

vision

Issue 1 | January - March 2006

The Magazine of Bartercard Canberra and Riverina

WHO BRANDS WINS!

Discover what business branding means for you

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Who Brands Wins!

Small businesses can't afford to ignore the merits of business branding any longer.

Owners of small businesses will agree that one of the toughest exercises is to know whether your marketing strategy is working for you. Is it cost-effective? Are you reaching your target market? Are you getting the business through your front door? Recently, huge interest has been shown in the marketing concept of 'business branding'. Many might assume business branding is something only large corporations need to be concerned with. Jon-Michail, CEO of Image Group International, tells us this mistake is something that owners of small businesses can't afford to make.

Economics professors Daniel Hamermesh of the University of Texas and Jeff Biddle of Michigan State University tell us that corporations listed on the New York Stock Exchange who are considered well-branded are valued considerably greater than their counterparts. On a smaller scale, it makes sense that branding adds value to businesses and corporations and differentiates them from their competitors. Small businesses can't afford to ignore the importance of business branding.

Jon-Michail's image consulting company has worked with giants such as Telstra, ANZ Bank, Coles Myer and Microsoft. Jon-Michail has also worked with many small and medium-sized businesses. 'Small business has historically not looked at branding as important. Branding is an arm of marketing, and traditionally, small and medium business-owners are technicians working within their business, not entrepreneurs working on the business. They're operating from a perspective of trying to do it all themselves. They haven't got time to think about branding because they're busy chasing their own tails,' Jon-Michail says.

'Branding is essential, though. Nobody can avoid branding anymore.'

The concept of branding is a simple one, but it requires commitment to ensure success. 'Specifically, the 'brand' is what draws people to buy from you. If a business isn't branded, then it essentially is equivalent to is a 'mum and pop' shop. Mum and pop might make better hamburgers than McDonalds, but more people still go to McDonalds than to their smaller counterparts. Why? Because perception is everything in an overcrowded marketplace,' Jon-Michail says.

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Corporations like McDonalds and Virgin are pertinent examples of why branding works. These companies have spent time and funding on creating an image of themselves which represents their ethos. Generally such brands have high customer recall which is an important factor as far as marketing is concerned. What should a small business who has realised the importance of branding do to create their own brand?

'Business-owners have first got to ask themselves why they are in business,' says Jon-Michail. 'They've then got to ask themselves who their clients are. Do their clients and customers fit into a certain demographic? Do customers buy from them based on their sex? Their financial class? The area in which they

live? The business-owner needs to know the answers to these questions so they can create a positioning statement. Then they will be able to create a brand.

'When we help a business to create their brand, we start with the non-human elements - logos and marketing materials like business cards and letterheads. We look at the business premises and vehicles and work to make them consistent with the brand the business wants to project. We then look at the personnel, including the principal of the business,' Jon-Michael says.

'Branding certainly talks about logos and materials - all the physical things relating to the business. But there is also a human element to branding which is far removed from things like logos,' Jon-Michail says. 'A business can build itself a really corporate-looking brand, but if it provides bad customer service and has less-than-optimal staff, then the brand will be negatively effected.'

Another important element is remaining congruent with the brand. 'It's no good projecting an image of being a clear-thinking, outcome-focused company if the owner is driving around in a messy, dirty car - that's incongruent. Branding equals professionalism, so having a brand means that every aspect of the business fits in with that brand,' Jon-Michail says.

'Branding doesn't just relate to business,' he continues. 'Branding also relates to the person behind the business. We don't get taught these things in school. For a small business, the personal brand of the owner has to be right up there with the corporate brand. Effectively, when somebody buys from your business, they are buying YOU.'

'In any company, no matter how large or small, the human and the corporate is inter-linked. The brand of the principal or CEO of a company can't be divorced from the brand of the company itself. It's no good getting a top quality graphic designer to redesign the logos and marketing materials while the manager of the business still looks like a slob. The customers aren't stupid; they see that,' Jon-Michael says.

The question is: how much is the image and the perceived brand of your business costing you? How much is your brand worth? According to Jon-Michail, 'Over 65% of McDonalds' worth is not their real estate or their equipment. It's their golden arches - their brand. About 61% of Coca-Cola's real worth is their logo and their trademark. For a small business, the principle is the same. Building up a brand for your business means you're adding value, even it's just a perception.'

'Why are large corporations spending millions on branding? Because it works! The concept of branding really means that perceptions are everything,' Jon-Michail says.

Small business-owners who want to ensure their marketing strategy is effective in all ways would benefit from stepping back to take a look at their brand and the image they're projecting to their intended customers. Is it congruent with your business's ethos? Is your brand worth what it should be? Most of all, how much is it costing you? You might be surprised!

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