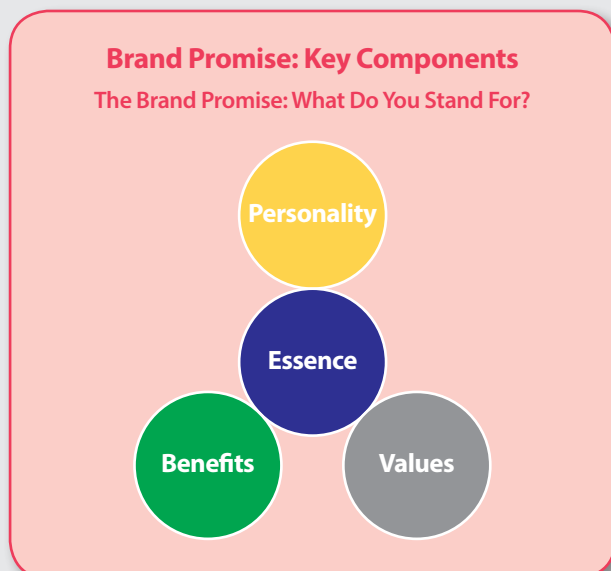


Refreshing the Brand: Putting the Brand to the Test

The brand personality captures who you are. The brand values reflect what you believe is the right thing to do, and the benefits articulate what the customer gets. The essence represents the core of what you stand for. Together, all constitute the brand promise.

In a prior Thoughticle™, *Refreshing the Brand: Focusing on Key Brand Elements*, we described Hansa's proprietary Brand RJVNTR™ process and the brand elements that need to be addressed to create your brand promise. These elements are summarized in the following exhibit:



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This Thoughticle™ adds additional tips for rejuvenating your brand and addresses the key tests for ensuring a successful brand. In short, we need to answer three threshold questions before we rush to market with a refreshed brand.

First, the brand promise has to be valuable. This means the target customers must see the brand as relevant to their lives and serving a useful purpose. It fulfills a need. They would pay money for it.

What some customers see as valuable and as fulfilling a need may not be what others see. For example, I could not ever see any value in

spending time in a gift shop. Not that I don't like gifts or like to give them. I just look at the usual merchandise in brick-and-mortar gift shops and think, "Why would I buy this stuff?" Others I know, however, can think of no better Saturday afternoon than leisurely browsing gift shops on the Oregon Coast. Value truly is in the eyes of the beholder. As for me, I will jump online to do my gift giving.

So, when we think about value we also need to consider: value to whom? Who is the target market? How big is the market? What would prospects and customers be willing to pay? For example, there is no point in taking a brand into an upscale position if the target market is a price-conscious buyer with a certain income profile in the respective category.

Here's where things get tricky. If one defined the target market for laptops as price-conscious buyers, then we might shy away from marketing a premium-priced laptop. But, if we define the category differently, as consumers valuing a sleek easy-to-use laptop that has cool design features, then the category, target market, and price customers are willing to pay are dramatically re-defined. Remind you of any particular brand? Apple, perhaps? The target market is not just a customer demographic, but also a customer with a certain set of needs or predilections.

Second, we need to ensure that the value target customers perceive is distinctive relative to competitive offerings. "Why buy me?" "How am I

different?" "What makes me unique?" Five Guys® Burgers and Fries competes in the crowded quick-service burger market but has a clear point of difference: fresh ingredients, a broad assortment of toppings (all of which can be added for no additional cost), peanuts that can be shelled and tossed on the floor, and fries that magically double in quantity when the server places the order in your bag (and loads an extra spoonful of fries into the bag at no cost).

Things get really hard when one is trying to sell something the same as everyone else. Markets and customers evolve toward commoditization if suppliers permit them. This happens because customers will ask for what they are familiar with, and if competitors have matched the value proposition of a one-time leader, then customers will ask for a lower price. Unless the leader or others have continuously innovated and developed a point of difference, a supplier has no choice but to reduce price to get the business. The challenge for suppliers is to develop something new and different and to educate the market on that differential value.

So what makes for differentiation? It could be a product feature, like "stainproof," a service aspect like "ships free – both ways," or an emotional attribute like "being cool." Or many other things – anyone remember the Pet Rocks of decades ago? Unbelievable, really – put a small rock in a box and

call it a pet and sell millions. Novelty and fad. But people have a fundamental need to be a part of a group and of the right group (fellow pet rock collectors), and no one else was doing it. A point of difference in the novelty category.

Third, the brand must be executable. Yugo, of days gone by, tried to implement a low cost, entry-level car brand- to disastrous results. They could not execute. The cars became the brunt of late night talk shows for their poor quality. They had a fleeting point of difference on cost, but only to have it undermined and overshadowed by their inability to deliver on the table-stakes feature of reliability.

These three key tests are summarized in the following chart. When refreshing your brand, make sure to put your new brand promise to these threshold tests:



But, we aren't yet finished with our tests to ensure we have a winning, refreshed brand. We also need to consider the additional four tests displayed in the expanded exhibit shown below:



The brand promise needs to be communicated in a crisp, easy-to-understand manner. Customers do not want complexity or ambiguity. They have little time to process any message. The message must occupy the customer's mind space and the human brain needs to be helped in figuring out where to put the brand. The brand essence must be clear and precise.

The brand must be credible. Target customers must believe the company can deliver it. Customers would not believe that Denny's restaurants offer haute cuisine. Customers would not believe that Nordstrom's offers lowest prices.

The brand promise also must be memorable. If customers cannot recall the promise, even with repetition, then it is time to regroup. This also relates to differentiation – if the communicated promise gets mixed into similar messaging by everyone else, and customers cannot recall who

owns the promise, then we might as well tell customers to choose any company they want.

Lastly, the promise must be consistently delivered throughout the customer experience. Customers do not judge the brand based on one point of interaction. They form an opinion about the brand based on the totality of their experience – with the product, service, warranties, sales, website, and more.

These tests can be applied first through the company's brand team asking hard questions about the brand promise. It is always a good idea, however, to also test the refreshed brand promise in the market through market research. While this may entail some cost, there will be a much larger investment of resources to communicate the refreshed brand. Gaining assurance in advance to validate the refreshed brand concept would seem like a bargain compared to withdrawing a promise from the market and undoing damage of a non-viable brand promise.

If you have questions, comments, or would like to learn more about the Hansa Brand RJNTR™ process for refreshing brands, contact us below.

Hansa provides a full range of qualitative and quantitative research services. Our experienced research and consulting team, including PhD-level statisticians, uses innovative, data-driven methodologies tailored to our clients' research needs.

We pride ourselves on our ability to truly understand the voice of the customer and translate that voice into winning strategies for brand development, marketing communications, customer relationship enhancement, and product/service innovation.