

the **Rich Jerk**

The Rich Jerk's **Stolen Chapters Part 1**

“How A Stupid Little
Cartoon Character Can
Make You A Millionaire
Virtually Overnight.”



Introduction

Hey Loser,

You know that feeling you get in the pit of your stomach when you walk into a museum and look at a great piece of art by some old dead guy whose paintings are way overpriced, but you're just in awe of them because that old dead dude had so much talent, you can't HELP but wet your pants in amazement?

Well, I have no doubt you'll have that same experience reading this book.

Seriously. I know I'm one of the most brilliant minds in the world – but even I am impressed after having finished this masterpiece you are now gazing your head-orbs at.

So what makes this sucker so incredible? Why is it that I'm not just tooting my own horn and wallowing in self-congratulatory gravy? I'll tell you why...

What you hold in your greedy little hands is the secret to what makes me a freakin' millionaire many times over.

See, any monkey who can take enough time off from eating lice out of its butt can start up a business. Businesses are easy to get going. What's hard is taking that business, and turning it into a BIG business.

It's the difference between making a hundred thousand dollars a year, and making a hundred MILLION dollars a year.

And that, my friend, is the secret of creating a BRAND. It's about manufacturing a corporate image so strong - that people buy into it, even if the products it makes are crap. It's about fostering the kind of loyalty in your customers, that they will choose your products and services over your rivals, simply by seeing your happy, retarded little cartoon character logo on a bag of chips.

In the following pages, I'm going to give you a CRASH COURSE on how to create a killer brand, so that your customers identify with your company and want to buy nothing but the products and services you put out. (And don't worry, I used lots of small words so you can follow along.)

This is what it's all about, baby. Welcome to the big leagues.

—RJ

<http://www.TheRichJerk.com>



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Chapter 1

What's in a Brand?

A company without a brand is like a product without a name, a dog without a bone, and Charlie Sheen without a big pile of Cocaine. It is a company's signature to the world; its subtle way of invoking loyalty and endearment.

Branding marks your products with your reputation and provides an efficient means to help turn potential purchases into real sales. Branding campaigns help companies define and communicate the essence of their business by giving their products and services a personality that conveys their company's mission.

The core concept behind branding is the idea that if you put a positive, differentiated, and relevant message about your company in front of your target market, potential customers will think about you when it comes time to make a purchase.

This book takes a detailed look into the world of branding. Its purpose is to help new and existing business owners, as well as entrepreneurs, and – heck, anyone who wants to be awesome like me - discover the power and necessity of branding.

This book provides you with the tools to emulate companies with successful brands. You will learn that successful branding does not happen without effort, or overnight. The recognizable branding of companies like Coke and Disney took years of consistent and thoughtful effort. Successful branding of newer companies like Apple took well thought-out plans of action, as well. And despite what you might think, the brand for my company is actually very carefully calculated as well.

The path to effective branding leads to a company's self-exploration. You will be asking tough questions. Questions such as:

- What are your company's core values?
- What role is your company trying to play in the lives of its customers?
- What value do your products provide, and how are they different from your competitors.

These are the questions that must be answered, as they will produce the elements necessary to create your brand. The effort you invest in answering these questions will be proportional to the overall effectiveness of your brand. Generic responses will create generic results, and possibly erode your company's authenticity and the intended impact of your brand.

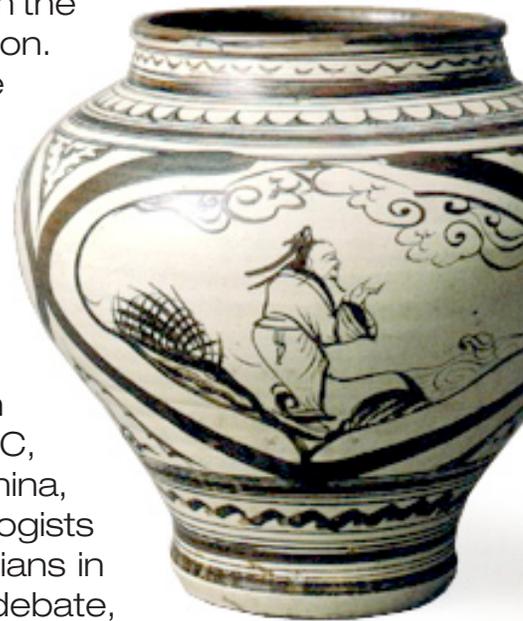
Take the time to reach deep down into your gut when you consider the answers to these questions. When you do, you will discover your company's purpose and, like a sculptor stripping away the excess mud boogers on a rich lump of clay to reveal the work of art it knows has always been there, you will also gain insight and clarity into your company's purpose and passion. Then, branding is nothing more than showing what you've discovered to the rest of the losers in the world and granting them permission to partake of it.

A Brief History

Like all inventions, branding was created to serve a need. This need was to insure honesty, provide quality assurance, identify source or ownership, and hold producers responsible. Branding also facilitated differentiation among competitors. Branding helped consumers form an emotional bond with the brand and in turn facilitated brand loyalty. Not surprisingly, people need brands for many of the same reasons today.

Branding is not a new concept. Many experts give kudos to companies like Proctor & Gamble (who started using branding in the 1800's) as being the originators of the name brand tradition. But branding has a history, which starts much earlier. In the 1200's, England required bread makers, goldsmiths and silversmiths to put their brand on products. This assured that manufacturers were accountable for their product. In Medieval times, printers also used marks, called watermarks, to brand their product with their company name.

But ya gotta wonder if there were really ever a time when branding didn't play a role in the local economy. In 1300 BC, potter's marks were used on pottery and porcelain in China, Greece, Rome and India. Even more amazing, archaeologists have even found evidence of advertising among Babylonians in as early as 3000 BC. The question will always be open for debate, however, it seems very apparent that mankind has always wanted to leave its mark, and branding is the medium that it has always used to do it.



Chapter 2

Branding: The Essentials

Branding is about applying a personality or identity to your product or company. It is the art of attaching a representative symbol to your products or services in a manner that evokes individuality and strength.

Brand Defined

Apple Computer, center stage

In 1984 Apple Computer launched a powerful commercial for its new personal computer. The advertising campaign for this revolutionary product still sticks in our minds today. We see drones of workers, almost in a trance, watching an authority figure telling them what to do on a big screen, like some type of real-life 1984 (The book, not the year, dummy!). Suddenly, a female athlete runs into this workplace and throws a baton that breaks the screen the droves are mindlessly watching. As a result, she sets them free. The beauty of Apple's brand concept is that it speaks to their authentic purpose. What's that purpose? It's anti-establishment, personal freedom, bravery and athleticism. (and I would argue hot chicks throwing stuff too, but I digress...)

This brand message speaks to anyone who wishes to “metaphorically” poke-the-bear-in-the-eye, break away from uncultured tradition and be something more than a conformist, waking and sleeping in an eventless world. Apple wanted to shock the working class into living again—and it worked. That is the power of branding.



A Brand is Not a Wish

A brand is not wishful thinking. It does not symbolize what you wish your company stood for. Authentic brands do not sell an attribute or benefit from a sales message. They do not offer up a “value proposition” like a sales pitch. Instead, they are deeper, more profound, and based on the idea that your company’s beliefs and values come from the heart and are invariable.

A brand is about communicating your company’s purpose and promise to its customers. Your brand should show what your company actually stands for. If your brand is not authentic to your company’s purpose, your customers will perceive your brand as a lie; meaningless wishful statements put together by your advertising firm. Since a false brand can make customers and employees perceive your company brand as a lie, take care not to over-promise through your branding. You may get the customer one time, but lose the ability to turn the customer into a regular client if your brand is based on falsehoods.

Take some time and think about your company’s purpose and core beliefs. Create your brand based on the experience you want them to have with your product or service and the reaction you would like them to relay to their families, friends and associates. Once your brand is created, hire leaders who are committed to these beliefs and consistently communicate these beliefs to your customers.

Chapter 3

How Branding Works

In 1975 Pepsi issued their now famous “Pepsi Challenge” in an effort to prove that consumers preferred their taste over Coke. Over the years, the blind test has indicated that Pepsi truly does have a preferred taste over Coke; and yet, Coke still out-sells Pepsi across the globe. How can this be? The reason for this discrepancy is thought to be Coke’s superior brand reputation. To prove this theory, a clinical study was done that exposes the power of branding. Here is what the science geeks had to say.

Ask Science: Scientific Tests to Measure Branding

Montague, the Director of the Human Neuro-Imaging Lab at Baylor College of Medicine, conducted a study, which proves that branding has a definite effect on consumers brains in regards to purchasing decisions.

In the study, Montague re-enacted the popular Pepsi Challenge, while scanning the brain activity of the participants at the same time. He used a non-invasive technique called functional magnetic resonance imaging (fMRI), which reveals which parts of the brain are active in real time.

As expected, the test revealed that more people preferred the taste of Pepsi. On the scan images, the ventral putamen, one of the brain’s reward centers, had a response that was five times stronger for Pepsi than Coke. So, in a blind test, without the participants aware of which drink was which, the taste of Pepsi made the brain react more positively than did the taste of Coke. No breakthroughs here; but then the story gets very interesting.



Furthering the findings, another scientist geek, Read, repeated the experiment, this time allowing the volunteers to know which brand they were tasting. The response was paradoxical. Almost all of the subjects then said they preferred the taste of Coke to the previously chosen Pepsi. Why the switch?

As Read concluded, these participants were again equipped with brain scanning devices which measured their brain activity and interestingly, this time different parts of the brain fired, specifically the medial prefrontal cortex, an area associated with our sense of self. Once they were conscious of the choice they were making, the results were drastically altered.

Scientific Mumbo-Jumbo Conclusions

The conclusion was that subjects were letting their experience of the Coke brand influence their preferences. These studies prove that branding goes beyond images and memory recall. The medial prefrontal cortex, the part of the brain that fired when the brand is known to the subject, is a part of the brain thought to be involved in our sense of self. This part of the brain fires in response to an image, name or concept that resonates with who we are. This suggests that a successful brand causes consumers to associate the brand with their own identity, like some type of kindred spirit, and that this feeling influences the consumer's likelihood to buy.



Unfortunately, the secret of Coke's marketing success is not solved. We know that Coke's brand influences consumer buying preferences, but we don't know which aspects of the brand are causing this reaction. It could be the red can, or the curvy script or the hard consonants, or it could be something much more complex.

However, the bottom line is that the brand affects people's stupid brains and influences buying decisions. Moreover, branding affects the part of the brain that gives us a sense of self. The conclusion to this study is quite obvious: it is imperative that marketers create brand strategies that target consumer sense of self as this will directly influence their buying decisions.

Reasons to Brand

If your business does not have a thought out brand then you are missing out on an extremely important component to your business. Without a brand you are operating solely on your ability to touch a distinct market, generally local, and must rely largely on your personality and influence to generate sales. Just as every product should have a name, every business should have a brand.

There are many reasons to brand. Foremost, branding helps your customers to remember who you are, as well as your products and services. Here are 7 reasons why you should brand your name or company:

1. Branding creates product awareness.
2. Branding relays your product's performance.
3. Branding is your mark as the maker of your product.
4. Branding ensures your customers will remember you.
5. Branding is a part of a complete marketing strategy.
6. Branding promotes sales.
7. A brand promotes the idea that your company is an authority in your field and establishes credibility.



Chapter 4

The Ideal Brand

Authenticity

Authenticity is the key to building a truly effective and enduring brand. When consumers believe your brand is authentic they:

- Buy more products.
- Pay more for the products.
- Stay loyal.
- Refer their friends and family.

The public is inundated with thousands of advertising messages a day. They all promise something and the sheer volume of these messages make the consumer skeptical. The consumer is looking for, and reacting to messages that appear to be authentic and not just another promise.

Pace Picante Sauce, an Example

Pace Picante Sauce, a pioneer in brand authenticity, created a brand to emphasize their Southwestern authenticity in the 1980's. Using the phrase, "New York City!" Pace leveraged their Texan roots and established their company as the makers of real salsa and conditioned consumers to question the authenticity of salsa made outside the Southwest. Like Pace's strategy, authenticity requires more than a creative advertising concept. Authenticity results when a company's brand image and brand identity are perceived as credible and genuine by consumers.

Authenticity can be gained from exploiting several of your company's components. Here are the 7 top attributes of a company that can create a sense of authenticity:

1. Where a company is from.
2. How a company appears.
3. How a company spokespersons speak.
4. The company's stated intentions.
5. The character and values of the organization.
6. The promises made to the consumer.
7. The legacy or heritage of the company.

Brand authenticity itself is an outcome. It is the result of consistent efforts to deliver truth to consumers. A brand can be authentically positive or negative in its character. Enron, known for cooking the books and causing financial losses for many investors is authentically evil. With this in mind, consider that an authentic message is only good for business when the authenticity is positive.

Avoiding Negative Authenticity

Consumers expect more from brands they consider authentic. These companies are expected to behave in ways consistent with their portrayed core values. Creating and maintaining an authentic brand requires consistent behavior such as avoiding certain attitudes, evaluating business partners, and acting on social responsibilities. When building a brand, positive authenticity requires aligning your culture, processes, and communications around what matters to your customers.

Positive authenticity is a continuous process. It is derived from a committed and long-term brand strategy. It requires that a company listen to, and respond to, pivotal stakeholders. Here are the three top strategies for avoiding negative authenticity:

1. **Be honest.** When President Clinton lied to the American people about doing the horizontal-hoopla with Monica Lewinsky he changed a large majority of the peoples support of his brand by eroding his authenticity. Lies are the enemy of authenticity. On the other hand, for some, Clinton actually became more authentic. Not because he lied, but because his failings made him appear more human. Depending on the perception, his lie affected his overall, personal brand; and his authenticity was tested.

2. **Demonstrate goodwill to others.** Do not cut corners on product manufacturing so that consumers are at risk for injury or death. If you do, do not hide his fact, or justify that the ends are worth the means. In other words, do not violate the public trust.

3. **Be committed to delivering value.** Apple, the computer company, is a textbook brand-building example of this. Apple takes its direction from what customers value and then uses these values to meet expectations.

Create a Vision Statement

A brand vision statement communicates the type of business the company is in, and what is possible for the business to achieve. This vision statement communicates the future aspirations of the business, as well as the goals required to achieve that vision.



Vision statements need to articulate a unified set of values and ideas. These ideas are supported through every level of the organization. The vision statement should be the key driver of all activities with a corporate brand. A review of most corporations reveals a lack of unique brand visions and distinctive corporate identities. Most companies devote some time to thinking about and defining who they are and where they want to go. However, many seem to come up with generic statements filled with empty clichés and nebulous goals. (Yes, that's right, I actually used the word "Nebulous.")

Usually employees focus on short-term performance, like improving profitability. These are important goals. However, to really motivate people they need to know more precisely what they are working towards. A meaningful vision statement can accomplish this. The best vision statements communicate the corporate personality through a meaningful vision statement and thus differentiate its brand from its competitors.

Distinctive Visions

Vision statements should be distinctive so that anyone within the company's target group can identify the brand. For example, consider this vision statement:

"Life be hard for a Pimp. Sho' 'nuff"

Um... okay, maybe that's a bad example. Let's try this one:

"Man is the creator of change in this world. As such he should be above systems and structures, and not subordinate to them."

You can probably identify what corporation uses this vision statement. If you guessed Apple, then you're right. Like Apple's statement, a vision statement should express a brand's place in the world. It should articulate a company's reason for existence.

Meaning

During the 1980's, Buick was a company that successfully promoted a brand represented by luxury and performance. They sold luxurious Park Avenues and LeSabres, as well as the high performance Riviera and the Regal. These days, all four models have been terminated. Now Buick uses the names Lucerne, LaCrosse, Terrazza, Rainier, and Rendezvous. Do these new names promote meaning? No, they're just crappy cars. Buick has lost its identity. The Lucerne is supposedly a replacement for the Park Avenue model. The Lucerne is a little more refined and less dowdy than the Park Avenue it replaces, but its new name isn't likely to convey luxury like the name Park Avenue did.

If brands are ideas, then branding is a process of deriving meaning out of products. Here are some examples of effective brand meaning:

Coca Cola. Coke is hardly different from any other cola brand. The meaning of the brand is best described as classic American. This meaning is probably the single biggest reason why consumers buy Coke over other brands, it appeals to their sense of patriotism.

IBM. In the past, IBM has tried to elevate the meaning of their brand to denote cutting-edge, reliable computers. These days the meaning has changed slightly to portray a very helpful, all-knowing company with an “all-knowing helpdesk” persona.

Disney. Walt Disney was a real person who built an entertainment and media empire. He was the brand. His brand meaning portrays good management, fantasy and great storytelling.

Toyota. As you may guess, this company’s brand meaning is quality. Toyota has recognized and capitalized on this meaning in all of its brand activities. Being consistent with their brand meaning has paid off well for Toyota throughout the years and has built an irrefutable emotion in the hearts of its customers.

A brand meaning can be manufactured, but it takes time and consistency before it really captures the hearts of a major audience or demographic. For newer brands trying to make their mark - who don’t yet possess a strong meaning - the brand meaning can be constructed. However, this cannot be a superficial process. The product or offering must truly deliver what the brand meaning promises.



Chapter 5

The Art of Differentiation

Most brands offer features that customers consider important. These features meet a base level of expectations that usually include good service and competitive pricing. As a result, these characteristics are not unique. That is, they are not differentiated from their competitors.

To become differentiated, a company must identify the features of its brand that are different. These features are what make a brand unique when compared to competitive offerings. When differentiation is unsuccessful, the only way to compete is through price, which leads to lower margins.

Differentiated features must be relevant to customers. A product does not become differentiated because it has a half-naked bimbo vs. a fully clothed bimbo on its packaging. Successful differentiation emphasizes features that are both important to customers and quite differentiated from those of its competitors. These types of features are called drivers. Drivers can influence customer choice by causing a customer to select one brand over another.

U.S. Bancorp, an Example

For example, U.S. Bancorp guarantees that personal bankers will be available 24 hours a day, 7 days a week. They guarantee that no wait in any teller line will be longer than five minutes and all questions will be answered on the same day if asked before 3 p.m. It also guarantees that account statements will always be accurate. U.S. Bank promises to immediately credit customer accounts with \$5 if there is an error on their statements. U.S. Bancorp's differentiation is its commitment to speed and accuracy. Unlike other banks, U.S. Bancorp has a financial incentive to ensure that business is accurate and quick. Considering the competitors' reputation for speed and accuracy, this strategy provides a strong competitive branding differentiation.

Like US Bancorp, if properly designed, brands promise relevant differentiated benefits to their target customers. Carefully choosing the most powerful benefits will result in brand preference. If differentiation is done effectively the brand will be perceived as the only viable solution for the customer's need.

Differentiation Strategies

Optimal differentiation strategies need to be:

- Important to the target customer.
- Supported by the organization's strengths.
- Different from the competition.

The following are the most common sources of brand differentiation:

- Stands for something important to the customer.
- Aligned with the customer's values.
- Reinforces the customer's self image or the customer aspirations.
- Can serve as a form of self-expression for the consumer.
- Provides superior customer service.
- Delivers a unique usage experience.

- Delivers superior performance.
- Uniquely trusted.
- Leader in the industry.
- Noble vision.
- Most popular brand.
- Is the next “big thing”.
- Is the most convenient.
- Is the choice of experts.
- Delivers the best value for the price.
- Is natural or organic with no artificial additives.
- Has unique styling or packaging.

The brand promise should be reinforced with proof. This proof makes the differentiation claim believable. The most common types are:

- Expert endorsements
- Top ratings
- Industry Reports
- Certifications
- Customer testimonials
- Leadership in the number of customers, locations, transactions, sales and/or Market share.
- Test results comparing competitive brands
- Before and after comparisons
- Patented technology
- Better-quality ingredients
- Unique processes
- Guarantees

So to create a substantial differentiated advantage in your Brand, you must first create a point of difference in the way customers perceive your Brand. These points of difference must be so unique and relevant in the minds of your customers that no other brand can ever replace it.

Coherence

While the aim of a brand is to differentiate, the result in the consumer's mind can be confusion if the messages are not coherent. The Honda Accord hybrid claims to be a "surprisingly fuel efficient 255 horsepower car". However, for consumers the message of power and fuel efficiency is contradictory. Similarly, consumers would be confused by high-end wine at K-Mart, Rolex watches at Starbucks, or statues of the baby Jesus at the Rich Jerk mansion.

When products appear in unexpected locations or combinations confusion will occur, and the brand meaning will become incoherent. This can lead to uncertainty about the product's attributes, and degradation in brand authenticity and meaning.

Pepsi, an Example

For example, consumers expect cola drinks to be brown in color. The Pepsi company tried to introduce non-brown colas twice; once as Crystal Pepsi in 1992, and later Pepsi Blue cola in 2002. Both failed. The moral of the story: products that combine positively valued attributes might increase some elements of preference for the product, but if those attributes occur in unexpected combinations, incoherence will also increase uncertainty about the product's attributes. This in turn can potentially lower other elements of preference and have a negative impact of brand reputation.

This suggests that attempts to differentiate a product so that it occupies a gap in the market should take care to understand the consumer belief structures associated with that gap. Inconsistent or unlikely combinations may cause the product to be being viewed as incoherent and negatively affecting consumer preferences and acceptance in the market. Walking the line between combining unusual attributes to create a positive impact and creating negative incoherence is a risky. A lack of coherence may result in creating a barely perceptible unease or discomfort in the consumer which reduces the customer's propensity for repeat business.



Chapter 6

Adaptability

Staying power and adaptability are keys to successful branding. A company will find it is hard to get ahead by standing still. Consequently, companies frequently evolve through innovation, changing technology, and changing consumer needs. A brand must endure these changes.

Take care to select a brand strategy that will adapt over time. Do not entwine your message with a current technology or a recent cultural norm. Rather, select meaning that is enduring, so that if the world changes, or the technology changes, the brand can remain the same.

IBM, an Example

For example, IBM was known as International Business Machines, but opted for the shorter IBM. This was a good move. Today, a brand linked to the words “Business Machines” would not even be conceived as a computer company. One might expect them to produce machines that manufacture sausages, or paper product rather than computers.

Likewise, a bicycle manufacture could have marketed their brand as a means for transportation for “real men” in the early 1900’s. This brand would not have lasted the test of time. The acceptance of females riding bikes has changed over time, and now it is considered a social norm, rather than an un-lady-like endeavor.

Kodak, an Example

When creating a brand take care to invoke enduring beliefs like freedom, justice, quality or adventure. These notions tend to last. Similarly, do not link a brand to a particular technology. Kodak, a very old brand, linked itself to photography and the development of photo paper. Kodak found itself up a distinctly brown-colored creek without a paddle when it was unable to adapt its brand to technology that eliminated the need for film or the traditional camera. A brand that was based on capturing the images of things people hold dear would have lasted the test of time.

Chapter 7

Establish a USP

A unique selling proposition (USP) defines your unique competitive advantage. Your brand must identify what makes you different from your competitors and emphasize these advantages in your marketing. The basis for your strong USP is your customer value proposition. It should answer what value you have created for the customer.

Creating a USP is a four-step process:

1. Make a list of key features and unique benefits you offer to the customers.
2. Ask your customers what they like best about your product, your services, or your company.
3. Compare your product or service to what your competitors offer.
4. Brainstorm with your team to generate a choice of ideas that will give you the basis for writing a strong, specific and differentiated USP. The USP may be based on product features associated with the product, ranging from what it does to the quality of your support services.

The USP has three parts:

1. Description of the customer problem.
2. Descriptive of the solution that addresses the problem.
3. Descriptive of the value of this solution from the customer's perspective.

Consistency

A brand should deliver the same consistent message over time. Consumers use branding to ascertain whether they trust a product.

McDonalds, an Example

If you are in a foreign county you can pretty much count on the quality and type of food you will receive at McDonalds Restaurants. Although the menus vary slightly to adapt to local customs - like the absence of pork in a predominantly Muslin country - you can be pretty sure that the Big Mac will be on the menu and there will be a sesame seed bun, two beef patties, and some secret sauce. If you suddenly found yourself in Sweden for several days (as I often do. What can I say? I'm a fan of their bikini team!) and wanted familiar food you wouldn't have to stray far to find familiarity and comfort. After trying several restaurants with advertisements claiming "American hamburgers" only to be let down by the horse-meat burger, you could easily escape the uncertainty of the situation by searching for an all too familiar symbol—the Golden Arches of McDonalds. Regardless of whether or not you prefer McDonalds to any other fast food franchises, seeing the Golden Arches would immediately fill you with a sense of relief. Why, because no matter where in the world you find them you know exactly what to expect.

The moral of the story: Consumers need and appreciate consistent branding because it allows them to accurately predict product quality based on past experience.

Challenges to Consistency

Most successful brands have existed for a long time and it is their consistency in branding that has helped them to maintain this position over time. Successful branding makes sure that employees and management do not interfere with the core brand promise or values. When this is accomplished, a brand survives the test of time, and serves its purpose as a consistent indicator of a product or services quality. Consistent branding can be thwarted by operations that are focused on short-term

goals like quick sales and immediate profits. Individuals within a company may be motivated by their own ego or their own personal greed. To further their careers, marketing and corporate management may go for quick results that benefit their needs, rather than the long-term goals of the brand. Their desire to make an impact may be the motivation for brand extension that do not meet the company's long-term goals.

Note, brands tend to remain with an organization longer than marketing or corporate management. Be cautious about short-term marketing communications and activities that contradict an established brand. For example, promotional initiatives designed to create an increase in sales may only shift sales rather than increase them. Also, price promotions, effectively damage the brand's value proposition in the long-run, even if they meet short-term needs.

An organization's employees that have contact with customer have a crucial role in building and maintaining brands. Indifferent customer service sends a strong brand message that likely contradicts your efforts. For this reason it is important that employees represent the brand and enhance it with every customer interaction. These customer service employees will be the most effective if they believe in the brand. Train your employees and keep them happy so that they deliver the right. Retain and promote employees that have an established loyalty to your brand. Loyalty to the employer is not outdated. It is however, crippled by disloyalty by companies. It used to be that a worker could stay at a company their whole lives. Today however, employees see that they can instantly be replaced with new technology and find they are unable to feed their children or pay their mortgages. Loyalty is a top-down phenomenon. If you are loyal to your employees, they will be loyal to your company. Show your loyalty through good working conditions, appropriate rewards and regular updates and training. This will lead to a highly motivated, trained and a brand-enhancing workforce.

Chapter 8

Finding Your Target Audience?

If you market your branding message to the general population you would be missing your mark. The best branding are though that market to your unique customers. You must examine the characteristics and motivations of your customers before you design a branding campaign. If you market to prospects that are like your existing customers, you will turn more prospects into customers. Here are some great questions to ask when identifying who you are branding to:



- Why would a customer choose your product or service over another company's?
- Who is your target audience?
- What does your target audience want? Are they men, married, middle-aged, adventure driven, or anti-establishment renegades?
- Why do they choose your product or service over your competitors?
- Where do they come from? Are they in the U.S. or on an Island in the Pacific?
- What do your clients need from your company?
- What services or products will they need in the future?
- What media channels do you customers have exposure to? Do they shop online, or attend topical events?
- How do they prefer to communicate? Can you call them, or do they respond to e-mails or regular mail?
- Know why customers leave, and use this reason to improve our service or product. Market this improvement as a product characteristic, since you already know that your customers care about it.

After you have completed an assessment of your current customers, you can design messages that reflect your brand's unique value for your specific audience. Instead of broad-range message, you should pinpoint your customers. When you do this, you are in a better position to invoke emotion and brand loyalty.

Diverse Cultures

Most American businesses today only show a passing interest in understanding and pursuing ethnic marketing opportunities. Banks tend to do this more often because they are required to do so, by regulations that do not allow them to show favoritism for one ethnic group over another, even if their advertising.

In the past, most of America was caucasian and European. As people immigrated to this land America grew to be "a great melting pot" ideal. However, ethnic groups were expected to assimilate into the mainstream rather than separate themselves off into their one mini-countries of origin.

By the mid-1800's immigrants to this country were looking different than the white majority, and many of these groups did not want to melt into the white American culture and lose their cultural identity in the process. In the 1960's, it became clear that America was moving from a melting pot to multi-cultural society. Before the time of the riots and peaceful protests for civil rights, much of the white population of America decided to ignore the situation, and assume that they would always be in the majority.

Times have changed. The Latino population is growing at a rate that will make it the 2nd ethnic population group by 2010. By 2040, the



US population will be so ethnically diverse there likely won't be a majority race. That is, caucasian will be in the minority just like everyone else.

African Americans, Hispanics and Asians currently represent about \$600 billion in annual buying power and the market is growing. Businesses need to create brands that are inclusive of all ethnic heritages and cultures. Branding strategies should include media placements in media owned and targeting ethnic minorities. In addition advertisements should include ethnic faces, and reflect an acceptance of cultural differences.

Marketing to Different Cultures, Examples

Carnival Cruise Lines has dedicated an entire cruise ship called the Fiesta Marina to the Hispanic Market. Try using ethnic names to reach ethnic markets.

J.C. Penney offers linens with bold African prints and cosmetics designed for women of color. Try taping into traditional ethnic designs and art forms to reach diverse consumers.

General Mills introduced a product specifically for Hispanic consumers, Bunuelitos, named after a sweet Mexican pastry.

Hiring employees from diverse backgrounds and soliciting their perspective will serve your brand well. Marketing to the American consumer used to be a simple task. That was because the majority of the population was Caucasian and had similar cultural values. The target audience was typically the housewife who had control over how her husband's paycheck would be spent. Times have changed. Now, marketing messages are often global in nature. Be careful not only in choosing your product mix, but also in how heavily you market to a specific ethnicity. When determining your marketing messages, be careful not to alienate customers.

Generations

Today's teens are the biggest generation since the baby boomers. This causes marketers to change their tactics. To teens, the cool brands are Mudd, Paris Blues, In Vitro and Cement. The traditional leaders like Levi, Converse and Nike are no longer cool. Labels that have profited from popular tastes since the baby boomers are not creating the same excitement with today's kids. Why? These teenagers aren't baby boomers and they have different needs and tastes. Companies hoping to win their business will have to learn to think like they do.

This new generation is more diverse. Many are not Caucasian. Many come from single-parent households. Most have working mothers. Shifts in generational preferences represent a shift in values. The new generation responds to humor, cynicism, irony, and truth.

Sprite has tapped into these new values with ads that parody celebrity endorsers. These ads carry the tagline, "Image is nothing. Obey your thirst." J.C. Penney found success with this generation and its Arizona Jeans brand. This campaign shows teens mocking ads that attempt to speak their language and cleverly uses the tagline, "Just show me the jeans."

Marketers who don't bother to understand differences among generations will lose popularity. Marketers who want to reach new generations need to craft products and pitches that are less gimmicky, and don't insult their intelligence. Marketers need to refresh their brands with value propositions that are relevant to each generation.

Marketing to the Sexes

The urban male is becoming more of a metro-sexual. For example, where skincare was largely the domain of women, it is now also purchased by men. Changes in culture have caused men to be more interested in grooming, To be successful, brand messages must broaden their appeal by reaching out to both sexes.

Men aren't the only ones being wooed by marketers. Brands that have traditionally targeted males are now also targeting women; especially categories such as automotive, finance and technology. In categories where the target decision maker isn't of one sex alone, or where there is a clear advantage in appealing to both sets of decision makers gender segmented branding looses ground. Despite historic efforts to segment categories along gender lines, marketers need to understand gender-based insights at a deeper, more fundamental level. Some gender stereotypes may be broken, but they have only been replaced by another set of stereotypes.



Gender segmentation works when the needs of a particular sex are real and catered to with a nuanced understanding. You can't simply make a computer pink and call it a computer for women. It is important to incorporate both functional and emotional triggers when appealing to gender-specific audiences.

Chapter 9

Competitive Position



A brand's competitive position identifies what the brand represents and how it compares to its competitors. The brand position occupies a place in the consumer's mind. Once in the consumers mind, the consumer can articulate the brand's values.

Brand positioning is essential for maximizing the competitive advantages of one brand against another. To be successful, brand positioning needs to be relevant, distinctive and attainable. A brand's position is the place it has in the minds of the consumers it aims to serve. A brand must be positioned in a way that shows its uniqueness and value to the consumer. Customers must feel connected to a brand. It's not enough for a brand to create familiarity through the use of a logo or tagline.

Rather, competitive position occurs when companies and consumers form an interactive relationship that involves an exchange of offerings and information about the consumers' needs. In some ways brands are a form of communication. Brands that communicate in a way that are consistent and honest give consumers a deeper and more meaningful relationship with the brand and a competitive position is created.

Tailoring to Your Scope

Gender segmentation works when the needs of a particular sex are real and catered to with a nuanced understanding. You can't simply make a computer pink and call it a computer for women (though, let's face it – some have tried!). It is important to incorporate both functional and emotional triggers when appealing to gender-specific audiences.

Chapter 10

Branding Specifics

As you are beginning to realize, branding is a science all its own. Just remember, regardless of the products or services you are trying to sell, creating a lasting brand can be found in the details. In the next few segments we will further introduce you to the fundamental components of branding and help you to see how the simple things can mean the most.

Corporate Branding

Corporate branding is the practice of using a company's name as in the product name. For example, there is a series of How-to books that are all called the "Dummy's Guide To [insert lame subject no one really cares about here]". The company's name is Dummy's Guide, and the company has cleverly incorporated its corporate brand in the title of every book. This technique is an attempt to leverage the corporate brand to create product brand recognition on all of their products.

Using corporate branding to increase sales among all products can result in economies of scope benefits. That is, one advertising campaign for the brand can be used for all of the products. If the corporate brand is trusted by the consumer then new products will be accepted because potential buyers are already familiar with the corporate name. Companies with an established corporate brand will find it easier to break into new markets or offer new products. This is because of the reputation the corporate branding has already established.

Now, we must remember that a company cannot exist on corporate branding alone. There are two drawbacks to corporate branding that must be mitigated by other types of advertising. First, product advertising has its place when the consumer needs to know the unique attributes of a product.

One cannot sell all products on corporate reputation alone. The second drawback of corporate branding is that the corporate name can become synonymous with a paper towel used to wipe your... *ahem* nose. Obviously, those nose towels are called tissues, but many refer to them as Kleenex, the corporate brand.

This may not be the image they want coming to mind then they put the corporate brand name on a product such as raw meat. There is something unappetizing about chicken by Kleenex. Corporate branding is not just a specific mark or name. Branding is the combination of several different interactions with customers and prospects.

These interactions include all the opportunities your company has to make an impression. Some common Corporate Branding Opportunities include:

- Logos
- Business Cards
- Charitable Work
- Customer service
- Treatment and training of employees
- Packaging
- Advertising
- Stationery
- Quality of products and service
- Cleanliness, if the company has a retail store.

Anytime a prospector or customer sees, hears, or comes into contact with a specific brand, the corporate brand should be emphasized positively.

Online Branding

The internet has also started to play a large role in corporate branding. This type of corporate branding differs from the traditional type of advertising because the internet technology can be used to target your customers and measures their response, unlike any other type of medium before it. Online brand-building is not limited to a java-script banner advertisement.

There are:

- Articles about subjects your customers are interested in.
- Search Engines where you can advertise directly to customers looking for your products
- Your company's web site
- Affiliated companies that will refer prospects to your product
- Free commercials on YouTube and other media sharing web sites
- Finally, there are paid advertisements, much like print ads, but customized for the web Like corporate branding, every interaction with a prospect of customer should use branding to leave a positive impression.

Chapter 11

The Essentials

So far we have covered the essence of branding and what it can mean to your bottom line; now its time to dive into the fundamentals of branding and discuss the elements of branding that you will be using to present your vision to the world.



The key to a successful brand, as we discussed earlier, is the ability to convey, in a very short amount of time, the message of your uniqueness and quality. It can be done in several ways; lets take a look at some of the more basic opportunities that exist.

What's in a Name?

Put simply, creating your company's name is a branding opportunity. Your company's name can be an advertisement, in and of itself. A great name can be a powerful tool in branding, and can be used for marketing and advertising purposes.

Now, a name does not always have to be directly linked to your product or service, if, and only if, you are able to produce a strong enough marketing campaign to build a brand around the name. What this means is, if you want to use a name that you like, say for instance "KISWOOSY" and your product was home audio speakers, you would need to have a marketing campaign that built up the name and created the connection for audiophiles and general consumers in your target market.

Nowadays, with the advent of the internet where domain names are often tied to companies, it is nearly impossible to assume that you will get the domain name you want. Therefore, many companies are finding new and innovative ways to name their products and services. If we look at Apple or Nike, we can see that neither of their names have anything do with their products, and yet they are two of the strongest brands on the market today. They used clever advertising to attach these names with solidarity, uniqueness, strength and non-conformity.

It is important to remember that the type of business you are involved in sometimes forces your hand as far as your naming convention goes. If you are a local plumber, you may want to use the terms “plumbing”, “plumbers” or some other derivative of the name to denote what it is your company does. By simply having a name like “Buttcracks R Us” most consumers will not know exactly what your company name represents. When they need a plumber and desperately search the Yellow Pages your name needs to create a sense of security for the service they are looking for.

Your company name should differentiate your company from any competitors. It should show how your company is different. A great company name sets you apart and is provocative. Your name should strike an emotional cord with your customers. You want your customers to feel your passion, and embrace it. All of this must be summed up by one or two words that make up your company name.

In short, when choosing a name remember to examine what it is you are hoping to do with your company. Are you looking to go national, or even international? If so, your name choice would have a much different direction than if you were simply choosing a name for a company offering products and services to a local market. Also, remember that budget plays a large role as well. If your name does not reflect your product or service you will need sufficient advertising and marketing campaigns to increase familiarity and build trust with consumers.

Choosing a Logo

The right logo will build brand awareness over time, if you use it consistently, and if you design it right the first time.

Tips for designing a Logo:

- Avoid symbols. Use a word instead. A made up word like “Ebay” is easier for the consumer to remember, and it tends to stick in their minds.
- Don’t use stock photography or images that look generic. Use a custom image that will help you differentiate yourself.
- Select a color which is different from the colors your competitors are using. However, also keep in mind that your logo should be able to adapt to black and white media, such as print ads.
- Don’t use fonts or typefaces that are difficult to read from a distance.
- Here’s an insider secret. If you want to subliminally communicate the idea of success, use the colors red and blue.
- If you cannot use red and blue because your competitors are using the colors, then the colors orange, yellow, green and are also effective.
- Do not try to mix hues. Instead use contrasting colors, like blue and orange.
- Make sure that your logo colors are consistent across advertising and the product label. If the label does not match the coloring of the advertising, the customers might think the product is not authentic.
- Keep your logo consistent. Do not change your logo. A logo as well as a brand is built over time. Changing your logo wastes your previous efforts.
- Make your logo design the right size for maximum visual impact. The dimensions of the logo should be about twice as long as it is high.

Choosing a Tag Line

Logos and company names should stay the same, but a tagline can change frequently. A tagline can be used to breathe new life into an existing product or company, without losing the brand recognition you have already established. What Is A Tagline? A tagline is not a proverb, motto, maxim, mission statement or a generic description of what your company does. Rather, a tagline is a phrase or slogan that is placed under or alongside your logo that communicates a single brand message or promise. An effective tagline communicates your company's vision or unique position. It also conveys the essential qualities of your brand character, and the benefit you offer your customers.

Your company can have more than one tagline, and that tagline can change frequently. Use taglines to modify a corporate name, a subsidiary, a product line, or even an individual product. A tagline should be powerful, unique, distinctive and compelling. A tagline communicates your positioning in a creative way to all, both internal and external.

A tagline can change with a changing competitive market. In many industries a tagline is refreshed ever couple of years. In some industries, like fashion, a tagline can change as frequently as a season changes. There are no set rules on how often you should change your tagline.

You should design a tagline that differentiates your brand from its competition. It should communicate a "value proposition" or reason why your customer should value your product. In addition, a tagline should target your customers, and be creative, distinctive and compelling.

Your tagline objectives should be to extend your company's branding and say something more about whom you are and how you are different from the competition. It should express an enduring idea, one that speaks to your fundamental brand message. At the same time that message must provide a proposition to your customer that qualifies your product's value to the customer.

Your tagline is similar to a 30-second sales pitch. It must be short, concise, and pack a powerful punch when it comes to embodying your company's brand and communicating your product's value.

Essentially, there are four different kinds of taglines:

1. Descriptive of function
2. Descriptive of character
3. Aligned with a category
4. Aligned with a need or wish

A tagline that is descriptive of function aims to describe your company's mission, purpose or benefit. A tagline that is descriptive of character highlights your company's attributes, character and core values. Taglines that are aligned with a category associate your company with something else that lends credibility to your brand. A tagline that is aligned with a need or wish focuses on the wishes, and aspirations of the company, and suggests that the successful attainment of an abstract goal or desired outcome will come from your product.

To create your own tagline it is helpful to ask yourself these questions:

- What does your company do?
- Why did you create your company?
- What are your company's goals?
- What core values guide your company?
- What makes your company unique?
- What value does your product provide?
- What is your company's competitive advantage?
- Who is your target audience?
- What compels people to buy and use your company's product?

Brand Marks

A brand mark is the part of a brand name that cannot be spoken. For example, MasterCard uses a brand mark of two intersecting circles. Consumers use this symbol to indicate whether they can use a MasterCard at an ATM or a retailer. Most commonly a brand mark is a symbol, picture, design, distinctive lettering, color, or a combination of these. Brand marks can communicate information about product performance, product maker, product quality, and even social responsibility, such as a brand mark indicating a product is environmentally friendly.

Wordmarks

Wordmarks represent an artistic representation of a corporate identity. It tends to be a company name expressed in a consistent font-style.

Xerox, an Example

Xerox recently introduced a new wordmark, which shows a red sphere, this mark is meant to convey a sense of the globe. The intersecting graphic ribbons encircling the sphere signify the worldwide connections between Xerox's customers, employees, and other stakeholders. The new wordmark, has rounded lowercase letters. The new graphic identity of the company is meant to make Xerox a more approachable brand without compromising its reputation for engineering.

Charles Schwab, an Example

Charles Schwab also has a new wordmark. The new wordmark's goal is to convey the personal story behind the Charles Schwab name and the brand's promise of personalized client service. The two elements that create the wordmark represent the relationship between the person and the institution that share the name "Charles Schwab." The first name appears in gray lowercase italics, making it personal and approachable. It contrasts with the last name, which appears in black block capitals, symbolizing the strength of the broker.

Characters

The traditional brand Characters have changed. The Jolly Green Giant is old-fashioned and the Geico Gecko is what's cool. The Gecko speaks openly of his celebrity role and acknowledges that his job is to get people to buy Geico insurance. Previously, characters like Mr. Clean would barely talk, let alone identify himself as a pitchman. Brand Characters that survive the test of time tend to change with the customers and their aspirations. This change represents a change in the up-front nature of character branding. Consumers like to know what advertisers are up to and appreciate honest advertising. The honest endears customers and makes them more likely to trust a brand.

In the early twentieth century, advertising characters' main purpose was to distinguish one product from another. They provided personality to the product so that it could be differentiated. Characters appearing at the turn of the century played a significant role in gaining consumer trust for new products that were produced far from the point of purchase instead of the local market. Consumers began to feel the relationship with these characters. Because of this advertisers were mindful of this advantage and started using characters to represent their brands.

There are three ways in advertising characters reach their targets:

1. Brand identification.
2. Brand personification.
3. Brand continuity.

Character Likability

Theory is that if a consumer likes your brand character they are more likely to purchase your product. The liking of a character translates into to a positive attitude formation towards the brand. There are four dimensions to the likability of a brand character:

1. Personality
2. Physical characteristics
3. Humor
4. Consumer experience

Personality

The idea of personality is connected to the concept of a fictional persona. That persona gives meaning to the brand it endorses and appeals emotionally to the consumer. The personality of the advertising spokes-character has to be consistent with the brand.

Physical Characteristics

Physical characteristics of the advertising spokes-character determine the likability of the character. Advertising spokes-characters with childlike, round and cute features such as the Pillsbury Doughboy contribute positively to a character's likability. The physical characteristics are also associated with the brand personality itself. The appearance of the character reflects a metaphoric meaning of the brand.

Humor

Humor is critical to the character's likability. The types of humor found in characters are also part of the brand personality. Different types of humor can be used to reflect your company's meaning, such as:

- Cleverness
- Silliness
- Self-Defacing

Humor in the representation of character contributes to the offering of enduring values to the brand image. In particular it contributes to brand consistency because humor itself is an enduring characteristic and can be used forever.

Consumer Experience Factors

Consumer experience factors reflect the meaning transferred from the advertising spokes-character to the consumer. Cultural experience factors refer to the cultural meanings connected to the characters that can influence the likeability of the character. The perceptions and attitudes towards the character vary in accordance to the consumer experience factors. For example, Aunt Jemima is still associated with stereotypes and generates a negative attitude toward the character.

This negative perception persists even though the character has updated its image to avoid the stereotypical connection. In this case, the attitude towards the advertising icon is negative due to consumer experience factors which detract from the image of the brand. Conversely, consumer experience factor can be positive when a character represents something the consumer already has positive attitude towards.

Chapter 12

Conclusion

So, in a nutshell, that's branding, Dummy. It is at the heart of every company (including mine) and needs to be the focus of every business trying to create customer loyalty and retention.

Think for a moment, if Nike all of a sudden took their SWOOSH icon off of every product and sold out to a company with a blue box as a logo, would you still buy their products? Maybe, to a certain extent. But there is not doubt that their sales would plummet and as a company they would have to start all over from scratch to restore their name and position. Branding is everything! To recap, let's remember what we covered here.

To recap, let's remember what we covered here.

The Question of Science

Consumers have proven time and time again that they would rather buy a product of lesser quality or taste from a company they trust, than gamble on a new one that may have more sizzle or pop. Create a sense of loyalty and pride with your brand.

Be Authentic

Basically, be yourself. Regardless of the product or service you are providing, don't claim to be something you're not or you will only regret it later. Let people believe in you the first time, and not have to try and win them back after they have been burned.

Create a Vision and Stick to It

Nobody should know your product or service better than you. When you build up your company be sure to know exactly where you want to go and how your message will help you get there. Once you define it, don't veer from it.

Differentiation: What Sets You Apart From the Crowd

Rarely are you going to enter into a business without any competition. Because of this, you must separate yourself from the pack. Choose those aspects of your products or services that are different and sell their uniqueness to the world.

Adaptability

Brands that have stood the test of time have learned to adapt. Trends change, demographics evolve and the world in general is always looking to shift directions to avoid complacency. As a business owner you must also be able to adapt to new surroundings, changing markets and new breeds of consumers coming up the ranks. Locate your target markets and then keep tabs on what appeals to their sense of loyalty.

Get Online

This really shouldn't need to be said, but if you are still running your business without a website or failing to market online you are really missing the mother load. The percentage of online shoppers has increase over 47% in the last 3 years and is meant to keep rising as more and more consumers familiarize themselves with the ease and fun of the world wide web. Get on board, you can no longer afford not to.

Identify Your Target Market

We've covered this a little already, but it is so important it worth repeating. It is essential for branding purposes that you define who it is that will be buying your

products and services. Once you define this, you can then begin to create specific marketing and sales campaigns, catered to your target audience. The words, colors and message will all need to be perfectly balanced to appeal to whomever it is you are aiming for. Narrow it down and be specific, otherwise you are throwing darts into the night sky, and the only one going to get hit is you.

Branding Basics

Logos, Icons, Taglines, Wordmarks, Brandmarks, Characters and Humor are all aspects of the basic brand. Create them over and over until you get them right. Choose a small group of people and test out your ideas. Take the feedback and hit the board room again until you get it right. Be determined and stay focused and you will create brands so good you will be shocked they came from you. That is when branding is fun.

All in all, branding is a very fun and very unique process. You have the ability to create something that could literally be seen by millions of people and influence millions of dollars in sales. It's your business, so take the time to do things right. Follow the guidelines in this book and make it happen. I hope to walk into a store someday or be shopping online and purchase a product you endeared me to through a branding concept I simply couldn't resist. Here's to you. Now go hit it—and hit it hard.

Last Words

So that's the dilly-o, yo. You've now got the 411 on all you need to know to start creating and cultivating your own brand.

When I first started the Rich Jerk company, everyone and their MOTHER tried ripping off my concept, but because I was the first, and the best, none of the others could compare, and that is one of the many reasons I'm such a powerhouse today.

Right now, you have an incredible opportunity to create your own Brand from the ground up, and use it to turn your lame business into a seven or eight figure company!

So what are you waiting for? Get to work! While you do that, I'm gonna be lounging by my Olympic-sized pool, sipping a margarita, and getting a massage – because I know my brand is gonna be making me money no matter WHAT I do!

And that's the truth.

Later Loser

-RJ

<http://www.TheRichJerk.com>

P.S. I'm toying with the idea of helping a handful of my students with their brands. A solid logo is key and the crap I've seen in the industry so far is embarrassing. If you're interested in getting your brand built for you, click the link below and fill out the short application to see if you qualify for a consultation by one of my private Rich Jerk branding experts. If you don't qualify, it's no big deal, you'll just have to figure it all out on your own like you've always done. By the way, how's that been working out for you?

Here's the application link:

<http://www.therichjerk.com/milliondollarbrands/>

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