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THE BUSINESS NEWSLETTER FROM AUSWILD & CO
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BRAND POWER

Why is a brand important? It seems self-evident, but brands are so much a part of our lives that we forget how much we depend on them. We use brands as short-hand to make our trips to the supermarket easier; we use brands to reassure us about our purchasing decisions; we even use brands to define ourselves in society.

Look at the facts - large corporations like **Coca-Cola**, **Microsoft**, **Nike** and **MacDonald's** spend hundreds of millions of dollars building their brands, and there are some very good reasons for this:

- Brands enable customers to remember your products and services
- Brands build customer loyalty and lead to repeat purchases
- Brands make it easier for current clients or customers to refer you to others
- Brands send a message as to what your customers can expect
- Brands convey an emotion
- A strong brand adds value to your product

And if you need any further convincing as to the power of a brand, just take a look at who is sitting in the White House as the 45th President of the United States. Back in April, when the thought of Donald Trump winning the presidency was still laughable, an article in **Fortune** magazine explored what makes the man and his brand so powerful.

"Brand power doesn't arise from what most of us marketing amateurs think," the article states. "It isn't based on lots of people knowing or liking a brand.

It results instead from two features: a brand's differentiation from other brands and its relevance to its intended public, as research by the Young & Rubicam ad agency established long ago.

"By those two criteria, Trump dominates utterly. He is completely unlike all other candidates, and he is far more relevant because he's real – he talks naturally, not like a politician, and he says out loud what a segment of voters is thinking."

Years ago, when he was on the verge of losing his real estate empire, the US President was thrown a lifeline by the banks he owed billions to. Collectively these lenders realised that Trump's highly leveraged hotels, casinos, private jets and yachts were worth more bearing his name than without it. A new business model was born. One that has required minimal effort and was highly profitable: licensing the Trump name.

The brand had become so powerful that he could stick it on anything from fillet steaks to hotel casinos and receive a handsome fee without carrying any of the risk. He may not be a politician but he's one hell of a salesman. The final result of the 2016 US election proves just how powerful a brand can be to a nation of hungry consumers.

Brands are critical to purchasing decisions. But how can small businesses develop their own brands?

The thing to remember is this: a brand is a **promise**. With a brand, you set customer expectations. For example, if you own a computer store - when someone buys a computer from you or has their computer serviced or repaired at your store, they count on those expectations to be fulfilled.

The components of your brand promise are based on:

1. **Consistency of experience:** This is the ABSOLUTE critical component in building a brand. How can you do this in your business? Every customer's visit should feel the same each time.
2. **Consistent look-and-feel:** At the most basic level, to build a brand you must develop a strong brand image. Consistent look-and-feel extends to your logo, colors, typefaces, décor, employee clothing, and more.
3. **Consistent quality:** It's not enough to deliver a consistent experience to your customers, the experience must also be of a certain level of quality. Ensure that your business does it right, first time, every time! Make sure that your business delivers the same consistent level of quality service to your customers.
4. **Distinct competitive position:** A brand must stand for something and differentiate you from the competition. The easiest way for a small company to develop this distinct brand position is to focus in on a particular niche or specialised market.
5. **Repeated exposure:** To remember your brand, customers must hear it or see it over and over. Afterall, when a potential customer wants to buy a product that you sell, you want your business to be the first that comes to mind.

Remember, a brand is a promise. When you keep your promise to your customers, they'll keep coming back to you.

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Birthday Greetings go to Alf Hunt, Graham Betts, Kevin Abood & Simon Gobran all of whom celebrate very special birthdays this month.....and CONGRATULATIONS to Clint & Liz Davis on the birth of their son, Xander.

Important: This is not advice. Clients should not act solely on the basis of the material contained in this bulletin. Items herein are general comments only and do not constitute or convey advice per se. Also changes in legislation may occur quickly. We therefore recommend that our formal advice be sought before acting in any of the areas. This bulletin is issued as a helpful guide to clients and for their private information. Therefore it should be regarded as confidential and not be made available to any person without prior approval.