



Marketing Messages

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Great brands make great emotional connections with their customers

Great brands truly are different. They own a distinctive position in the marketplace. They deliver a memorable experience and have an emotional connection with their customers. They are driven by how their “customers feel.” And their distinctive position is focused on both functional and emotional benefits.

Many brands deliver on functional benefits. They have a product or a service and a core competency that they feel makes them better than competitors and distinctive in some way. They sell this distinction in their advertising. If they expend enough effort convincing and demonstrating to customers their ability, customers do develop a preference for them. There are a lot of these brands out there. In fact, many brands survive nicely at this level.

Really good brands not only deliver on the functional benefits, they go a step further and deliver emotional benefits. It is at this point that customers move from preferring a brand to insisting on it.

But it's the truly great brands that are able to move customers from insistence to obsession. And the absolute only way to do that is through a strong emotional connection. The genius of delivering emotional benefits is this: once a customer insists on your brand you can more easily withstand competitive challenges, which are certain to come if you're successful, and you will never be forced into commodity price competition.

Making an emotional connection is worth striving for. You want your customers to more than just prefer you. You want them to insist on you. Better yet, have an obsession for you.

Vancity is an excellent example of a brand with an emotional connection. “Nine of ten people in Vancouver surveyed indicated an awareness and admiration for what Vancity does,” according to **Kari Grist, Vice President, Marketing for Vancity**. Vancity's brand promise is Balanced prosperity. “We make a profit because we do good things. We don't just do good things to make a profit”, says **Dave Mowatt, CEO Vancity**. The company has a distinct position in the banking industry based on being banking revolutionaries and delivering on a triple bottom line. And they have staked out an emotional connection on both these fronts. Let's take a closer look.

1. First to give loans to the east side. They believe in the underdog.
2. First to give loans to women without a co-signer: Seems basic now. It wasn't always that way.
3. First daily interest savings account: Let people make more money? Banks aren't supposed to do that.
4. First internet banking: Build a better mousetrap and the world will beat a path to your website.
5. Progressive mortgages: The self-employed mortgage. Mixer mortgages for friends or family members to team up on a house purchase. They helped those that the other banks ignored.

Most banks are driven by profits. When they have a philanthropic moment, they may support a good cause. But unless it's at the heart and soul of who they are, we see through it. Vancity is truly driven by a triple bottom line: financial returns, social returns, and environmental returns. Again, the way they approach these builds an emotional connection. They are undeniably good bankers. That's why they achieved \$79.8 million in earnings in 2005. But because they care about social returns, they shared 30% of profits with members and the community. They give away \$1 million annually through the Vancity Award to support a project with social, environmental, or economic benefits for their communities. They care about environmental returns. 5% of member's spend on the Enviro-Visa card goes to support environmental issues. They have clean-air car loans that offer a discounted borrowing rate on gas-electric hybrid cars. Their Bright Ideas home loan offers a discounted borrowing rate to make renovations to improve home heating and efficiency.

Clearly, they have established an emotional connection. Primarily because everything they have done to achieve it is at the heart and soul of who they are. You can't fake this stuff. It's got to be real. For this they have been duly rewarded. They have an 86% member satisfaction rate. Their churn rate, those who leave the bank, is 2.5% less than competitors.

Delivering on functional benefits is good. But emotional benefits are where the true loyalty reigns. Consider that carefully before you find yourself turned into a commodity.

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