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The Power of Brand Equity:

A brand is *not* just a logo! A **brand** is the facts or images that people think of and the feelings they experience when they think of your company. This is more than simply achieving name recognition. *A powerful brand makes people pay more, travel farther, or wait longer to get your product or service.*

How to create a brand:

- Think about the values you want to stand for **image** you want to invoke when developing your brand. What is your promise to the market? Volvo means safety to their customers, Johnson and Johnson means softness, happy babies, and caring parents.
- You must work to develop **trust** in the minds of your customers. *What your customers perceive becomes more important than what you promise.* Reinforce your positive image over and over in the minds of your customers. **Consistently deliver on your promise.** As consumers we do not want to go through an extensive analysis process with every single purchase. A brand saves us time through this previously developed trust. For example, Hampton Inns and their clean rooms, affordable prices and consistency in delivering the promise.
- To achieve brand equity the company must have a **unique selling position (USP)**. A USP is a slogan that reinforces your company's brand and identity. Almost anything can be a USP as long as it's different from your competition and adds value. For example, a plumber who is "Guaranteed on time, every time."

- Achieving brand or brand equity is more than generating **brand awareness**. Brand awareness does not always equal sales success. Communicating a promise to the marketplace and generating awareness of your business is only the first step. The customer's perception of your brand is more significant than what you promise. *The customer's perception becomes different than what you promise when you break their trust and oftentimes you permanently lose sales this way*
- If there is awareness, trust, and a favorable perception, you develop **brand equity**.

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