



MANAGING BOOKS

Seven habits of highly successful brands

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Special to The Globe and Mail

Published Tuesday, Apr. 01 2014, 7:00 PM EDT

Last updated Tuesday, Apr. 01 2014, 2:50 PM EDT

What Great Brands Do

By Denise Lee Yohn

(Jossey-Bass, 262 pages, \$33.95)

Most companies chase customers to buy the fabulous products they believe they are offering. When they see potential new opportunities, they swoop in and add to their array of goodies. Often, those opportunities come by being carefully attuned to trends. They devote endless hours to sending marketing messages in support of their brand. If they're doing well, they may also contemplate giving back to the community through some charitable cause or marketing effort.

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But marketing consultant Denise Lee Yohn says great brands don't do that. In fact, they often do the opposite of what we expect. And it pays off.

It starts with the notion of what she calls "brand as business." A company should base all its operations around its brand, the values expressed by the brand permeating the firm's culture. But she notes that a survey of chief marketing officers found that 64 per cent feel their brands do not influence decisions made by the company. The brand is for communications activities, but not something around which company operations orbit.

"This means that nearly two-thirds of companies are pouring millions of dollars into marketing and advertising without aligning their business strategies with the values and attributes they're communicating!" she writes in *What Great Brands Do*. "As a result, the full business value of the brand itself goes unrealized."

She cites san Francisco-based Gap Inc., which at the turn of the century hit troubles, responding with expensive ad campaigns that didn't lead to much – indeed, same store sales dropped 7 per cent. Gene Pressman, former chief executive officer of upscale clothing retailer Barneys New York, said the Gap's product offerings failed to live up to its ad hype. "Marketing may get people through the door, but they'll walk out the door when there's nothing to buy," he noted.

Ms. Yohn points out that Spanish clothes retailer Zara has done minimal advertising, yet it has grown. Google, the Body Shop and Lululemon Athletica grew enormously with little advertising (although Lululemon has experienced difficulties recently). "Advertising isn't good or bad per se, but advertising that is divorced from the realities of the company's actual offering can be counterproductive," she warns.

In building your business around your brand, she recommends the following seven principles, some of which may seem counter-intuitive:

1. Great brands start inside

Your brand can't simply be a promise – it must be a promise delivered. So branding starts with cultivating a strong internal culture that aligns with your brand, and will carry it to the outside world. "For your employees to understand, embrace and deliver your brand, they need to know its values in their heads, feel inspired by them in their hearts, and then put them into action with their hands and feet," she says.

2. Great brands avoid selling products

While most companies obsess about their products, brands are about emotional connections. "Just do it!" was Nike's call that connected strongly with athletes, spelling out nothing about the products the company sold. While competitors tried to provide more innovative products, Oregon-based Nike brilliantly embraced the values and aspirations of athletes.

3. Great brands avoid trends

While many companies leap on trends, the best brands know what they are about, even if they sometimes challenge trends. They lead change, anticipating and advancing cultural movements, as Starbucks and Lady Gaga have done.

4. Great brands don't chase customers

Brands with integrity and self-confidence can use magnetic appeal to attract customers. Vancouver-based Lululemon, Ms. Yohn notes, doesn't chase customers with sales or discounts. It attracts customers by staying true to its identity.

5. Great brands sweat the small stuff

Smart brands concern themselves with packaging, since that reflects what Procter & Gamble calls one of the first moments of truth with consumers. They also obsess about every point where the company connects with customers – touch points, as they are known – to ensure the brand is what they mean it to be.

6. Great brands commit and stay committed

Top companies know what they are about and remain ruthlessly focused, not pursuing every possibility that might lead them astray.

7. Great brands never have to ‘give back’

Companies such as outdoor apparel company Patagonia carry out their operations with a sense of social responsibility, so they don’t need to develop “giving back” programs. “Giving back suggests that you’ve taken something that needs to be paid back to balance out your karma,” she says. Great brands are in balance with the world around them.

In the end, the premises she presents aren’t all that startling. But they do run counter to practice in many companies. By telling stories of successful organizations that apply the rules she offers, Ms. Yohn challenges readers to recalibrate their brand marketing.

POSTSCRIPT

In *The Science of Leadership* (Oxford University Press, 328 pages, \$54.95) Julian Barling, a professor of management and research chair at Queen’s School of Business, mixes a trip for readers through leadership research with his personal reflections on leadership development.

Consultant Kathryn D. Cramer shares what highly effective leaders see, say and do in *Lead Positive* (Jossey-Bass, 268 pages, \$33.99).

Public speaking adviser Bill Hoogterp shares his methodology for talks by business professionals in *Your Perfect Presentation* (McGraw-Hill, 269 pages, \$23.95).

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