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The customized brand – introducing the concept

SOME BACKGROUND

Not so long ago everything was customized. The product you bought was made especially for you by people who knew who you were and who personally understood your needs and wants. The seller knew a lot about the customer, the customer most of the time knew a lot about the seller. The customer still knows a lot about the seller, some of it positive, some negative. He or she will have had some personal experience or, if not, a friend or colleague may have. There may have been some advertising or something may have come through the post. The experience may have been a positive – ‘I like that advertisement’ – or negative – ‘What a rude shop assistant’. With more communication, more access to information, the customer will gain more and more knowledge about his or her supplier.

On the other hand, in most cases, the seller rarely knows a lot about the customer. Who he or she or they really are? What do they really want? What kind of product? What kind of service? More features or less? Unless there is a personal contact, the actual knowledge and information used is minimal. Sales records, market research data and qualitative feedback from the company front line is the maximum amount of information in the vast majority of companies – and most of it is ‘faceless’, based on limited data aggregated up to an ‘average’.

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So, while the customer is increasing his or her knowledge all the time and sometimes even takes charge and turns the selling process into a buying process via Internet buying clubs or electronic marketplaces, the people doing the selling are still operating the same old way – perhaps using new tools such as the Web, but applying the same approach built around an average view of the world.

With customized branding this will change. And the companies and brand managements that don't will be followers in the market, not leaders. Not a good thing as market leaders tend to be more profitable and longer lasting than the followers.

Buyers have been improving their knowledge of the sellers while the sellers have made little progress in learning more about the buyers. Time for a change!

THE CUSTOMIZED BRAND

A customized brand is a **brand with a proposition that is customized to the individual's particular circumstances, requirements, needs and desires.**

To customize a brand is to **adapt the brand's proposition and the brand platform to each individual in the target market without losing the identity and profile of the brand.**

A customized brand delivers to each customer an individualized total brand experience.

By customizing the brand it is possible to define and deliver a brand proposition that is designed for and delivered to each individual customer in such a way that it is perceived to be made 'just for me'. Such a brand will be much more appealing and relevant than competitive mass-market offerings. It will also be better differentiated as it will appear in a much more well-defined marketplace – a market of one.

Taking charge of the branding process in this way has a number of implications. Most of them will be covered in the different chapters of this book. By taking the initiative the brand

owners will start to recover any ground lost and take charge of the commercial process. By understanding what each customer wants, it is possible to design and deliver solutions that are superior to what the competition can do, and what the customer expects.

Customers are more or less committed to the brand they buy. Many buy a particular product as a matter of routine and lack of choice – in effect they are not committed at all. Even more customers buy from a repertoire of brands, on each occasion choosing almost randomly or on the basis of the influence of special offers – committed to brands, rather than a brand. A strong brand will, finally, have a core of dedicated, committed customers – usually representing a minority of the total customer universe.

By applying the principles of customizing a brand, the level of commitment will increase as the brand proposition will be more relevant. But, the commitment is not 'for free', it requires a full adaptation of the total marketing mix, from product development and distribution to promotion and advertising.

If, on the other hand, a brand owner continues with a traditional mass-market approach, even spiced up by Internet solutions and CRM systems, the customers will increasingly continue to take charge. The company will in the end become a subcontractor of their wishes and be subject to a marketplace where every product and service is commoditized and all sales are done on the basis of lowest price. For most companies that is not a bright future.

Very few concepts are totally new, and neither is customized branding. Some companies already now apply and use some or even several of the elements of building a customized brand. This is fortunate as otherwise (a) the book would not have any examples and (b) it would be impossible to conclude that this is a very effective way to run a business. However, utterly few take a total view and actually apply all the elements systematically. It is a piecemeal approach, in most cases driven by opportunities rather than strategy. The exception being certain industries where mass-market thinking never has entered the office, such as big project consulting, bespoke furniture makers and private banking for the super-rich.

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Customized branding was until fairly recently not a practical proposition for many companies and brands. Customer information was usually not available, and, if it was, it was not accessible in a practical way. The knowledge to structure data and information was not developed and a wide spectrum of communication channels was not developed, so it was not possible to communicate in a specific way. All that is now available and is waiting for marketing executives to make full use of it.

Just do it!

MORE REASONS

An important side effect of working within a framework of customized branding is that much more information about the customers will become available. How to use this for customized branding will be covered later, but all marketing decisions will benefit.

Decisions can be made against a background of much better information which should lead to better decisions and more successful marketing, even if the company is not able to implement all aspects of a customized brand building process.

A customized branding approach is a tremendous opportunity to build a sustainable business. As I will show in this book, it makes it possible to create an offer, which can generate genuine desire to buy on the part of the customers while ensuring that the supplier gets sustainable profits. Previously only an artisan could do this because it required individual, personal attention. It was not an approach that was cost-competitive in the modern world. Now this has changed, as it is possible to customize every element of the brand building process. Very few companies have woken up to this fact so the first to take a comprehensive approach will be long-term winners and build a competitive advantage.

More information – better decisions. With a customized brand better performance and sustainable profits.

**ISN'T CUSTOMIZED BRANDING JUST THE SAME
AS THE OLD ONE-TO-ONE MARKETING AND
CRM CONCEPTS?**

The answer to this question is of course *no*. It is however a relevant question in that both these concepts are related to the thinking behind customized branding and can well be a part of a customized brand plan.

One-to-one marketing is essentially a method to sell more by more persuasive communication. The method to make it more convincing is to individualize the message from the supplier for each possible target. In its simplest form it is nothing more than personally addressed direct mail; in its more advanced form, the message is adapted to suit the recipient's personal circumstances.

The difference between building a customized brand and one-to-one marketing is the scope of the process. Building a brand is much more than communication and selling, it is about developing a proposition, it is adapting the offer, it is using customer knowledge not only to bring about better communication but to offer a more attractive and relevant product.

One-to-one marketing is like the old corner shop, the range is fixed but the shop owner knows his customers so he can adapt the presentation to each individual's circumstances. Customized branding is like the artisan. He not only knows what the customer wants and the customer's circumstances, he understands the context and his own skills so that he can offer something special and unexpected that is better than what the customer expected. The range is not fixed as in the grocery store, the range can be modified and adapted to suit the special circumstances of the customer.

CRM, customer relationship management, is one of the most misused terms in business. It is often used to describe a computer system that logs all customer interfaces and provides a single customer view that each person in the company can use in his or her relations with the customer. If it is true to the concept, it should also provide a channel for the customer's feedback to filter back into the company. CRM is a way to manage customer relations, a consequence of a customer contact strategy.

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CRM is not an alternative to building a customized brand but a possible implementation tool. If applied as a way of thinking, it can be most useful. If it is considered equal to a computerized customer contact system, it is a highly doubtful approach unless the customer and contact strategy has first been defined in a solid way following on from establishing a customized brand strategy.

In reality most investments in CRM 'systems' have failed. According to an article in *Harvard Business Review*, CRM ranks among the bottom three for satisfaction in the league table of management techniques and one in five executives reported that CRM not only has failed to deliver any benefits but actually damaged customer relationships.

One-to-one marketing and CRM can be useful tools for implementing a customized brand strategy. It is not a substitute.

SUCCESS, PERFORMANCE, EVEN EXCEPTIONAL DESIRE

Some brands already today are symbols of desire. Robberies carried out by teenagers to get their new Nike trainers a couple of years ago were in one sense the ultimate symbol of desire. A Mercedes-Benz (as immortalized by Janis Joplin in the song *Oh, Lord Won't You Buy Me A Mercedes-Benz*), a Barbour coat, a Prada handbag or the latest version of Sony's Playstation are for different categories brands to long for. These brands deliver more than just functional benefits, be it status, 'street-cred', a sense of tradition or any other intangible brand value. The sustainable desirable brand delivers both superior functional and emotional brand values.

Truly desirable brands are very few and the desire is often restricted to a few segments of the market. While many buy Nikes, few desire them. Not everyone desires a Mercedes-Benz, nor a Prada handbag or Barbour coat. A Playstation is highly desirable for some but the longer it is on the market, the less desirable it becomes. While it is difficult to achieve and maintain the exceptional status of the brands mentioned above, it is perfectly possible to lift any brand above the average level of

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mediocrity where many mass-market brands currently float, to a successful brand with a level of desire which will enable the brand to prosper in the longer term and become a generator of company profits for years to come.

The clue to such a successful brand is simply to make the brand more relevant, and the way to do that is to customize the brand proposition so that each customer deep down feels that 'this company understands me' and 'they sure make something I want to have'.

Customizing the brand proposition will make the brand totally relevant for each individual customer

