

Brands are more than product features



By [Nicole Velleman](#)

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A recent article on the Harvard Business Review website caused a stir in our office. ['Three Long-Held Concepts Every Marketer Should Rethink'](#) suggested that brand, loyalty and positioning are increasingly irrelevant in the consumer decision-making process, given the ease with which we can evaluate products based on the experiences and opinions of others.

The authors argue that there has been a fundamental shift in the way we make purchasing decisions, undermining the 'key concepts' and long-held beliefs of marketing.

The piece raises some interesting points, but it does not disprove the basics of branding. Here is our defence:



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Long live the brand

A brand is not a name, visual identity, logo, product or tagline - though these are common misconceptions. A brand is a perception that lives in the minds of customers. This perception determines whether customers will buy from your organisation or not.

A brand is built across multiple channels and multiple touch-points over time, and every one of these interactions between customer and business shapes this perception. When these interactions are enjoyable, consistent with the brand idea, and offer something unique, it sparks an emotional connection.

Simonson and Rosen are correct when they say that consumers today are doing all sorts of sophisticated evaluation when investigating the worth of products and services. From reading expert reviews to crowdsourcing opinion on social media to just asking their mates for recommendations, they are pulling in information and creating their own sources of reference - but this is old news. It doesn't undermine real brands. It merely undermines products that have nothing to offer beyond their functional benefits - no brand or story.

Customers evaluate in both functional and emotional ways, and it takes a brand to win in this decision-making journey. Digital channels and peer evaluations don't make brand irrelevant - they just mean that brands need to live up to their promises because if they don't, they're going to get caught out.

Digital channels even present opportunities for brand-building, in that they allow marketers to listen to reviews, tailor offerings their offerings to better meet market needs and collaborate with consumers to create compelling and engaging content and brand stories.

Positioning: It's about the business, not the tagline

Simonson and Rosen state:

"The idea behind positioning is that each marketer has to find an area that is not occupied in the consumer's mind and capture it. (In automotive, for example, Volvo stood for "safety," and Toyota captured "reliability.") But when consumers base their decisions on user and expert reviews, nice positioning statements are less likely to be adopted by the market. Marketers can save themselves a lot of money by avoiding doomed-to-failure positioning attempts."

First off, positioning is not simply a 'nice statement' - it is not something cosmetic to cover up flaws. It is an organising thought that aligns everything an organisation says and does. If brand positioning is done well, it encapsulates what you want to be known for, what you offer the market, and why your employees and customers should care. It provides a

framework to business executives for what to do - and what not to do. It defines a common language, goal, and customer experience. Communication is just one aspect of this positioning. It should also guide product design, price, customer touchpoints, distribution, information and how you train your employees.

The authors argue that positioning is irrelevant because brands can no longer occupy a single perceptual space in a digital world where they are being evaluated for multiple attributes. When deciding between an iPhone and a Galaxy, for example, consumers aren't only focusing on the one thing you think they should focus on.

The scary reality is that your products and services need to compare favourably with your competitors on all those functional benefits AND mean something more to consumers too. That something more can still claim a unique position in the market. And while marketers have to work harder to ensure the positioning feels alive across the many new channels and touchpoints that digital and social have brought, it would be suicide for them to give up on positioning altogether.

A good positioning strategy can have a significant impact. It changes the way people think about their brand, business, stakeholders, and the world around them. There's nothing engaging about a brand competing on price or product features alone.

Loyalty follows naturally

It is true that loyalty is more difficult to achieve with greater access to information and a greater variety of options. But this does not spell the end of marketing fundamentals; just the end of inauthentic or inconsistent brands. Brand loyalty flows from a strong brand relationship that is reinforced over time through positive and engaging experiences.

Marketing has moved on

It's a cliché, but marketing is not just about making people want things; it's about making things that people want. At the heart of that goal is understanding people. As the external environment changes and becomes more complex, and customers become more demanding about what they need from brands, marketing becomes more interesting.

Brands are constantly adapting to survive and thrive, and innovating to deliver real value to their customers and the world around them. Marketing strategy is continually evolving, and the context is always changing - but at the end of the day, it's still about people. And people are emotional beings; they resonate with powerful ideas and stories, they value organisations who keep their promises and they are loyal to those who try hard to understand them and be good to them. It's an era for better branding, not the end of it.

ABOUT NICOLE VELLEMAN

Nicole Velleman is strategy analyst at Yellowwood Future Architects. She completed a Bachelor of Arts degree in Film and Media Production at UCT, and went on to do her Honours degree in Brand Leadership at Vega School of Brand Leadership in 2011. In her time at Vega, she discovered the connection between creative and strategic thinking, which led her to believe that a career in strategy would be a good fit. Contact details: email nicolev@ywwood.co.za | Twitter [@nicolevelleman](https://twitter.com/nicolevelleman)
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