Lead with Your Brand

It's now a management imperative.

By Denise Lee Yohn



f you're investing time and money into branding strategies that aren't making a difference, you're not alone. Most leaders are frustrated by the lack of return they see on their marketing dollars. So, how are some companies enjoying rapid growth and success with minuscule marketing budgets? Why are companies like online retailer Zappos.com soaring past competitors that spend twice as much and more on advertising? What are these companies doing that many astute leaders are missing?

Build Brands Through Actions

Great brands consider their brands as verbs, not nouns. They don't use their brands simply as external images promoted through marketing and communications. Instead, they use their brands to shape the internal culture they cultivate, the core operations they design, and the customer experiences they deliver. It's who they are and what they do. This means that the stewards of the brand don't reside in the marketing department; they're at the highest levels of the organization. These leaders ensure their organization delivers the brand identity and core values through everything they do, every day, all day. They recognize that brands are built through actions, not advertising.

Zappos.com designed its organization around its brand's values. Value number one is "Deliver WOW through service." So the company requires every new employee, regardless of the position they will hold, to go through intensive customer service training – and then they'll pay anyone to *leave* if they don't embrace the company's values.

Zappos doesn't track customer call times and representatives don't earn commission. Instead, they're trained to devote as much time as they need to make sure every customer is satisfied. If a product is out of stock, representatives search competing web sites so they can tell the customer where he or she can purchase it. Zappos CEO Tony Hsieh explains why his company invests so much in customer service and so little in advertising saying, "The telephone is one of

the best branding devices out there."

The company started as an online shoe store, but its founders defined its brand as "a service company that happens to sell shoes." With this brand identity, they created an operating model that has been flexible enough to incorporate a wide range of products, and today, in addition to footwear, Zappos offers apparel, accessories and sporting goods.

When the company was conceived, Hsieh and his colleagues never intended that it would sell only shoes. "We decided that we wanted to build our brand to be about the very best customer service and the very best customer experience," he said. "We believe that customer service shouldn't be just a department; it should be the entire company."

By shifting your concept of *brand* from noun to verb, you allow for constant evolution. When you think of your brand not as an identity but as an instrument that you can use to fuel, align, and guide everything your company does, you position your company for successful expansion.

Leaders who opt for *doing business as usual* are killing their companies. With developments in technology and communications and dramatic changes in the economy, old-style branding doesn't work well anymore. Meanwhile, brands are more important than ever. The frontrunners in this new *brand-as-business* world are the companies whose leaders recognize that businesses must be set up and operated according to the core values of their brands. They wouldn't dream of handing over the reins of their brand to their marketing department or an ad agency. For a business to be successful, leaders need to embrace the concept of operating the business based on its brand.

What Great Brands Do

In my book What Great Brands Do, I explore seven principles that are integral to building a great brand. Great brands: 1) Start Inside—cultivate a vibrant corporate culture around the brand; 2) Avoid Selling Products—develop superior emotional connections through products; 3) Ignore Trends—challenge and anticipate trends, rather than follow them; 4) Don't Chase Customers—accept that your brand is not for everyone; 5) Sweat the Small Stuff—overcome silos to align and unify all your customer experiences; 6) Commit and Stay Committed—sacrifice short-term profit to maintain brand integrity; 7) Never Have to Give Back—make social contributions by creating shared value.

What separates a great brand from a good one is how thoroughly the company incorporates these principles. Leaders of great brands



systematically and seamlessly integrate these principles to fortify brand strength and fuel business growth.

Think of it as a *three-step approach* that consists of cultivating your culture, planning your operations, and executing your plans—all with your brand as the driver.

Step 1: Culture. Your culture is the foundation for every aspect of the brand-as-business approach. Great brands start brand-building inside by cultivating a brand culture and mindset. This foundation supports every business operation from high-level strategies to small details.

Step 2: Planning. Principles 2, 3, and 4 help you to determine which business activities your brand should undertake and which ones to avoid. Use your brand as your guiding light for planning and making decisions that are congruent with the values and attributes of your brand culture. You forgo selling products in favor of developing emotional connections and relationships with your clients. You ignore trends because your decisions are being guided by your brand identity—not by fleeting and often competing external forces. You don't chase customers, because it's more profitable and sustainable to attract only those customers who resonate with your brand.

Step 3: Execution. Principles 5, 6, and 7 bring your culture and plans to ultimate fulfillment. You sweat the small stuff in every customer interaction because that's how you build brand equity. You make sure your execution remains focused and disciplined by committing and staying committed. You keep your attention on creating shared value for your stakeholders, your community, and your customers, instead of *giving back*.

Doing Brand as Business

The seven brand-building principles combine to create a system of doing brand as business—and that's where the real power lies. As a leader, you must use your brand to drive every aspect of your business and clearly articulate this practice to every employee.

Brand as business will only succeed if the leadership team fully embraces it. You can't delegate this vital mission to your marketing department or outside ad agency. To achieve an enterprise-wide approach, you must be in the driver's seat with your brand at all times. You must use your brand, not only to set direction, but also to orchestrate implementation across all functions, for all stakeholders. Nurture a culture that sets your company apart from others, provides value beyond any single service or product, and establishes a strong, loyal bond with your customers.

To be a great brand, do what great brands do—lead with your brand, and do brand as business. LE



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