Brand Management creating a powerful brand.pdf

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Brands have become a major contributor to business success. In fact they are everywhere and touches SME’s, large corporations and in some instances individuals. Nevertheless, the harsh reality is that most small and medium enterprises don’t give too much consideration to their brand.

Having a powerful brand is more than setting up a business and offering low prices it’s about image, trust and, reputation. Would you take your expensive sports care to a mechanic whose shop is dirty, disorganized, and the owner and employees don’t look very professional? Probably not and if you ran your business that way you may not be reaching your financial potential and goals.

Having a powerful brand justifies the prices a customer or potential customer is willing to pay and its capacity to generate such a cash-flow. Thus, we can say the value of a brand comes from its ability to add value and deliver profits.

What is a brand?

In essence a brand is a name or symbol that invokes trust, quality, professionalism, and influences customers and potential customers differentiating you from your competitor. When customers think of your brand they should be able to associate these things with your business. Having a powerful brand reduces risk for the consumer especially if you have built up trust and quality in your product and services. If your brand is strong it can benefit from customer loyalty and from stability of future transactions.

What comes to mind when you see a BMW, Audi, or Mercedes Benz? Quality, luxury, and expensive maintenance to keep the car in going. Because brands add value to merchandise and services beyond the physical and functional characteristics of performing the service. All the things which comes from having a strong brand and image.

When developing or redefining your brand the first thing you must do is:

**Determine your organizational and financial goals**

Determining you organizational and financial goals puts in perspective what you hope to achieve in the near future i.e. one year or five years in the future. It should be specific enough where you have a clear picture of where you are now and where you hope to be in a year from now. A $100,000 company may state that it wants to be a $10 million dollar company in a year or two.
Although, specific it may not be realistic especially of you don’t have the financial capital and processes in place to achieve it.

Get Organized

Every aspect of your company should be making you money and if it isn’t then you need to get organized and processes in place to do it. Some SME’s have old parts and equipment sitting around on the floor and shelves, obsolete stock that can no longer be useful, workflow processes that waste time, and personnel that don’t reflect the image you are striving for.

Start clearing out those old parts and equipment by trying to sell them to someone who may find use for it. Obsolete stock may be sent back to the manufacturer or point of origin through a reverse logistics program and workflow process can be streamlined utilizing a six sigma or change management program. By having work standards, and a dress code you can achieve the image that you want your customers to see.

Basic Business Management Principles

Managing a SME is not complex unless you make it that way. Using sticky notes, having receipts laying around and can’t find when you need them and, unauthorized people in areas that shouldn’t be in are not good business practices. Invest in software to keep track of your inventory, account receivables, your debit and credits, and payroll. There are a lot of good software programs on the market which doesn’t cost a fortune and at the very least you should have working security cameras located in central areas to help avoid shrinkage and theft and let you know when customers are coming in. If you don’t use basic business practices you can’t pay the bills when they are due and generate new customers to grow your business and possibly loose the ones you have.

Standout from the Crowd

How is your business different from your competitors in the same field? In every city there are hundreds of auto repair shops, warehouses, distribution centers, restaurants, and bakeries all doing the same thing. But, what have you done to make your business standout to where a customer will choose you over others? Sometimes a fresh coat of paint, keeping the front of your business clean and neat, and updated signs with your logo and stating what you do can make all the difference. Take a look at your business exterior and determine what you can do now to gain customers and their trust.

Marketing Your Brand

Besides having a professional looking business what does your marketing plan consist of to gain new customers? Gaining trust, having quality service, and a professional looking environment is useless if you don’t have a way of marketing your business effectively. If you are an automotive repair service and you do any type of testing for DMV you could offer it free if a customer doesn’t pass. A distribution center could offer a month of free storage to showcase its work and quality, a bakery could offer free delivery for cakes over a certain amount. As a SME you may want to involve local businesses in your marketing strategy. Bakeries could form a relationship
with formal wear and bridal shop businesses and refer each other customers. Auto repair shops could work with car washes, gas stations, and warehouses and distribution centers could work with supermarket chains and other types of distributors. Whatever the marketing strategy it needs to gain the trust of the customer and not add hidden charges to pad the bill. Once you gain a customer’s trust you will get repeat business and new customers from word of mouth which is very powerful.

**Meeting Demand**

Having a business and a powerful brand means having the products available when the customer wants it and if it isn’t available it can be sourced. Meeting demand is another way to build trust among customers. Some companies wait until they are out of stock to order more inventory which is bad because you have to wait on the shipment, and if a customer comes in during that time for it and its not available they will go elsewhere. If an auto repair shop does wheel alignments and their machine is broken guess what? The customer is going to another repair shop or you will have to charge a higher rate because you will have to outsource it.

**Protecting your Brand**

Developing a brand takes time but, whatever you do protect that brand! You open a business to serve the public and make money right? But some businesses do a poor job after establishing their business and brand of protecting it. Some auto repair shops are notorious for having people hanging out and talking which in turn drives customers away or attaching your business and brand to controversial social issues, and people who don’t represent your brand in an appropriate way. For example Sweet Cakes bakery, and Papa John’s are just two examples of businesses who got involved in controversial issues. One was sued and closed down while the other removed its founder and CEO from the company. If you are serving the general public stay away from social issues

Developing a strong business brand is not difficult it just takes commitment, using good business practices, looking professional inside the business as well as out, and marketing your business to gain more customers, and retaining the ones you have to make money.

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