

Stop Making Excuses and Start Building a Great Brand

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When you hear the word "brand" do you automatically think of large, established consumer companies? Organizations with huge marketing budgets, big footprints, and sexy products? Do you wonder how a start-up or small business with limited resources or how a business-to-business company selling a complex or technical product can build a strong brand?

It might seem that your situation is different and you might blame your lack of resources, your "unique" business model, or some other restriction for not focusing on your brand. But your challenges really aren't that unique. Others like you have adopted a different approach, applying commitment, discipline, and focus on building a great brand. And they've reaped great benefits. Here's how.



"We're too small" is a common refrain among business leaders who believe that brands matter only for big companies. People who write off examples of brand-building successes, saying that large marketing budgets are what made those bigger businesses so strong, fail to recognize that many great brands, including Starbucks, Nike, and Apple, started their brand efforts when they were resource-constrained. From the very beginning, these companies were driven by a bold mission and attracted new customers by appealing to those who shared their values.

More recently, sweetgreen, a fast-casual restaurant chain, was founded by three students in a 560-square-foot retail space -- but they didn't allow a small start to confine their big ambitions. They set out to create a brand that would make a positive difference in their communities. In addition to serving up savory salads made of fresh, locally sourced ingredients in sustainably designed buildings, sweetgreen hosts an annual music and lifestyle festival called "sweetlife." It also teaches thousands of elementary school students about healthy food every year and partners with other socially minded organizations to offer healthy living programs. In a few short years, sweetgreen's revenues have grown to more than \$50 million, proving that when it comes to building a brand, size doesn't matter.

Some business leaders think **price sensitivity** prevents their customers from establishing brand preference. They believe customers in their category make purchase decisions solely on price – brands don't play a role.

Restaurateurs display this mindset when they continually rely on price promotions to create news and drive traffic. But some companies, including Chick-fil-A, Shake Shack, and Buffalo Wild Wings, have thrived without competing on

price. They've managed to increase the influence of non-price drivers on purchase decisions – factors like experience, service, and brand personality. They're competing with a different value equation and winning by infusing their brands with perceived value.

Another common excuse for opting out of brand-building is the presence of **larger**, **better-resourced**, **more aggressive competitors**. You might think your brand-building efforts are doomed, so why bother, right?!

Walmart is probably the fiercest competitor most companies ever battle and yet the grocery store chain H-E-B has taken on the mega-retailer and won. A couple of years ago, Walmart entered San Antonio, Texas, with guns blazing, announcing plans to bring its legendary low prices to the market. But H-E-B, which had long enjoyed a near monopoly there fought back. It leveraged its manufacturing plants to keep its prices competitive with those that Walmart achieved by strong-arming its suppliers. Moreover, H-E-B used its brand differentiation to keep Walmart at bay. They developed unique private label items that were tailored for Texas taste -- and their customers stayed loyal to their hometown favorite. H-E-B shows that great brands face stiff competition with respect, not resignation.

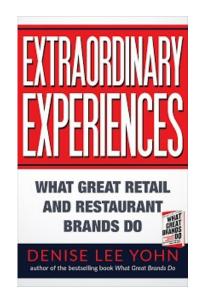
It's easy to see how brand-building works in categories such as sporting goods, fashion, and luxury products. It seems harder in those where products seem boring and unemotional. But PIRCH, an appliance, plumbing, and fixtures retailer, proves that brands have a place in **unsexy categories**, too.

Granted, a refrigerator may be more personal and relatable than industrial equipment or a technology platform, but the leaders at PIRCH could have used the same excuse that other hard goods companies do and designed their stores with a focus on features and functionality. Instead they saw an opportunity to make their customer experience and their brand more exciting and creative. From the "Baristas of Joy" who greet customers with offers to make handcrafted espressos, to the quirky signs like "The Demystification Station" that help customers navigate all the features and technology of their products, to the working shower heads that can be fully tested (by appointment; bathrobes provided), PIRCH has transformed the typically laborious process of shopping for home fixtures, with its tedious discussions about dimensions and delivery charges.

The opportunity is to make "boring" products inspiring and fulfilling through a unique brand personality, design details, and extraordinary customer experiences. ACME Brick did it with construction products, Google did it with a search engine, and Evernote did it with a note-taking app. Now PIRCH is doing it with home appliances.

Brand-building works whether your organization is big or small, new or old, out-spent or under-resourced, price-sensitive, differentiation-challenged, or economic cycle-impaired. So, stop making excuses and start building a great brand!

Learn more about building a great brand in Denise Lee Yohn's the new book, *Extraordinary Experiences: What Great Retail and Restaurant Brands Do* – available now. Blending a fresh perspective, twenty-five years of experience working with world-class brands including Sony and Frito-Lay, and a talent for inspiring audiences, Denise is a leading authority on building and positioning exceptional brands. Denise is also the author of the bestselling book *What Great Brands Do: The Seven Brand-Building Principles That Separate the Best from the Rest* (Jossey-Bass).



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