A Simple Script for Why Brands Matter

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Ever find yourself needing a quick way to explain why brands and branding matters?

Inspired by **Alina Wheeler's** <u>reasons to invest in **brand** identity</u>, here's an easy-to-remember framework you can use:

- Brands help buyers buy
- Brands help sellers sell
- Brands help build value

Brands make it easier for customers to buy

An easily recognizable **brand** can help customers identify and locate a product or service. (For example: "Get the one in the yellow bag." "Look, it's the Golden Arches." "I need to return this rental car—where the heck is the green sign?")

Branding can also help communicate something about the **brand**. For example, bleach bottles are usually white because that's what you want as a result of using the product. And **FedEx**'s letters are solid and strong because those are attributes that you want from a delivery service.

And **branding** can reflect something about a customer's personality that makes it easier for them choose the right **brand** for them. If you use an **Apple** Watch, you're a tech trendsetter. Wear Patagonia, you care about the environment. Drive a **Maserati**, you've got money to burn.

Brands make it easier for sellers to sell

In an increasingly commoditized marketplace where differentiation with a proprietary ingredient or process is next to impossible, **branding** can be the distinguishing—sometimes even the purchase-inducing—feature. (For example, **Tiffany** & Co. is not the only jeweler with high-quality diamonds, but it's the only one with the <u>robin's egg blue</u> cachet that people buy.)

Branding can also provide a tool to communicate a **brand**'s vision to customers, investors, partners, the media and even its own employees. For example, **Google** and **Verizon** recently changed their logos, which provided an opportunity to claim the spotlight and explain changes

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going on in their companies.

Brands help build value

Finally, a **brand** is one of a company's most valuable assets. A former **CEO** of **Quaker Oats** is famous for saying, "If this business were split up, I would give you the land and bricks and mortar and I would take the **brands** and trademarks, and I would fare better than you."

In fact, in a recent <u>McKinsey analysis</u>, top global **brands** outperformed a leading portfolio index by 30 percent.

Strong **brands** help improve purchase intent, command a premium price and attract strong business partners and employees—all impacting the **brand**'s, and the company's, value.

So remember: Brands help buyers buy, they help sellers sell and they help build value.

As **Donald Trump** commented: "If your business is not a **brand**, it is a commodity," meaning indistinguishable, commanding little premium and often cheaply priced. So politics aside, at least **Trump** knows why **brands** matter.

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