

How Does Branding Help Drum Up Business

By Tan Cheen Chong
and Koh Ming Zhen
Genii Group



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Excerpt

Branding is often seen as a nice-to-have strategy, once the business is running at full steam. It doesn't help that some of the higher profile branding (or re-branding) exercises give the impression that you will need a lot of money to start a campaign. Plus you may be hesitant, or remain unconvinced, about how this marketing discipline can lead to more business. Branding is not a one-time exercise. This article provides a practical branding recommendation, of incorporating branding strategies into your everyday business communication and customer experience – leading to better business.

For over 70% of the technology start-ups and smaller representative office that Genii Group has met in the region in the last 12 months, marketing is usually an afterthought. Bottomline-sensitive executives hesitate to spend a cent more on non-direct revenue generating activities. Instead, time and resources are spent primarily on securing sales either through a direct sales team, or through channel partners. This is understandably so, since every effort must be made to justify the business venture.

Thankfully, many tech clients have realised the importance of getting their products out to the marketplace with marketing. Some of the common promotional practices you will likely come across are: company websites, advertisements on various media, and participating in industry events.

Tactical marketing alone is not enough

However, if done without a goal and supporting strategies, a lot of these business tactics will result in a lot of wastage. Marketing execution alone is no guarantee for drumming up demand for your products and services. It needs to be derived from a core vision and goals that the company believes in. Without a centralised strategy, which ensures the longevity of the business, marketing activities have limited effect on the long-term business performance. A key pillar of this centralised strategy is Branding.

Many of our clients actually keep branding as a peripheral activity – something nice to consider when they have spare cash. To these executives, branding is related to expensive advertisements, and the intangible, non-consequential image-building activities done on top of marketing. But it doesn't have to be so.

Practical branding to complement your business strategy

In essence, branding is the active process of communicating the unique elements that make up your company to its stakeholders in a consistent and disciplined manner. The elements are the differentiators that allow you to compete and outplay your competitors. Some examples include your vision, mission, values, product quality, service offerings and even management style. All these are among the many elements contributing to your brand. When a tech company is born, its founders had a clear sense of its meaning, position and value to the market place. These intrinsic values are essential in helping you form the business strategy, and hence your brand strategy.

We believe good branding forms the foundation of the business strategy. David Aaker, author of "Building Strong Brands" and speaker at the Global Brand Forum, shared, "[Branding strategy] starts with understanding your customers, segmentation strategy, competitor strengths and strategies, market trends, and your business strategy."

To make it appear effortless, active branding is integrated into the operational and the decision-making process of the company. This explains why the reasons and methods for embarking on brand activities can always be substantiated by the business strategy – because they are so inter-dependent. So if you are figuring out a method, the assessment and measurement of a strong brand strategy are essentially the same as that of a business. It is not just a one-off campaign.

On a financial level, the premium your customers are willing to pay can be attributed to your strong brand name. Your client may

decide to do business with you instead of a lower-cost competitor, or despite a price increment. As you can imagine, the benefits that a good branding strategy brings extends beyond immediate tangible returns. It allows for your brand (and company) to build on its strengths accumulatively.

For technology firms, branding is especially valuable. Out of 2006's top 6 most valuable brands by Interbrand, a leading branding company, 4 were from technology-related sectors (Microsoft, IBM, Nokia, Intel). These companies have occupied their places from 2001, just after the dotcom crash, demonstrating the strength their brands have lent in recovering from macroeconomic events. Even Google, which is 2 years Yahoo's junior, is ranked 24 on the list, compared to Yahoo's 55. Google managed to secure this position by exhibiting qualities consistent to its brand over and beyond its formative years. These companies all evolved from start-ups once, and it is the consistent branding that brings them to where they are now.

Getting started on branding your company

Smaller and more nimble tech companies are well positioned to embark on a brand strategy. It is easier to shape a brand in its formative years, when it is most manageable and cost-effective. Branding is an activity you can conduct easily as a company. Find the core meaning to your company – why should it exist. Use it as the main strategic platform for which other marketing activities stem from. When you hire your first employees, when you make your first sales pitch or write the first copy for your corporate brochure, you are participating in a

form of branding activity. If the customer experiences a service or product consistent to what you write or talk about, you have successfully build a brand relationship.

For instance, if you are in the hand-held device security business and (a) you believe that there is no similar solution, and (b) you can provide an excellent customer experience, then work to communicate this brand-service relationship through your actual interaction with customers and employees. Over time, your brand will be closely associated to a high service level and will naturally draw consumers who are looking for such qualities.

It takes a lot of discipline and patience to see a brand strategy through. Luckily, resources are easily available to Asian companies.

Governments are supportive of branding efforts. For instance Spring Singapore, the government agency tasked with enabling SMEs, has its BrandPact programme, which provides resources to help SMEs embark on their branding strategies. Last year, the Taiwanese government launched a US\$61 million initiative to help its SMEs develop their brands to be globally competitive.

As more companies participate in such branding programmes and develop their own brand strategies, competition will stiffen. Each participating company starts to stand out from the noisy market to draw customers. Hence, those who do not embrace a branding strategy will stand to lose market share. Make use of the pointers in this article, or engage in national programmes like BrandPact to start your branding initiative today.

Tan Cheen Chong (cheen.tan@genii-group.com) is the CEO of Genii Group, a technology marketing services company.