

# Unleash Your Brand as a Force Multiplier

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Brand is frequently thought of as a last-minute gloss to put on a business's outward-facing identity, including naming, logo, and messaging. These elements are essential to your brand, but they are manifestations of the brand strategy; they are not the brand itself. Missing this distinction blocks your business's most durable source of growth: your brand positioning strategy. A carefully crafted positioning is your force multiplier for growth.

## What Is Brand?

A brand is a promise delivered. It is not merely what you say you do – it is what you actually do. It is the set of functional and emotional

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benefits and attributes that you bring to your customer. It is what you do, how you do it, and why you do it.

Once you realize that your brand is not the colors, words or graphics you use to promote your business, but instead the content of your promise

to your customer, you quickly understand how inappropriate it is to think of brand as a superficial gloss. Instead you see that your brand should be built into your product or service from beginning to end.

World-class businesses use their brand as a complete strategic platform to guide their growth, including how to innovate and expand, how to price, how to sell, how to promote, how to partner and how to

build culture. If you are using brand as a discrete activity, confining it to marketing, or thinking of it as an expense rather than an asset, you are missing out on its power.

## Brand Is Your Guide to Business Decisions

Organizationally, brand should not live only in Marketing – just as you wouldn't think that “healthy business” or “strong P&L” lies only with Finance. To capture its power as a force multiplier, the whole organization must use the brand as its guide – its North Star. Everyone should be marching to the same powerful drumbeat set by the brand strategy. Managing the brand should be the same as managing the business.

Everyone across your organization should march to the powerful drumbeat of the brand strategy.

Unbound from marketing, a brand positioning strategy guides decisions in each aspect of the business. Here are a few examples:

### → Inventory Management

With Ikea's brand promise of high-value, high-design furniture, it's critical that the company's inventory management be ridiculously lean. And because their physical inventory is exposed to customers in the warehouse area of each store, Ikea's highly organized and clean Scandinavian design ethos must be part of the customer experience beyond their display rooms, packaging and catalogs.

### → Training and HR

Zappos has a core promise of best-in-class customer service. According to CEO Tony Hsieh, “We believe that customer service shouldn't just be a department – it should be the entire company.” Zappos invests heavily in training its employees, including a much-publicized policy of offering new employees a sizeable check if they leave the company after their first weeks of training, to ensure that anyone who isn't a perfect fit is comfortable leaving. This unique policy and intensive training cement Zappos's ability to deliver on their brand promise.

### → Channel Management

At REI, the immersive in-store experience is carried over into other channels. The website and mobile app experiences of buying a sleeping bag mimic the in-store experience. The same deep product information is included, the same style and feel is there. Even the reassurance of talking to a genuinely outdoorsy REI staffer is duplicated in video form. All channels deliver on the brand promise of getting customers outside to enjoy the great outdoors.

### → Procurement

Trader Joe's is an "explorer" brand. They bring a treasure hunt experience to shoppers, so they don't just procure ordinary grocery items. They procure items that are a little riskier, more adventurous, and likely to reward customers with a sense of delightful discovery. In addition to marcona almonds, they carry rosemary marcona almonds. They offer not just chicken burgers, but chili lime chicken burgers. Thus, procurement directly supports Trader Joe's ability to deliver an adventurous shopping and eating experience.

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If Ikea, Zappos, REI or Trader Joe's limited brand to a marketing-only activity, they would dramatically reduce the breadth of the promise they could make to their customers, as well as their capacity to deliver on that promise. They would fail to capitalize on the advantage of using brand as a force multiplier.

When you don't limit it, your brand positioning strategy leads the entire orchestra, and all the musicians can work in lockstep, faithful to the same goal. The result is a comprehensively better customer experience, which reinforces and elevates your positioning in the marketplace, and with it your opportunity to grow.

## Building a Brand Positioning Strategy

So how does a business build a North Star that drives growth? At its most basic, your brand positioning strategy answers these questions:

1. Who is your target?
2. Which business are you in?
3. What is the unique benefit that you promise and deliver to your target customer?
4. Why should your customer believe that promise?

As we step through these one by one, consider your own business's approach and how you could refine it to make your brand positioning strategy tighter and stronger.

### 1. WHO IS YOUR TARGET?

Think in terms of concentric circles around a bullseye. The outermost circle is the entire market, answering the question, "Who could our business serve?" As you move inward to the center of the circle, the question becomes, "For whom will my product or service bring the most benefit?"

World-class brands do not take into account the interests and desires of all customers equally. They identify their sweet-spot customer, and they do everything they can to knock it out of the park for her. They get to know this customer extremely well, and that insight enables them to anticipate her needs and create new products to serve her.

### 2. WHICH BUSINESS ARE YOU IN?

This is the part of positioning that is least utilized, yet holds the highest potential for driving growth. Take a thoughtful, open-minded look at your frame of reference. Too often, companies define the business they're in according to internal parameters. The real power is in defining your frame of reference according to your customer's point of view.

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Consider Etsy. They could say they're an e-commerce company, or an online marketplace, or a specialty boutique – any of which would be true. Now let's take the customer's point of view: what is she choosing Etsy instead of? What is her alternative?

Channeling the Etsy customer, let's say my daughter is going off to college. I want to buy her something special for her first dorm room – something both useful and meaningful. I might go to a boutique gift shop in my neighborhood, or Amazon.com, or Pottery Barn Teen, or Etsy. In this scenario, Etsy's frame of reference is "places that sell neat things." It's more powerful for Etsy to have this frame of reference rather than "online marketplace."

Think about everything you gain from pivoting your frame of reference like this. First of all, it's bigger – it includes online and offline, specialty and general, premium and value. Second, it's more accurate to the customer's actual mindset, and therefore you can meet your customer's need with more depth and truth. Third, it enables you to serve your benefit to your customer in a more compelling, relatable context.

### 3. WHAT IS YOUR UNIQUE BENEFIT?

Once you've established your true frame of reference, consider what you uniquely bring to it. This is the heart of a brand's positioning: the differentiating benefit that is the centerpiece of the customer promise. What do you have that the other players in your market do not?

In the case of Etsy, what distinguishes the Etsy customer experience from the alternatives: my local boutique, Amazon, Pottery Barn? Its core differentiator is that it is a real, authentic, often handmade and one-of-a-kind piece of merchandise that you are buying – not from a company, but from a real, live person. Thus Etsy's unique benefit is an authentic purchase from a real person.

#### 4. WHY SHOULD YOUR CUSTOMER BELIEVE YOU?

Your promise of a specific benefit must be backed up by fact. This is referred to as the “reason to believe” and it gives your customer the proof behind your promise.

Etsy’s promise is an authentic purchase from a real person, and their reason to believe is that their sellers are hobbyists and artists, and that they uphold strict rules that merchandise sold must be handmade or vintage. Their brand promise is not only unique and motivating to the customer, but it is also credible: it is demonstrably and factually true. It has teeth. If Etsy just said that they brought authentic goods from real people, it could sound empty or disingenuous. Backing it up with facts makes it believable and therefore more powerful.

#### What Is Your Ultimate Emotional Reward?

Businesses leaders who have completed a rigorous brand positioning exercise come out of it with a wealth of actionable information, including a unique benefit promise and a reason to believe. In Etsy’s case:

- **Benefit Promise:** An authentic purchase from a real person.
- **Reason to Believe:** Sellers are hobbyists and artists, and all merchandise is handmade or vintage.

Now think about the ultimate emotional reward for delivering that promise. What does the customer enjoy because she has an authentic

Your customer’s emotional reward is a beacon that reminds you, as a leader, of what the organization is all about.

purchase from a real person? Her emotional reward is, “I feel connected with something soul-filling.”

Notice that the brand promise isn’t merely the products available on Etsy’s website, nor are the products the ultimate reward. The merchandise is merely a vehicle for delivering the promise of

feeling soul-filled. If you are Etsy, everything you do as a business should be about filling the souls of customers. That is a much larger,

more powerful, and more inspirational mandate than simply selling merchandise online.

This mandate becomes a drumbeat for your business's internal decision-making. Your emotional reward is generally something you do and live internally as an organization, rather than something you say out loud to your target market – instead, let your customer experience it firsthand. For a company's leaders, the emotional reward is a beacon reminding you of what the organization is all about, what you are really in the business of doing.

Being in the business of filling souls is inestimably more powerful than being in the business of connecting buyers and sellers of stuff.

## For Sustainable Growth, Sell Your Benefit

Focusing on your emotional reward leads naturally to marketing your benefit instead of your product. Selling your benefit is a bottomless source of growth – a valuable force multiplier – for several reasons:

### MARGIN

Differentiation creates willingness to pay, otherwise known as a healthy margin. In a commoditized market, the only thing that differentiates one offering from another is price, which pressures your margins down to nil. The opposite of commoditization is differentiation. The more differentiated you are, the more margin, plain and simple.

Nike differentiates at the emotional level, by helping their customers be and feel victorious. A less inspired shoe brand might brag about their excellent sole or their revolutionary lace-up system. What would you pay more for, an excellent sole with patented rubber technology – or the feeling of victory? The emotional benefit of victory captures high willingness to pay and thus high margins.

### LONGEVITY

Over time, especially as patents expire, it's easy to copy product features. But it's hard to copy another brand's emotional benefit in a

given space. Instead of trying to outdo your competitors, change the game so that you are the only player.

Disney is about having magical experiences. Not about movie production, or theme parks, or cruises alone, but the emotional benefit you get from any of those experiences. Many theme parks and production companies have come and gone, but Disney has been around since 1923.

## HEADROOM

Expansion across categories is a classic growth strategy. If you sell a specific product or product line, you are limited to that particular category. If you sell an emotional benefit, you can expand with ease.

Starbucks is in the business of connecting people – that is their benefit promise. There's nothing about a coffee shop in that promise. Therefore, they can sell CDs and lunch and wine in their cafés, and they can sell coffee products in grocery stores. They sell moments of connection, which are facilitated by their products. This lets them expand into all manner of categories beyond coffee, while still remaining true to their brand.

## Focus on Growth

For leaders, brand is a powerful tool, allowing you to focus and prioritize while growing your business. Your brand positioning strategy

Your brand positioning strategy clears out the cobwebs, helping clarify which ideas to pursue.

clears out the cobwebs, helping clarify which ideas to pursue and which not to. This North Star helps you identify which ways to spend your time are tempting but ultimately distracting, and separate the high-leverage activities from the small potatoes.

If you are a business leader who has been relegating brand positioning to an afterthought, you're ignoring your most fundamental tool for personal focus and business success. A thoughtful, rigorous brand

strategy is a directive for operationalizing your business with intention and authenticity. It's a highly effective force multiplier for growth.

It's never too late to take a step back and define your brand positioning. When you do this, start with an empathetic understanding of your customer. Consider from her point of view what business you are really in. Define your essential strength in your target customer's eyes, and back it up with facts. Then unleash the resulting brand promise across the entire operation. You'll have a more profitable, sustainably growing business.



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