Words to Live By

Q: What's the difference between advertising and branding?

A: I fielded this question during a recent podcast interview for small-business owners. It was surprising to me because advertising is very different from branding, and I've always thought everyone understood that. But I realize that people misuse words like these frequently enough that confusion is bound to result.

The right words are critical if you want to create shared understanding among your partners or your leadership team about your priorities and strategies. Using the correct terms is also important when hiring and managing employees, advertising agencies, and other marketing service providers. Mark Twain once said, “The difference between the almost right word and the right word is really a large matter—’tis the difference between the lightning bug and the lightning.” I hope you find the following definitions illuminating.

**MARKETING**—The process of developing, promoting, selling, and distributing a product or service.

**ADVERTISING**—A form of marketing communication used to persuade an audience.

Marketing is the big picture; advertising is a discrete effort. An advertising campaign—for example, running a radio spot or displaying billboards—is an important component of a company’s marketing plan, but it’s not the only one. Marketing also includes social networking, public relations, local community engagement, and point of purchase, as well as more strategic and operational aspects of your business, such as target customer selection, product positioning, and pricing.

**BRAND**—The bundle of values and attributes that describe the unique value a company, product, or service delivers to customers, and the unique way of doing business that distinguishes its relationships with customers and other stakeholders.

**BRANDING**—The development and use of symbols like logos to convey the identity of a company, product, or service.

**BRAND-BUILDING**—Any efforts to develop a brand and increase its equity or value.

Simply put, your brand is what your company does and how you do it. Branding is how you communicate and express your brand. Brand-building is how you make your brand appealing and valuable, which includes facilitating a brand-led culture inside your organization and designing unique and compelling customer experiences.

**LOGO/LOGOTYPE**—A distinctive typeface or graphic mark used to represent a brand. For example, Taco Bell’s logo is comprised of the bell image and the Taco Bell name in a specific typeface.

**ICON**—A visual symbol used to differentiate a brand, like McDonald’s Golden Arches or Baskin-Robbins’ pink spoon.

**AVATAR**—An icon or image used in digital media to represent a person, product, or brand.

**TRADEMARK**—A legally protected name or symbol that indicates the source of a product or service, usually a brand.

Most companies have all of the above, and some use the same element for multiple purposes. For example, Target uses its red-and-white bull’s-eye symbol as an icon and avatar; its logo combines the bull’s-eye with the stylized Target name. The bull’s-eye, the logo combination, and the Target name are legally protected forms of intellectual property.

**PAID MEDIA**—Advertising that you purchase or otherwise exchange value to access, including print and broadcast media, Facebook ads, paid search marketing, and sponsorships.

**OWNED MEDIA**—Channels and content that your company has complete control over, such as your website, blogs, or newsletters, as well as pages in social media like Facebook, Twitter, YouTube, and Instagram.

**EARNED MEDIA**—Exposure for your company that is often generated by public and media relations, like a news story about a new store opening. This also includes customer reviews, word of mouth, and comments, retweets, or shares from others about you on social media.

The most effective marketing involves all three types of media. Create engaging, customer-oriented, and useful content on your owned media, and use paid efforts to get exposure for that content among your target audience. Over time, you’ll earn your audience’s love, trust, and support, and they’ll become brand advocates in earned media for you.

**CUSTOMER SERVICE**—The delivery of service to customers before, during, and after a purchase.

**CUSTOMER EXPERIENCE**—The sum of all interactions a customer has with a company.

**CUSTOMER CENTRICITY**—A strategy to align a company’s products and services with the wants and needs of its most valuable customers.

Two distinctions are important with these terms. First, customer service is only one type of interaction between you and your customers. There are many other interactions and touch points that make up the total experience you provide, from the type and quality of products you sell to the cleanliness and design of your facility. Customers’ perceptions of your brand are shaped by the entire customer experience.

Second, being “customer-centric” isn’t about providing good service to customers or operating by the “customer is always right” principle. True customer centricity is about identifying your most valuable customers and then doing everything to attract, serve, and retain that specific group—often at the expense of other customers.

Brand New Perspectives is taking your questions. If you are an owner, operator, or executive with a branding question, e-mail Denise@qsrmagazine.com.