



## Marketing Messages

### MARY CHARLESON

#### *How to give your brand an enduring competitive advantage*

When most businesses launch, they claim a niche based on some sort of competitive advantage. As they become more successful competition usually moves in. It is at that point that many businesses fail. Why? Success depends on two factors: market share and distinct competencies. While still building market share, many failing businesses discover that their distinct competency is easily copied, or that they haven't yet established an emotional connection with their customers. Worse yet, if they haven't positioned themselves to compete on price, they are forced into this position, which results in shrinking margins. Brands need to go quickly beyond the functional benefits of what they offer towards the emotional benefits of shared values and passions. This emotional connection will ensure your brand identity and positioning are secure in a competitive environment.

But first let's talk about market share. It's a simple concept. You want as much as possible. And you want to gain it in your category early. It's easier to have it and keep it than to steal it from competitors. Your distinct competency can be in one or several of these areas:

- Research and development expertise
- Manufacturing processes
- Marketing skills
- Consumer segment knowledge
- Secure sourcing
- Distribution systems
- Unique reputation
- Brand capital

Distinct competencies can change of course. No business is static. Suppliers change, distribution systems can be affected by new ownership or competitors. Evolving technology and legislation can change manufacturing processes. Consumer segments mature, trends take hold, change happens. The key is to have a distinct competency that is not easily copied. If you are successful, you will get competition. Brands with the largest market share and strongest distinct competencies are in the best position to sustain competitive advantage. You also need to be vigilant in scanning information that could affect your industry. You always need to be one step ahead of change.

However, where good brand become great brands, and where businesses are best positioned to deal with competitors is when they have moved beyond functional benefits and have connected with customers on an emotional level. Brands move through a spectrum where customers first gain awareness, then develop a preference. Typically this is based purely on the functional aspect of your offer. A person might need a coffee on the way to work. Your business is on their route, you sell good coffee, bingo! You have a new customer. You keep them initially because your coffee is good, it's hot and it's convenient. However, establishing an emotional benefit with that customer will allow your brand to move further along the spectrum to insistence and finally the golden grail, obsession. This is when your brand shares values and passions in common with your customer. In our coffee example that might mean connecting with social responsibility values through the use of free trade coffee only or being known as an employer who embraces diversity, and cares about employees. It might mean giving back to the community or reducing your environmental impact. These are all potentially emotional hot buttons that can establish a bridge with customers. When staff know people by name, take the time to chat or give out free samples, suddenly they are more than just a coffee source, they are a morning ritual, just like meeting up with a friend. Making your business and brand more personable helps form an emotional bond.

"A brand has to feel like a friend," notes **Howard Schultz, Chairman and CEO of Starbucks**. Friends share emotional connections. Wise words from the coffee world, but they can apply to all businesses.

The final key to unlocking a successful brand position is to take the brand identity, with strong distinct competencies, established market share, and an emotional connection with customers, and package it in a memorable way.

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