



# Brand Warfare

COLORADO  
ENTREPRENEURSHIP  
MARKETPLACE

October 9, 2009

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**BrandWerks Group**





## Brand Warfare: Some Numbers



55

**55%** of new businesses fail within five years. Top reasons: Flawed business planning, poor cash flow management, and **products/brands that don't thrill customers.**



31 12

Initial entrants can expect a **31%** market share. Number four? **12%**. The lesson: Don't procrastinate. Innovate, plan, and go!

Source: PIMS, Business Week



## Brand Warfare: Today's Briefing





## 1/ Basic Training



“Entrepreneurs are simply those who understand that there is little difference between obstacle and opportunity and are able to turn both to their advantage.”

- *Niccoló Machiavelli,  
The Prince*



## The Brand: Simple Definition

Chiquita!

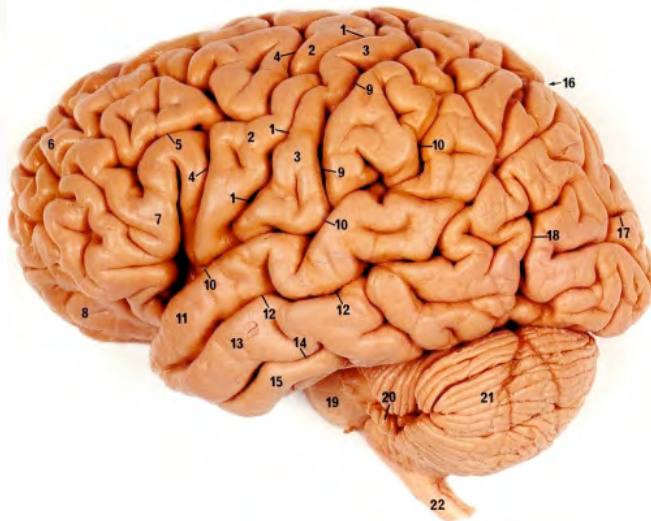


A Brand is a **distinguishing identity** and **fulfilled promise** which **benefits the customer**.



# Brand Positioning

*The “space” a brand occupies in the consumer’s mind*



Brands are determined by their **Unique Selling Proposition (USP)**:

- Different, Interesting
- Convert important **Features**...  
...to meaningful **Benefit(s)**
- Competitive advantage
- Durable, lasting



# Positioning Statement



“Mountain West is a partner you can trust. We help make life easier because we give **extra effort** to gain a **deeper understanding** of your insurance and financial needs. ”



## Positioning Statement



“Rocky Mountain Popcorn is simple, honest popcorn. It’s **light, fresh, crisp, and big**...just like the mountains themselves. When you eat a handful you’ll remember what popcorn is supposed to be, and what it **feels like to be happy and free again.**”



# The Brand Benefit: Up the Ladder



## Brand Laddering

A simple technique that **“ladders” brand features up, into meaningful benefits**

- What does your brand do best?
- Why is that important?
- ...and why is that important?

*Here's an example...*



## Brand Laddering (an example)



Solterra Foods

Q. What does your brand do best?

A. Quality. We use only the best ingredients.

Q. **Why** is **that** important?

A. Our sauces are more aromatic and flavorful than others.

Q. And, **why** is **that** important?

A. Because they provide a fresh, lively taste.

Q. And, **why** is **that** important?

A. Because...



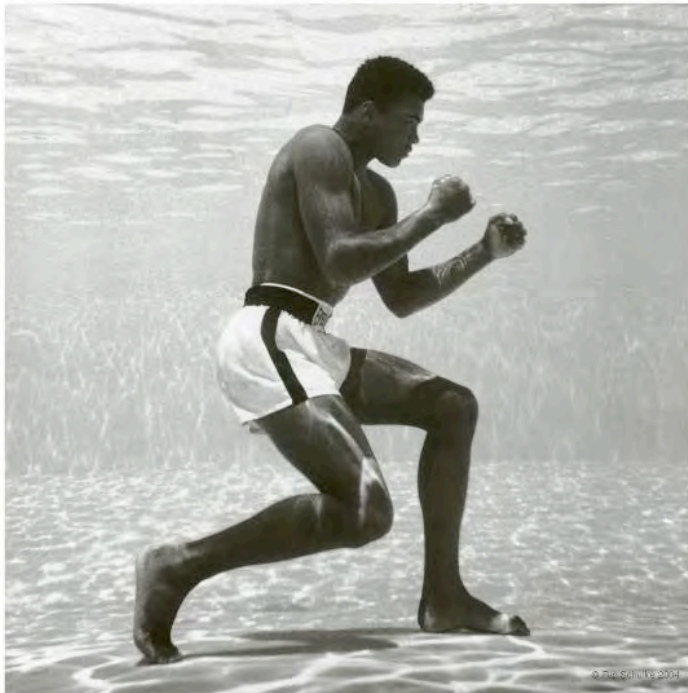
## The Brand Benefit



“...they will **energize** you and your culinary creations.”



## Communicate Your Brand: Quickly & Smartly



“I'm so fast that last night I turned off the light switch in my hotel room and was in bed before the room was dark.”

- *Muhammad Ali*



# Tagline = “Mini” Brand Positioning

Olde Man Granola™ is born from an older era, **made the way foods used to be made...**with traditional ingredients that satisfy and fulfill. For example, we use real butter and brown sugar. We handbrake, slowly. This gives Olde Man Granola™ a richer and creamier taste with more flavor than other granolas. For us, it's about what's in the product...not what's left out.



Tagline:

**The Way Food Was  
Meant To Be**





## Communicate *Benefit*



Previous



Now



## The Tagline: *A Way to Differentiate*

Brand	Tag Line	Brand Positioning
Wendy's	Where's the Beef?	<b>THE</b> Burger
Burger King	Have it Your Way	The <b>CUSTOM</b> Burger
Taco Bell	Think Outside the Bun	The <b>UN</b> -Burger





## Brand Differentiation: In a Word



<u>Brand</u>	<u>Strength</u>
BMW	Driving
Ferrari	Speed
Volvo	Safety
Mercedes	Engineering
Jaguar	Styling
Honda	Reliability
Toyota	Innovation

Source: Jack Trout, "Differentiate or Die"



## 2/ Battle Strategy



“Know your enemy and know yourself and you can fight a hundred battles without disaster.”

- *Sun Tzu, The Art of War*



# Define Your Competitors



Segment	Brands	Words that describe segment
Premium	<ul style="list-style-type: none"> <li>Mulay's</li> <li>Aidells</li> <li>O Organics</li> </ul>	<ul style="list-style-type: none"> <li>Black = premium</li> <li>Paper die cut = premium</li> <li>Strong, prominent branding</li> <li>Richer, saturated colors</li> <li>Simple, less is more</li> <li>Matte finish = premium</li> <li>Personality, story</li> <li>"Gift wrapped" quality</li> <li>Special, personalized, signed</li> </ul>
Confused	<ul style="list-style-type: none"> <li>Saag's</li> <li>Hillshire Farms</li> <li>Brat Hans</li> <li>Continental</li> </ul>	<ul style="list-style-type: none"> <li>Confused</li> <li>Unappealing</li> <li>Natural?</li> <li>Weird colors</li> </ul>
Low End	<ul style="list-style-type: none"> <li>Johnsonville</li> <li>Boulder Sausage</li> <li>Canino's</li> <li>Caique Chorizo</li> </ul>	<ul style="list-style-type: none"> <li>Standard</li> <li>Cheap (gold = gaudy)</li> <li>Generic packaging</li> <li>Fake</li> <li>Convenience</li> <li>Foam packaging = generic</li> </ul>





# Assess Your Strengths & Capabilities



Mulay's Sausage



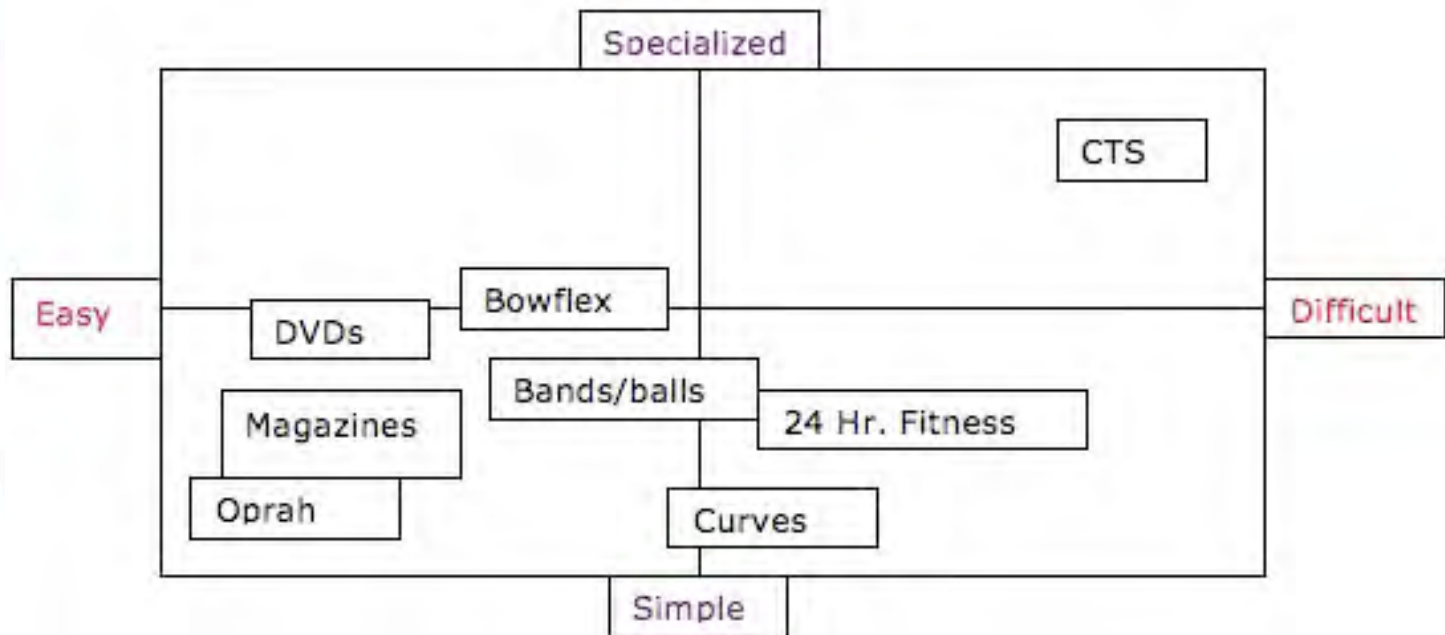
- **Authentic**; family heritage and recipes since 1326
- **Old World** Artisan, “product purity”
- Honest. “Only the best”
- **Highest quality**. “Best Damn Sausage”

Then Strike.  
Communicate Your Difference.





# Map Your Competitors' Positions: Look For An Opening...An Unmet Need





## Then Create & Position Your Brand



“Orbis Life Fitness is anytime, anywhere life fitness. Our **innovative online training methods** focus on only on you and your goals, providing **results you control** and immediately see. With Orbis Life Fitness you will have the **confidence** you need to become a better person. ”

Orbis Positioning Statement



# Creating & Branding a Bottled Water





## Another Bottled Water???



“Our shelf space is limited. For us to take on another item, your product must be **different**. It must give our shoppers a **reason to buy**.”

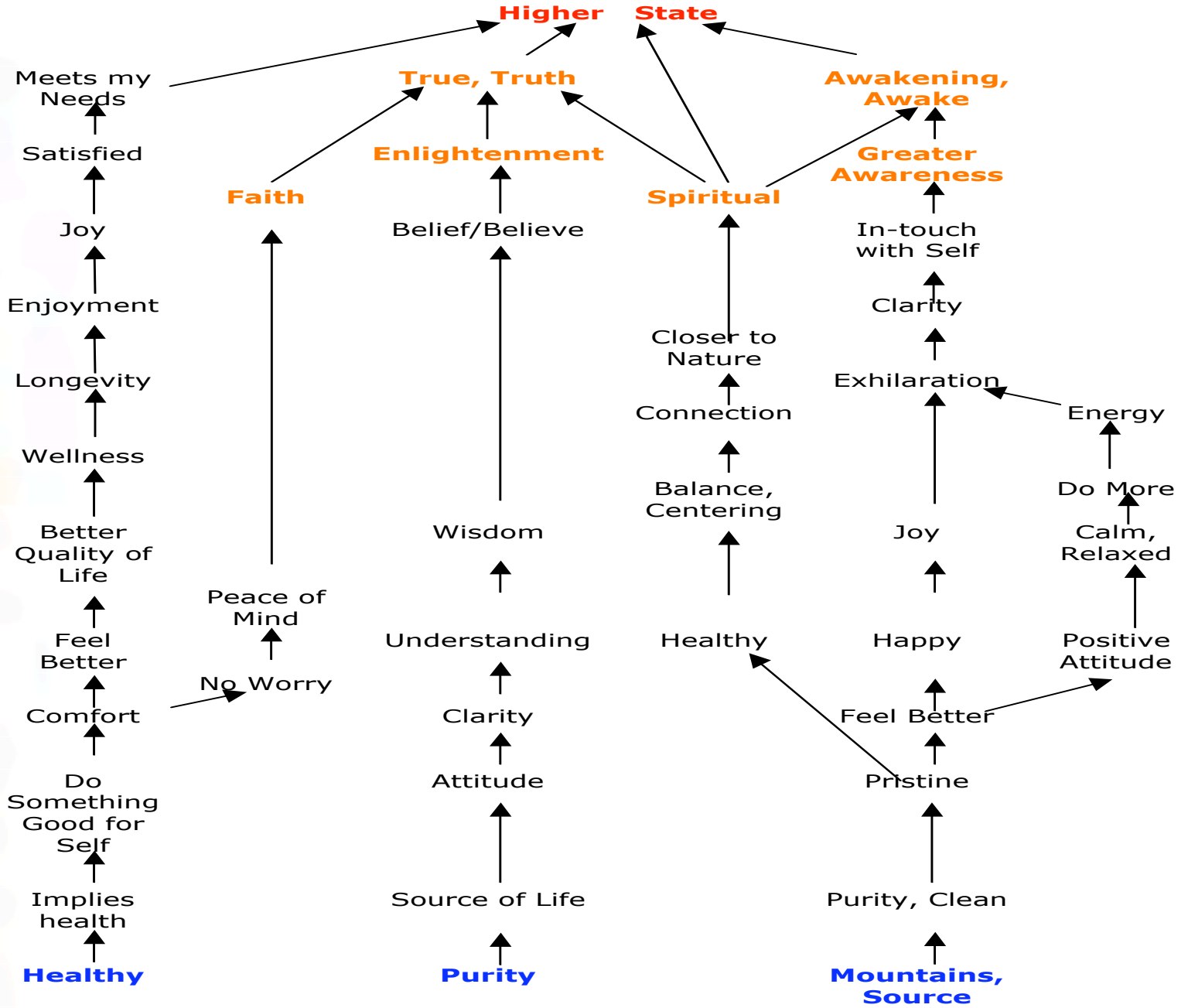
– *Buyer, Whole Foods Market*



## The Brand: It Starts with *You*



- Begin with your key **strengths** and **capabilities**
- These are your brand **features** that can be leveraged into meaningful **benefits**
- You are a big part of the equation. Your brand is **you**.





# The Brand: Building Blocks



## Key Benefits:

**true, truth, spiritual,  
awake, awakening, faith,  
awareness, enlightenment**

## Brand Difference:

**simple, pure, true water**



## The Brand: Focus on the *Benefit*

**Benefit: Enlightenment**

### **Brand Positioning:**

\_\_\_\_\_ is pristine and simple, created only by nature. It comes from an ancient, mystical spring high and deep in the Rockies, a special source of true refreshment that will **awaken your senses and inner being.**”

### **Then, brainstorm “enlightenment” names:**

Lumin, Luminous, illume, Allume, Radiance, Silver, Silvere, Silveray, Silver Star, etc.

**Brand name: *illume*<sup>TM</sup>**



# The Brand: Getting to the Essence



- The essence of the brand is a **single, simple value**
- It's often your positioning **point-of-difference**
- Brand essence creates a relationship with the consumer, making an **emotional connection**



## Battle Strategy - *summary*



Xena, Warrior Princess

1. Know your own strengths and capabilities, as well as your customers' needs.
2. Map your competitors' positions and the benefits their brands provide.
3. Look for unmet customer needs. These are "gaps" or opportunities on the positioning battlefield.
4. Prepare your brand for battle. Make sure it's positioned to communicate uniqueness and it strikes a nerve with your customer.



### 3/ Tactical Support



One arrow alone can be easily broken but many arrows are indestructible.”

- *Genghis Kahn*



## Hold Your Position



Mercedes-Benz

“All the things that mattered to them before the recession, it still matters to them. But we have to work harder to break through, because the system has been shocked significantly.”

- Steve Cannon, VP  
Marketing, Mercedes-Benz  
USA, *August 26, 2009*



## Improve Your Position

ON SALE NOW · ON SALE NOW ·

**WHOLE FOODS MARKET**

SEPTEMBER 16 - 29

Product	Price	Save	Reg Price
Organic Jonagold Apples	10 lbs for \$10	\$1.99	\$2.99
Organic Grass-Fed 85% lean Ground Beef	\$2.99/lb	\$2	\$4.99
Fresh Made Guacamole	\$5.99/lb	\$2	\$7.99

**GOOD STUFF FOR LESS** Look for this logo to find more of our favorite sale items!

“We sell a bunch of junk. We’ve decided that if we don’t take a leadership role in educating people about a healthy diet, who the heck is going to do it”

- *John Mackey, CEO  
Whole Foods Markets  
August 5, 2009*

Whole Foods: Now focusing more on **health** and **value**



# Re-Position



That Was Then



This Is Now



# Building Your Business



"One must change one's tactics if one wishes to maintain one's superiority"

- *Napoleon*



# Capturing New Consumers: New Users



On average...

- **20%** of a brand's volume is new **trial**
- **80%** are **repeat** purchases

So...get **new users** into your brand

- Product Demos
- Introductory Offers
- Periodic Promotions



## Capturing New Consumers: New Uses



Beefeater Gin: Strong family values of authenticity and quality...but no longer “my grandfather’s gin”



# Capturing New Consumers: New Markets



New Starbucks VIA: Seeking to conquer the instant coffee market.



# Holding Ground: Rewarding Loyal Consumers

quick easy **save**

instantly with your **Safeway Club Card**

- Enjoy exclusive savings
- Earn airline miles
- Special discounts on Safeway Gasoline
- Earn money for education



**Get application and start saving today ▶**

Loyalty programs: Very cost effective  
compared to acquiring new customers



# Brand Flanking: Capturing Lower Ground



Marriott: A portfolio of ground troops supporting the parent brand



# Brand Flanking: Capturing Higher Ground



Gallo: Upgrading brand quality and image to capture new, premium users





## Brand Flanking: Segmentation

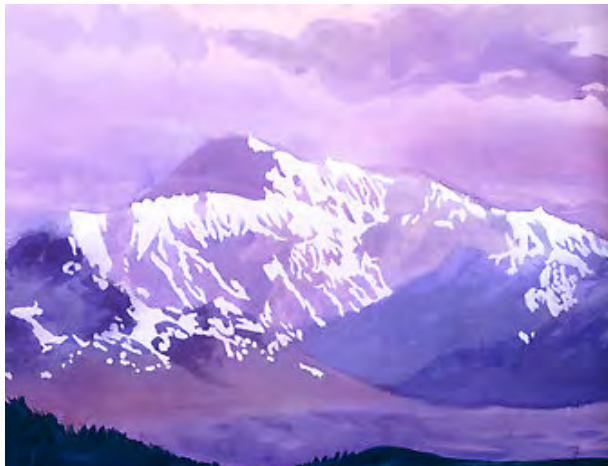


**TREK**

Trek: Something for everyone...  
because one size does not fit all



## Line Extensions: Innovate & Differentiate



Colorado's Purple Majesty potato: Unique, flavorful, and colorful. Spud-tastic!



## Fighting The Competition



“In this world there's two kinds of people, my friend. Those with loaded guns, and those who dig. You dig.”

- *Clint Eastwood, The Good, The Bad, and The Ugly*





## Protecting Share



For P&G, Tide's 41% market share is worth protecting...despite the risk of consumers trading down



# Stealing Share

The image shows the homepage of Ultimate Electronics. At the top left is the logo 'ULTIMATE ELECTRONICS' in yellow and red. To the right is a 'View Our' button with an eye icon. Below the logo is a navigation menu with links: 'Our Pricing Guarantee', 'Our Services', 'Part Search', 'About Us', and 'Careers'. A secondary menu lists product categories: 'TELEVISIONS & ACCESSORIES', 'HOME AUDIO & HOME THEATER', 'DVD & BLURAY PLAYERS', 'CAMERAS & CAMCORDERS', and 'IPODS, MP3 PORTABLE EL'. The main banner features a man in a black shirt and khaki pants, identified as Mark Wattles, Owner of Ultimate Electronics. The banner text reads: 'Every Day We Shop Walmart and BEST BUY Then Adjust Our Prices to Beat Theirs, so You Know We Have the Lowest Prices Period.' To the right of the man is a red circular badge that says 'Always the Best Prices' with a yellow arrow pointing down. Above the man, it says 'The Leader in Home with the Large'. At the bottom left of the banner, there is a disclaimer: 'Ultimate Electronics is not affiliated with or sponsored by Walmart or Best Buy. Excludes online only special pricing.'

Ultimate Electronics: Building market share through low(est) prices.



# Attacking



“Nobody ever defended anything successfully, there is only attack and attack and attack some more.”

- *George S. Patton*



# Attack First. Attack from a Position of Strength.



I'm a PC.



I'm a Mac.



Apple: User friendly, virus free,  
and worth the price



## Tactical Support- *summary*



Hulk Hogan

1. Assess your condition and potential opportunities.
2. Find a weakness in your competitor's position. Plan your attack, but consider the response.
3. Focus and launch your attack where your competitor is most vulnerable. Remember, as the attacker you have the advantage of making the first move.
4. Attack quickly. The element of surprise is more important than budget.

# Heavy Artillery: BrandWerks Group Online Newsletter



View as [Web page](#)

## Nuts & Bolts



!! *practical advice* !!

To win the battle of the mind, try these steps:

- Know your own strengths and abilities, as well as your customer's needs.
- Map your competitors' positions and the benefits their brands provide.
- Look for unmet customer needs, these are "gaps" or opportunities in the positioning battlefield.
- Fortify your brand. Make sure it's optimized to communicate closeness and that it speaks a new language with your customer.
- Prepare for battle. Marshal all our resources, and carry the brand message consistently under one name.



## Brand Warfare: Positioning

### The Battle for the Mind

In his 1521 military treatise, "The Art of War", Florentine philosopher and politician Niccolò Machiavelli forever changed warfare strategy by instituting new concepts for battle formation and positioning. His medieval message is enduring advice for modern day business, because on the battlefield for market share, brands compete fiercely for position. They maneuver to capture and control a unique and desirable "space" in the consumer's mind. They compete for the consumer's wallet. Brands that are victorious look outward, beyond their own internal product strengths, focusing on fulfilling a consumer need. They deliver a meaningful benefit.



"To know in war how to recognize an opportunity and seize it is better than anything else."  
- Niccolò Machiavelli

### Artillery: Brand Benefit

Your product has important features that can be leveraged into benefits. Take Solterra Foods for example. Their spicy, aromatic jams and relishes rouse the senses and taste buds. Certainly, many products make similar promises, but Solterra delivers more artillery on its way up a "ladder" of higher level benefits. Its fresh and lively taste leads to artistic expression, to feelings of warmth, and then energy. Its benefits are emotional, more than simple product features of taste and flavor. This makes a stronger connection with the consumer.



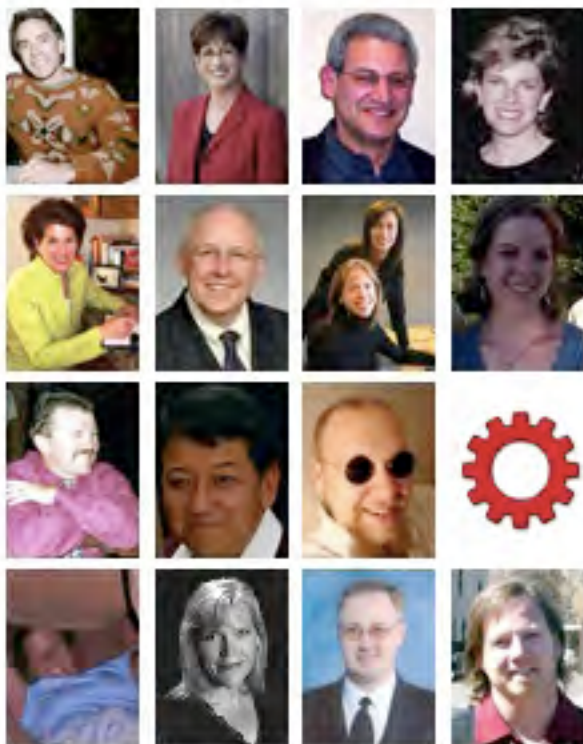
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# BrandWerks Group: Free Brand Assessment



## Our Services:

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- Capital Formation/Funding
- Distribution & Brokerage
- Market Research
- Brand Creation
- Naming & Trademarks
- Identity/Logo Design
- Packaging Design
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