



# Shop Talk



This month, we offer the sixth in our series of columns by Margie Johnson, president of Shop Talk, a retail consulting firm that specializes in showing organizations how to become

leaders in their marketplaces and industries through customer-centered training. Over the past 15 years, Margie has worked in many Main Street towns throughout the nation. She is passionate about helping small business owners become more successful.

## Brand-Speak How do your customers define your brand?

BY MARGIE JOHNSON

As the economic climate continues to challenge businesses on many levels, I think it is the opportune time for independent merchants, restaurant owners, and owners of service businesses to ask themselves some difficult questions about the perception of their "brand." Often, as Shop Talk analyzes customers' feedback about businesses they continue to frequent, or have stopped

frequenting, it seems always to come back to issues relating to the establishment's brand or promise. Therefore, many of the indicators that make a successful business will need to be carefully critiqued by all business owners/managers.

As we delve into this all important ingredient of success, let's examine the literal translation of the word "brand."

According to the Random House Dictionary:

**brand** [brænd] n.  
A kind or variety of something, distinguished by some distinctive characteristic.

**brand name**  
[brænd neym] n.  
A product...or service bearing a widely known brand name.

Now, let's examine the word "brand" as defined by consumers:

**"The internalized sum of all impressions received by customers and consumers, resulting in a distinctive position in their 'mind's eye' based on perceived and emotional benefits."**

When you reflect on all of the tangible and intangible qualities that are in the "mind's eye" to evaluate the brand's promise, it encompasses customers and clients' thoughts and feelings about the brand. I affectionately call the term I've coined for this phenomenon the "E-Gap."

The E-Gap defines the difference between what the customers *expected* from a brand/business versus the *experience* they had with that business. All of us have had E-Gaps! Many of our experiences have delighted us when our expectations were exceeded, and we left with a positive memory. We've all had the converse of this as well, however – when the experience not only failed to meet our expectations, but left us dissatisfied!

The E-Gap theory simply means that each *brand* will be either strengthened or weakened by every point of contact by the customer. Business owners must focus on the customer points of contact and do everything necessary to make sure that the consumers'

*expectations* are not just being met, but that the *experiences* are consistently exceeding customers' *expectations*. This consistency needs to be in all forms of brand communication, from human contact to physical aspects of the business to the media, etc.



### POSITIONING A BUSINESS

What questions must merchants ask about key principles to *effectively* position their businesses in their target consumers' minds? Your district's business owners would consider these points:

- Does your business have some "unique differentiators?" If so, what are they? Do you in fact have a USP (Unique Selling Position) that differentiates you? Is it one that the market perceives that you can deliver? This question needs thoughtful consideration.
- What is the "*value equation*" of your brand? Does your brand lead customers to choose you over your competitors? Does your definition of value align with what your customers most value? Remember, consumers are now defining value as more than price. Today's time-crunched consumer is rewriting the "value equation" to be a combination that fits *what they value*. The new "value equation" is often a combination of price, quality, great service, convenience, delivery, unique gift wrap, follow-up, etc. The bottom line is that all business owners need to understand exactly what it is that their clients most *value from them*.
- Have you established a brand that is perceived as *credible* in your marketplace? Can you deliver your brand experience/product realistically time after time? If so, your business is in an enviable position of having a "top of mind" position in your customers' minds. Consistently delivering your promise will help secure consumer loyalty. Remember, today's shoppers are fragile and fickle and will quickly go where they are better served. It is incumbent





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Is your business considered an expert in your trade area or best in your merchandise category? This gift shop (above) and custom handbag shop (above right) in Philadelphia both offer unique, top-of-the-line products.

on all business owners to enhance and reinforce the credibility aspect of their businesses.

- Are you thinking long term about your brand, not just about today or this month? Think about the sustainability of your brand over the next three to five years. Ask yourself these questions: (1) What must you do to remain relevant in your customers' minds? (2) Are you asking your target audience enough questions about their changing needs? Try to integrate some simple market research into your organization! Use the "voice of the customer" to help you sustain your brand. (Future Shop Talk articles will cover some simple market research techniques that are easy to implement and are very affordable.)

#### All independent business owners must ask these two hard questions:

1. Are you reaching your brand's potential?
2. Would you be missed if you weren't around?

To help them grasp and better understand the brand concept, urge your business owners to read and study the landmark book, "*POSITIONING: The Battle for Your Mind*" by Al Ries and Jack Trout. The authors define "positioning" this way: "According to the Positioning theory, the human mind contains slots or positions which a company attempts to fill. This is easy to do if the position is empty, but difficult to do if the position is

Remember, at the end of the day, the consumer's mind has been influenced by thousands of impressions. The less distinctive a "brand" is in the consumer's mind, the more room for a competitor to occupy a position in the mind's eye.



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owned by a competitor. In the latter case, a company must re-position its competition if it wants to get into the mind."

Challenge your business owners to reach out to their staff, their clients, and prospective clients to get a creative and fresh perspective about their brand. They need to get creative, ask the right questions, and solicit honest answers. Asking some of the following questions can help business owners gain rich insight into their brands:

- Does your business enjoy a great reputation?

- Are you considered experts in your trade area, or best in your category?
- Is price often a reason that customers do not choose you?
- Are you known for extraordinary service?
- Do you make shopping easy and fun?
- How do you measure in the EST qualities? Are you the fastEST, hotEST, nicEST, newEST, cleanEST, freshEST, etc.?
- Do you make it easy for customers to do business in both your "brick and mortar" and your "click and order?"
- Would people say you are totally reliable?
- What one attribute most distinguishes your business in the customer's mind?

Paramount to all of the above thoughts and questions when evaluating any "brand" is to remember that all great brands must master the

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A restaurant or store's brand is conveyed by everything customers observe about the business, including its name and its signs.



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Making customers happy through excellent customer service will keep them coming back.

of the business environment, etc., etc., etc.

Branding is reinforced *or* undermined by multiple “moments of truth” in a business. Such moments are made up of the positive *and* negative impressions that the business projects. Urge your local businesses to carefully re-examine all the ways they “touch” their customers. Merchants must look for ways to improve their “moments of truth.”

In summary, today’s consumers continue to vote with their feet. Happy customers continue to patronize the business, while unsatisfied shoppers vote with their feet as they stomp out of the business, all the while announcing their discontent to others!

Great retailing to you!

Margie

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Loyalty programs and frequency shopping cards can build a strong customer base.



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shopping or dining or service experience. Today’s consumers have “so many choices and so little time” that the squeeze is on as brands are continually confronted by increased competition, new types of media, new channels of delivery, and demanding shoppers and customers. To hold a “top of mind” position in the consumers’ minds, business owners must continually strengthen their brand’s position. This process calls for **fresh thinking, new perspectives, and new actions!**

I recently attended an inspiring lecture by Marc Gobé, author of the new book *Brandjam: Humanizing Brands Through Emotional Design*. His research on the theory of emotional branding is very enlightening. In short, he says that brands today must shift from “communications and

commodities” to “emotion and inspiration,” that businesses must revive their exhausted, overly familiar offerings.

Gobé has coined the term “brandjamming” as a metaphor to suggest that brands need to connect with culture and reach people’s hearts! His perspectives on emotional branding reinforce the underlying premise that **consumers rule.**

*Brandjam* is about exploring more intuitive ways to reach out and connect with people; it is a must-read book for retailers and business owners if they want to understand the new consumer mindset. Gobé states that the “new goal of savvy retailers in a market that has become more and more niche-oriented is to reach people individually in order to fulfill their emotional needs.” This book outlines many ideas that deserve serious consider-

ation so that your retail brand will not pale and become generic!

As a consultant who deals with business owners around the country, I urge them to revisit their customer promise. A brand is a promise that is conveyed to customers by everything they observe about the business. This includes but is not limited to the look of the business, its signs, its name, the tagline, the customer service levels, impression of staff, print ads, catalogs, menus, merchandise selection, visual merchandising, website, logo, packaging, loyalty programs and frequency cards, the general ambience



Lost Dog Café in Arlington, Va., serves as a unique neighborhood mainstay that serves the communities sandwiches named after favorite pets and facilitates pet adoptions through its foundation.