SILICON STRATEGIES MARKETING

www.SiliconStrat.com

Touching Brands

Your brand is only as strong as your toilet paper

by Guy Smith

Silicon Strategies Marketing
www.SiliconStrat.com

There is a legendary story about Starbucks, their brand, and toilet paper.

From within the bowls of Starbucks, their branding guru had summarized the Starbucks brand into an extremely concise brand statement: A great coffee experience. This brand statement encompassed the Starbucks store design, bean selection, barista personalities . . . even their toilet paper.

Seems some smart MBA type hired into Starbucks wanted to downgrade from two-ply to one-ply toilet paper in their store restrooms. He calculated a significant cost savings based on deep analysis of the comparative cost of toilet paper, the number of Starbuck stores, how many rolls per year were needed, ad nausium. But Starbucks kept the thicker two-ply paper to preserve their "great coffee experience."

Stated perhaps too bluntly, Starbucks was worried about all branding "touch points."

A touchy subject

Your brand – as perceived by the only legitimate judges, your customers – is the sum of all their interactions with your company. Every place where a customer can interact with your company is a "touch point," and that touch point affects how you are perceived. A lousy experience with one touch point can negate all the brand equity you build in other touch points. When Microsoft releases a security patch that creates more openings for hackers, their brand is diminished.

This is why toilet paper matters.

Let's look at the high tech market as an example. A customer, be they IT or consumer electronics buyers, interact with your brand both directly and indirectly, through promotions, sales, product use, technical support, up-sale opportunities, and more. All these factors contribute to a customer's impression of your brand. To create and manage your brand – in short to make the market think and feel what you want them to – you must create your brand through all these touch points.

Sony consumer electronics is a depressingly good case. Sony is widely perceived as an inventive company with poor product quality and service. Innovation and product turnover drives their corporate culture, but their brand never evolves past that barrier because Sony fails to carry any other brand initiative through touch points beyond the sale.

High tech companies have a number of brand touch points, and should evaluate how their desired brand is (or is not) being managed through these points of customer contact. You need to create you own list by determining every interaction your customer has with your company and products. I'll get you started by listing the more common ones.

Promotions

Back before the Carly era, Hewlett Packard was perceived as a great technology company that could not market their own wares. The standard industry joke was that if HP were to market sushi, they would advertise it as "cold, dead fish, low on intestinal parasites."

Promotions are where customers first encounter your brand. Like flirting in a bar, it is a process of attraction on superficial touch points. Sadly, inexperienced marketing people create promotional images that do not match the product or company brands – or perhaps the company fails to live up to the image rightfully created by marketing. Regardless, this creates disappointment later in the customer relationship.

If your promotions reflect a brand image you want to develop, the rest of your company has to reinforce that image. Failure to do so will rapidly create a consensus in the market that your promotions are misleading, and as a company, you cannot be trusted.

In the IT market where customer expenditures can be millions of dollars, mismatched promotions and delivery can be fatal. IT buyers want to build long-term relationships with vendors, and as we all know, relationships are built on trust. Violate that trust, and the customer has every reason to abandon the relationship.

Sales engagement

Sales people are the first human interactions customers have with your brand (this is under the broad assumption that sales people are *human*, something yet to be scientifically proven). This applies regardless of products category or channel. For example, in the consumer electronics space, your sales people may be working for Best Buy or Circuit City (and thus not entirely within your control). A poorly coached salesperson can destroy your brand more quickly than a defective product because they prevent the sale from ever happening.

And it all comes down to behavior. Sales people must project your brand, whatever you have decided that to be. If you are a low-cost provider, your sales team needs to be fast and efficient in helping a customer reach a buy decision. If your brand is based on great customer service, your salespeople need to listen first, then meet your customer's every need. Regardless of your specific positioning, you must train and enculturate your sales teams to project your brand.

As an aside, let me note that I live in fear of salespeople with PowerPoint presentations. Most spend your customer's time explaining why their products are so great and why their company is wonderful, and almost no time listening and learning what their customers need and want. After 30 slides of marketing effluvium, these self-absorbed sales types might actually ask a question, and might receive an answer if the customer is still awake.

Product demos

For IT vendors, product demos are the very first interaction customers have with your product. Your product must live up to the brand image your advertising and sales people created (starting to see a layered effect in branding?). Examine with a cold eye what your brand claims are, and what the demo actually presents. If they are too different, then it is best to restrain product releases until everything is in harmony.

The two most common branding disasters with IT product demos are the "beta hack" and the "ease of use" lie.

Beta hack demo: All too often, a vendor is tempted to rush products out before they are ready. Under the top-line revenue gun, they release what should be considered beta test versions as the final product. This can be fatal in all technology markets, but is especially acute for IT vendors. IT departments require stability as well as functionality for all products – deliver beta test code as a final product and you immediately destroy a core brand element.

Ease of use lie: The ability to easily use a product is a primary customer touch point. If your brand is built in part on an ease-of-use promise, you better deliver – there is no way to mask poor usability.

Support

Technical support is the ultimate customer touch point. It creates (or breaks) human bonds, and can often involve more hours of inter-company interaction that all other phases of the relationship. Support services are where customers build or lose trust with an vendor after having been beguiled by the advertising, charmed by the sales person, and convinced by the product demo (did I mention that branding has a layered effect?).

Sadly, few technology companies educate their tech support teams on the company brand and how to meet the expectations created through the promotion and sales process. Negative customer support images are greatly exaggerated by automated email response systems that incorrectly categorize a customer request and reply with unhelpful answers.

Training technical support staff in branding is not difficult and has amazing benefits. Long ago, I managed a support group for a company that had a corporate motto of "we make happy customers." I indoctrinated the support team with war stories about the founder and how he went out of his way to make sure every customer knew how to get the most out of the product. I also made it plainly obvious that I conducted random customer satisfaction calls from tech support logs (people never do what you tell them, but they do what you inspect). My surveys indicated we had very happy customers, and not because the product was sexy (it drove pagers), or that it was easy to use (it didn't even have a GUI). They were happy because we helped them be successful with the product – we created happy customers.

Up sale and ongoing relationship

Sales people have jobs after the initial sale is complete. There are always opportunities to up-

sale customers and fatten revenues. Likewise, there are always opportunities to destroy your brand after the sale. Up-sale opportunities typically vanish in two ways: either the brand value was destroyed after the sale due to poor product design or support, or the sales person/system fails to correctly map the customer's situation and needs.

I knew an IT software sales person once who was great at moving product and stunk at up-selling. In every case, he failed to stay close to his accounts after the initial sale was closed. Thus, he never heard their complaints, concerns, suggestions, or understood where gaps existed between what he had sold and what they needed next. When he did finally waltz back into the customer's offices, he would suffer a near endless barrage of verbal, and occasionally physical, insubordination from peeved clients.

The point is that to up-sale, you have to have as good of a grip on the customer's situation as you did on the initial sale. Often with IT products, the salesperson correctly addresses the *strategic* desires of their customers when making the initial sale. But just as often, the salesperson cannot grip the more *tactical* realities of their post-sale world, and thus the up sale opportunities available. This level of fumbling depletes the brand equity created through the rest of the process.

Touchy, touchy, touchy

Executives need to understand one point with crystal clarity: Your brand is communicated with every customer interaction. From your promotions, to your documentation, to your technical support, and right down to the cheerfulness of your receptionist – your brand is defined, projected, enforced, or depleted. Defining your brand is the easy part. Your ongoing job is to drive that brand through every part of your organization and any organization that works on your behalf, such as your channels. If Starbucks worries about toilet paper, you should worry about all the plies in your organization.

Guy Smith heads Silicon Strategies Marketing, a marketing consultancy devoted to helping high-technology vendors dominate their markets. He has consulted with technology firms in such diverse fields as high-availability software, interactive television, wireless messaging middleware, pure e-commerce plays, and Collaborative Software Development suites. Smith focuses on guiding his clients through the rigors of developing precise market strategies and educating his clients on both the theory and tactical necessities of their strategic implementations. His marketing expertise is matched by more that 20 years as a technologist specializing in high-availability IT processing.