Twitter and YouTube? How energized is your brand?

Has your brand's differentiation remained static for too long? In times past, differentiation for many products was based on functionality and relied on the life of their patents. Those days are gone. Differentiation that worked yesterday probably won't work tomorrow. Your current U.S.P. (Unique Selling Proposition) may be becoming as unexciting as that green tape florists use to hold bouquets together.

The odds are 79%* that your brand's differentiation lacks that perceived, or emotional hint, of the future that the new consumers want.

The easiest way to correct this situation, and get a new point of differentiation, is to ideate for a big idea. Being in the business of ideation has taught us the tremendous impact ideas can have on any organization, no matter what it's size. We believe ideation is the highest-value activity in which you can engage.

* BrandKeys, Inc: Customer Loyalty Engagement Index

To get the big idea that can energized your differentiation, refer to Exhibit “C” for a unique thinking model that has proven successful in upgrading a brand’s differentiation — one that can dramatically generate leads and increase sales.

VI. The New Media Channel Mix

Once you gain an insight into the behavior of your new consumers, and energize your differentiation, you need to get the word out. It’s easier now than ever. But, the methods have dramatically changed over the last several years.

Review Exhibit “D” for a historical summary of how the old and new media channels have evolved over the last 60 years — up to today’s social, mobile and content marketing approaches.

By now you have also probably grown tired of the hype around Web 2.0 tools and their role in the new marketing communications mix. They’re real, and shouldn’t be ignored. These are the tools that helped transform the inauguration of our current President “from a news event” into a “shared cultural experience”. Even Pope Benedict XVI and Queen Elizabeth II blog and use YouTube.

According to a Wall Street Journal article, “Web 2.0 encompasses a set of online tools that allow people to build social and business connections, share information and collaborate on projects online.” Today, it is very common for people to spend an hour per day or more in these social media environments, connecting and sharing their personal feelings about a lot of things, including their latest brand experiences. Sharing means commenting on, recommending, and yes, maybe even dissing your product, your brand.

Action Recommended

Review the communication tools you are currently using in your media channel mix to promote your brand. Determine what’s working and what’s not.

VI. The New Power of Content Marketing

The other major branding change to emerge over the last several years, besides social and mobile media, is the dramatic increase in the use of content marketing.

While content marketing has been around for years, the increasing power of marketing technology has breathed new life into it. Today there is a wide variety of options available. See Exhibit “F” for the most popular formats and the range of impacts they can have on your brand. You’ll be amazed at how big the category is.

With the declining acceptance of interruption marketing (e.g., TV and radio ads, junk mail, etc.), consumers are now looking everywhere for content that will help them make smarter purchase decisions. Studies have shown that many consumers actually enjoy doing their own research. It empowers them. They want to be educated about a product or service, not bludgeoned over the head with interruptive TV and radio ads.

Tons of media coverage has gone to extol the virtues of social media. However, you should not lose sight that it’s education-based content buyers are looking for — not social media, per se. Social media conversations are important to building a brand, but great content in all your communications is equally as important in the mix.

Action Recommended

Today, most of you are probably doing some form of content marketing. Some are spending up to 25% of your marketing budget on it. However, how many of you are aggregating and integrating the bits and pieces of content marketing into some organized structure that will allow you to visualize and harness its full potential.

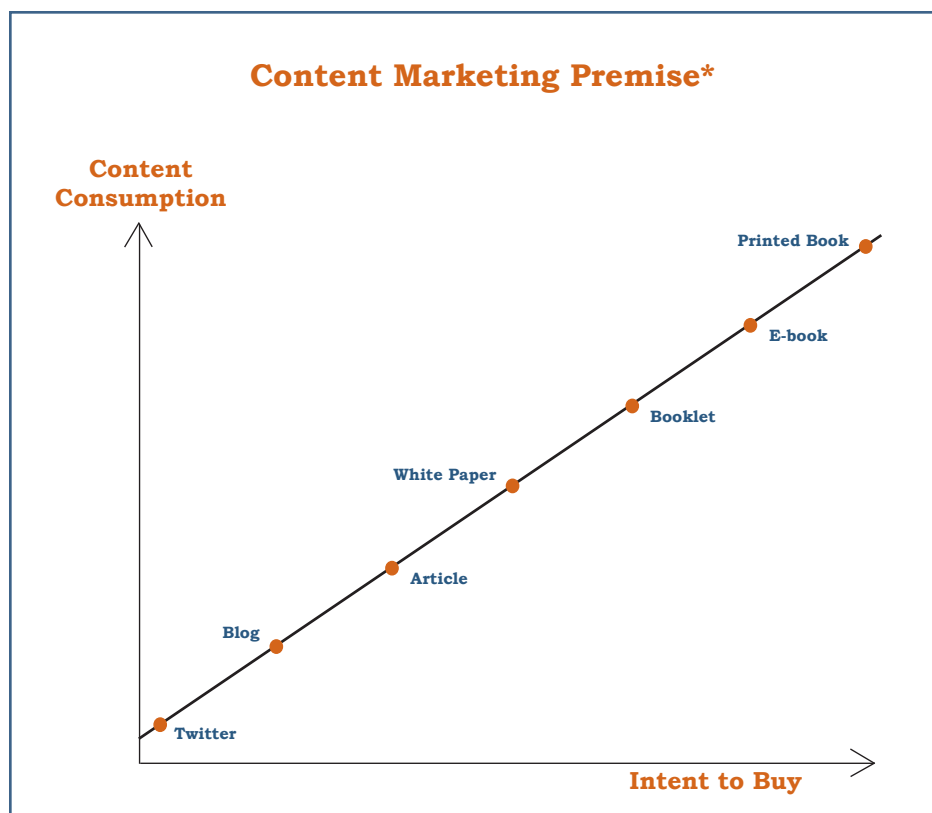
To remain competitive, every brand should have a formal content marketing plan. It’s a four-part equation. First, define your objectives. Second, assess what content you need to use or create. Third, decide what formats (e.g., white paper, booklet, e-book, etc.) your content will use. And fourth, plan how will you market that content so that it gets seen, and acted upon, in a way that helps generate leads and build sales.

No longer do magazines, newspapers, radio and TV networks control the distribution of content. Now, with the democratization of publishing, the ball's in the consumer's court.

Your challenge is to learn how to create relevant, education-based content that will provide customers with the knowledge they need and want to know, and deliver it in a convenient and compelling way.

Over time, if you do it right, you will gain the confidence of the customer and become a trusted resource — the key first step in getting someone to buy.

You need to learn how to harness this marketing technique, and properly staff and fund this strategy, to help jump-start your brand.



* The more people know about your brand, the more likely they are to buy.

VII. Final Thoughts

This paper has outlined the four steps you need to take to optimize your brand's performance. It's now time to act:

- To maximize your marketing budget, revise your communications strategies to fit the needs of the new consumer
- To energize your brand differentiation, generate a big idea
- To be part of the consumer's conversation, add more social media to your marketing mix
- To make it easier for people to buy, increase your use of content marketing

However, it's important to also recognize that the story doesn't end here. The branding landscape will continue to shift.

Marketing is continuing to transform itself from a one-way communication model, to a set of interactive dialogues with consumers. Today, the stronger the dialogues, the stronger the brand. This change is the most radical marketing shift in 50 years.

Brand-building techniques will continue to change at an accelerating pace. Perhaps faster than you want. But you can't progress by standing still. And fatigue-change is not an excuse. You need to be aware, nimble — not afraid to learn, try new things, or ask for help.



Postscript

Your feedback is welcome. If you have any questions or comments on this paper, please e-mail us at comments@brandingcommunications.com. Please put "Branding Changes" in the subject line.

VIII. Appendices Section

Exhibit A – The Decline of Brand-Health Metrics

Exhibit B – Today's New Consumer

Exhibit C – 10-Step Ideation Thinking Model

Exhibit D – Evolution of Most Popular Branding Communication Channels

Exhibit E – Media Functionality Effectiveness Guide

Exhibit F – Content Marketing Impact

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***He who rejects change is the architect of decay.
The only human institution which rejects progress is the cemetery.***

***— Harold Wilson
20th Century British Prime Minister***

Exhibit A

Decline of Brand-Health Metrics

Brand Attribute Declines*	% Decline
1. Trustworthiness (1997 – 2006)	- 50%
2. Perceived Quality (1993 – 2007)	- 24%
3. Awareness (1993 – 2007)	- 20%
4. Like/Respected (1995 – 2007)	- 12%

Other Metrics*

1. Percent TV commercials in 2007 not having a differentiation message in prime time TV spot	93%
2. Percent customers who could not name one of the top 50 new product launches in 2007	81%
3. Increase in the exposure to marketing messages/day from 1990 – 2007	66%
4. Percent of 2007 consumers who are more price sensitive than 25 years ago	50%

Conclusion:

1. Current branding methods are no longer working.

* Source: BAV, John Gerzema/Ed Lebar; The Brand Bubble

Exhibit B-1

Today's New Consumer

(Example of One Age Group)

Elements	Old Profile	New Profile
Demographics description	18 – 40 years of age	New Millennials; Gen M (mobiles) Segment by behavior
Where people buy	Locally; US made; stores, catalogues	Locally, made anywhere in the world, online
Brand relationship	Controlled by the company	Controlled by consumer
Production	Mass production; one type fits all; accepts what is offered	Customized products and services; expects latest use of technology
Tolerance for mistakes	Understanding, forgiving	Near zero tolerance unless company is transparent about it
Product features	Prefers lots of options	Desires simplicity; want fewer parity choices
Value proposition	Product performance is important	Performance now is a given – wants meaningful brand experience
Source of pre-purchase information	Family and friends; advertisements	Company's Web site; online social networks; blogs; search engines
Number of brand choices	Choices limited by available information and physical distribution limits	Lots of niche choices and information available due to Web; e-commerce
Primary Media Channels	TV, magazines, newspapers, radio, billboards, catalogues, direct mail, Web, e-mail	Blogs, podcast, instant messaging, text messaging, social networks, virtual worlds, online forums, Wikis

Exhibit B-2

Today's New Consumer

(Example of One Age Group)

Elements	Old Profile	New Profile
Sales Approach	A one-way conversation	Let's have a two-way conversation first
Purchase Decision	Prefer established brand	Old brands are not always me. Try something new
Marketing Messages	Somewhat helpful, indifferent	Skeptical, resentful
Brand Lifecycle	Durable	Disposable
Brand Loyalty/ Repurchase	Reasonably happy with old brands	Wants brands that will meet future needs; brands that have a vision
Advertising Awareness	Extremely important before trying	Not as important — I can find out about things through my social network, search engines
Innovation	Happy with brands that don't change too much	Prefer brands that continually reinvent themselves
Cultural Diversity's Growing Impact on Communications	Historically an English speaking marketplace	100+ languages spoken in large urban areas
Company's Social Responsibility	Optional, nice to have	Consumers want their brands to be based on a set of values with a moral purpose.
New Product Development	Little interest in the process	Wants to be involved, wants to be heard
Environmental Impact	Some concern	Very concerned
How they access the Internet	Wired desktop computer	Laptop, smartphone, wireless, mobile

Exhibit C

10-Step Ideation/Differentiation Thinking Model

Because competition is so intense, big ideas are a critical ongoing business need. Fresh ideas can be generated on-demand by using a structured thinking model like the one illustrated below.

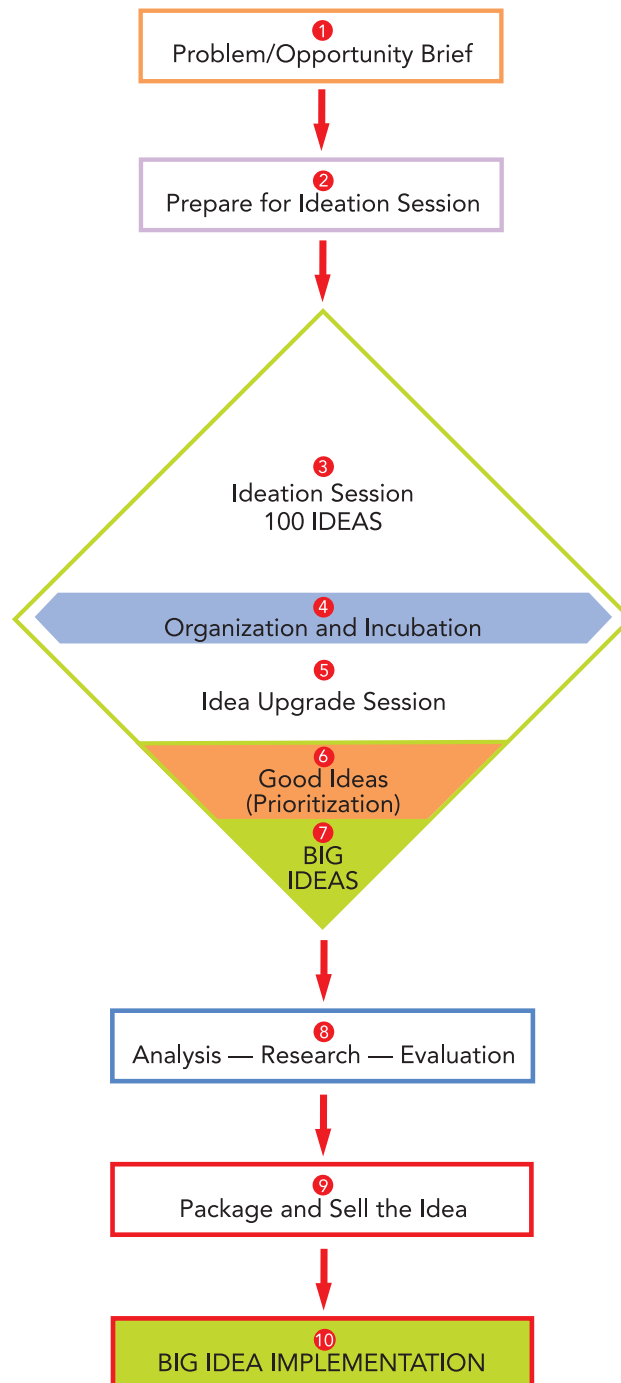


Exhibit D

Evolution of Most Popular Communication Channels
(1950 - 2010)

Traditional Media (1950 – present)

- Billboards
- Direct Mail
- * Product Sheets/Catalogues
- * Newsletters
- * Newspapers/Magazines
- Radio
- Trade Shows
- Television
- * White Papers

Web Media (1995 - present)

- Banner Ads
- E-mail Marketing
- * E-publications (e-books, e-zines)
- Online Forums
- * Podcasts
- Search Engine Marketing
- Viral Marketing
- * Web Site
- * Webinar

Social Media (2005 - present)

- * Blogs
- E-Communities
- * Micro-blogging
- * Photo/Video Sharing
- * Social Networks
- Virtual Worlds
- * Wikis

Mobile Media
(2006 - present)

- * Applications
- Audio
- Games/Promotions
- Internet
- Video

* Also considered part of the content marketing category.

Exhibit E

Media Functionality Effectiveness Guide

The ratings, in the boxes below, are based on our best judgements and extensive experience with the four major media groups: traditional, Web, social and mobile media. Efficiency Rating: some functionality (1) to most (5)

Function	Traditional Media	Web Media	Social Media	Mobile Media
	TV / Print / PR	Web / E-mail / Search Marketing	Blog / Twitter / Facebook / YouTube	Smart Phone
Advertising	5	3	1	3
Branding	3	5	3	3
Collaboration		3	5	2
Community Building		3	5	2
Conferencing		5	3	3
Connect w/Audience	1	3	5	3
Crisis Management	5	5	5	3
Customer Service		5	3	4
Discuss		3	5	3
Educate/Inform/Report	2	5	3	2
Event Marketing	3	4	3	3
Feedback		3	5	3
Ideation		3	3	1
Internal Comm's		5	3	1
Lead Generation	5	3	1	1
Monitor Competition		4	4	1
Polling		5	4	3
Product Reviews		4	3	2
Promotions/Coupons	5	4	3	3
Public Relations	4	4	2	1
Purchase	2	5	1	4
Recruiting	1	4	4	2
Registration		5	1	3
Research		4	3	3
Viral Marketing		3	5	4
Total:	36	100	83	64
Average:	1.4	4.0	3.3	2.6

Exhibit F

Education-based Content Marketing Impact*

Content Formats	Lead Generation	Brand Awareness	Thought Leadership	Perception Change	Customer Retention	Customer Education	Sales Support
Brand Story				●	●	●	
Business Blog	●		●	●	●	●	●
Case Studies			●	●		●	●
Custom Print Magazine		●	●	●	●	●	●
E-book	●	●	●	●		●	
E-zine	●	●	●	●	●	●	●
Facebook Page	●	●		●		●	
Magazine Article	●	●		●		●	
Media Kit		●		●		●	
Newspaper Article	●	●	●	●		●	
Online Video/YouTube	●	●		●	●	●	●
Podcast	●	●	●	●	●	●	
Printed Book	●	●	●	●		●	
Print Newsletter	●	●	●	●	●	●	
Product/Service Sheets				●	●	●	●
Seminars	●	●	●	●		●	
Speaking Engagements	●	●	●	●		●	
Survey/Special Reports		●	●	●	●	●	
Tip Booklet	●	●	●	●		●	
Twitter Stream	●	●		●		●	
Webinar	●	●	●	●		●	
Web Site(s)	●	●	●	●	●	●	●
White Papers	●	●	●	●		●	
Workshops	●	●	●	●		●	

* Adapted from *Get Content, Get Customers*, Pulizzi & Barrett

Reference Section

A deep debt of gratitude is to owed to those who authored the books listed below. Without their collective wisdom this white paper would not have been possible. It's not a complete list, but if read collectively, it will give you a better understanding of the issues addressed in this branding white paper.



The Art of Digital Branding — Ian Cocovan, Allworth Press, 2007

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YouTube for Business — Michael Miller, Que, 2008



About the Authors

Dave Dunn is the managing principal of Branding Communications and BrandEquity Consulting, located in the San Francisco Bay Area. He has spent more than 30 years as a branding professional working for start-ups, Fortune 500 firms and non-profit organizations.



He is recognized as an expert brand strategist and has gained hands-on experience with more than two dozen brands of some of the nation's largest firms. His experience includes new product introductions, brand building and brand restaging for:

- General Foods
- Warner Lambert
- Seagram's
- AT&T
- Georgia-Pacific
- Kentucky Fried Chicken
- Foster Farms
- Tenet Healthcare

In 2002, Dave was honored as the "Entrepreneur of the Year" by the Oakland Metropolitan Chamber of Commerce. Dave is a graduate of Stanford University and has an MBA from the Wharton School of Finance and Commerce. He is active in the community and was chairman of the Oakland Convention & Visitors Bureau from 2005 - 2007.

Dave, a sought-after speaker, has authored numerous newspaper and magazine articles, a series of white papers, and written five handbooks on branding:

- Branding: The 6 Easy Steps
- Inventing Big Ideas
- Brand Architecture: Your Blueprint for Success
- Web Site Audit Handbook
- The Social Media Planning Guide

Forrest W. Anderson

Forrest has 30+ years of branding, research and communications experience with numerous Fortune 500 companies. Companies he has worked with include:

- Disney
- Glaxo
- IBM
- McDonald's
- Nature Conservancy
- Sara Lee
- Cisco
- Weyerhaeuser
- Sun Microsystems
- Fujifilm



Forrest received a B.S. with distinction from the University of New Mexico and graduated from Northwestern's Kellogg School with an MBA in marketing and management policy. Forrest is a founding member of the Institute for Public Relations Commission for PR Measurement and Evaluation. He has written and co-authored a number of white papers and is a recognized leader in the marketing and market research community.

White Papers:

- Setting Measureable Public Relations Objectives,
By Forrest W. Anderson and Linda Hadley
http://www.instituteforpr.org/research_single/measureable_public_objectives/
- Additional articles at:
www.forrestwanderson.com/free.htm
<http://forrestwanderson.blogspot.com>

Books:

- The Social Media Planning Guide

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About the Firm

Branding Communications is a boutique communication services firm specializing in building brands. We focus on helping clients combine the latest marketing technologies with well thought-out brand strategies to optimize brand performance. Our focus is on social media, content marketing, Web, ideation and mobile media.