

# Brand management influences consumer buying decisions

March 10, 2014

Biz Books

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**"What Great Brands Do: The Seven Brand-Building Principles that Separate the Best from the Rest" by Denise Lee Yohn (Jossey-Bass, \$27.99).**



Brands are unique. They are product differentiators. They influence buying decisions. What makes a brand successful? "The systematic management of the business around the brand." Through experience with Burger King, Jack-in-the-Box, Land Rover and Sony, and first-hand case studies, Yohn found seven defining, brand-as-business principles of great brands:

- 1. Start Inside** — A brand isn't about what you say; it's about what you do. Brand-building requires a customer-centric organizational culture that communicates the meaning of the brand in terms of customer expectations to employees. In such a culture, employees become advocates of your customers' experience.
- 2. Avoid selling products** — Instead, link products to emotions. Think of Nike's iconic "Just Do It" ads. They feature people, their motivation to stay fit and their emotional rewards. Nike's Fit app and Nike+FuelBand promote "the smart simple, and fun way to get more active". Nike's annual growth rate for the last 10 years was 9.6 percent.
- 3. Ignore trends** — Being part of the herd diminishes your brand's value. It leads to what Yohn calls "er-positioning." To differentiate your brand, you're bett-er, bigg-er, cheap-er, fast-er, etc. "Er-positioning" tells customers that "your brand has comparative value, rather than having its own inherent value."
- 4. Don't chase customers** — "A strong brand identity attracts the ideal customer." Identify your best customers; do what you must to keep them. With a narrow focus, you build core competencies around customer loyalty.
- 5. Sweat the small stuff** — Opportunity hides in every point of customer contact. Packaging, store display, user-friendliness and delivering orders on time (if not ahead of time) play significant roles in the customer experience.
- 6. Commit and stay committed** — This is a corollary of No. 1. It deals with core ideology: "This is who we are; this is what we stand for." Compromising ideology leads to the slippery slope of brand decay.
- 7. Never have to "give back"** — When you make social responsibility (e.g. community involvement, environmental impact, ethics, etc.) part of core ideology, you're giving every day — not giving to make a PR splash.

The bottom line: The business of any business is brand management.

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**"Absolute Value — What Really influences Customers in the Age of (Nearly) Perfect Information" by Itamar Simonson and Emanuel Rosen (Harper Business, \$27.99).**

The Information Age has changed the way customers buy. When shopping, they search the Internet for product reviews from other users and subject matter experts. They also "talk" to their social media contacts. They can easily compare features, price and value of various brands and products within a brand.

Customers usually view a company's product webpage to look at specs. They don't put much faith in company-provided marketing information (unless there are special deals) because they believe it isn't as objective as the opinions of other users and experts.

Given this environment, what should product marketers do to increase relevance of their message? Answer this question: "To what extent do my customers depend on other information sources when making their buying decision?"

To answer the question, market research must go beyond the "what" and "why" of the decision to identify the "Influence Mix" (i.e. What resources do customers consult to make their choice). Companies need to track what's being said about their products in the marketplace and communicate the information to customers.

The key task in communications: Make sure each customer can easily find unbiased, relevant, recent, and helpful product information; post the information on the product's webpage. Be transparent when communicating, too. Example: When you buy an app, you can look at its overall rating and see all the user reviews.

Tracking has added benefits: 1. It tells the company what it must do to improve current products. 2. It provides insight into the identification of customer wants that can lead to innovation.

The message: Marketing needs to shift from persuasion to communication.

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