

THOUGHT LEADERSHIP



Speaking the New Language of Brands

Add emotion and experience to your brand story to increase its value with private club members.



WHITEPAPER

Marketers delight in speaking a language all their own. In their version of inside baseball, where words like organic, holistic, and scalable take on nebulous and ambiguous definitions, “brand” and its first cousin “branding” are among their all-time favorites.

Marketing expert Heidi Cohen has compiled 30 [definitions](#) of brand and branding, including this one: “Branding is the encapsulation of a company’s mission statement, objectives and corporate soul as expressed through the corporate voice and aesthetic.”

But in the language that most of us speak, what is a brand and what is all this talk about branding?

A company, like Ford or Procter & Gamble, is a brand. A product, like Mustang or Tide, is also a brand. Kimberly-Clark is a multi-national mega-brand. Its most successful product, Kleenex, is such a powerful brand that it effectively owns a whole category of products, tissues. **LeBron, Beyoncé and Tiger are brands and so are you.** That certainly goes for private clubs.

In fact, any proper noun can be a brand if the branding process – creating, promoting, nurturing, and enhancing – is effectively applied to it.



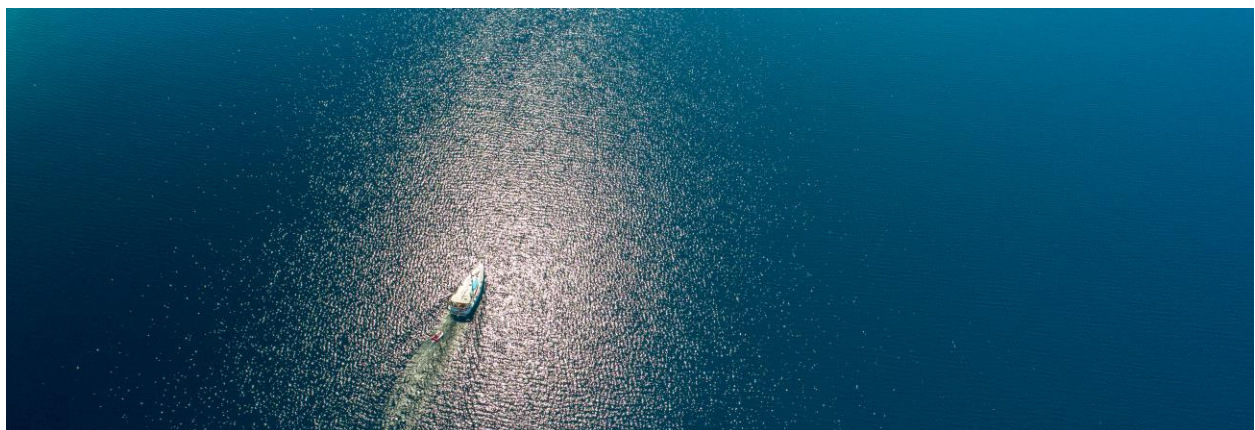
The Glue That Holds Marketing Together

And how important is that process to the success of a company, a product, or a private club? In their seminal [book](#) on the subject (*The 22 Immutable Laws of Branding*), authors Al and Laura Ries cut a wide swath in their definition, proposing that all marketing is essentially branding. Given that expansive interpretation, it's not surprising that they call branding the "single most important objective of the marketing process" and the "glue that holds the broad range of marketing functions [advertising, public relations, research, sales promotion, and product design/development] together."

Seth Godin, the author of [This Is Marketing](#), also paints with a broad brush, proclaiming that "Every interaction, in any form, is branding."

The power of a brand lies in its ability to influence purchasing behavior. Nielsen's Global New Product Innovation Survey found that nearly six in ten consumers prefer to buy new products from familiar brands. By way of explanation, Nielsen's Rob Wengel says, "Brands can signify quality and inspire confidence."

We see firsthand evidence of the power brands wield over generics in what may be the ultimate commodity category – water. Evian and S. Pellegrino are such powerful brands that they can sell for more (per ounce) than Budweiser, Horizon milk, and Coca-Cola. That's the power of branding, which leads to the conclusion that leaders should be doing everything possible to increase the potential of their brands. Interestingly, the way to go about that has changed in recent years.



Traditional Brand Value Equation

Traditionally, the key to building value in the eyes of the consumer has been demonstrated in a simple equation, where perceived value is equal to performance divided by price.

$$\text{Value} = \frac{\text{Performance}}{\text{Price}}$$

Viewed this way, manufacturers and service providers were incentivized to increase the performance features of their goods and services. It was simple math: the more bells and whistles they added, the more they could charge for a product that consumers deemed to have more value.

For example, a lawn mower that you pushed and cut a 20" swath might be competitively priced at \$150. But a self-propelled mower with adjustable speeds that bagged grass clippings and powered through a 22-inch path could sell for \$450. But how many features can you add to a lawn mower before its cost becomes prohibitive for most consumers? **Consumers are the ultimate arbiters of value, but the brand has the power to influence their perception.**

Let's look at the same equation from the private club perspective. Adding fresh Maine lobster to the restaurant menu and pricing it at \$14 would certainly be regarded by members as a great value. But general managers would never approve that move if their cost for each lobster was \$22.



“ Consumers are the ultimate arbiters of value, but the brand has the power to influence their perception.

Redefining Brand Value

We believe there is a far more effective – and cost efficient – way to increase the value members place in your club and in your brand. It's by introducing emotion and experience into the equation. Years ago GE began adding “emotion” to the numerator of the traditional brand-value equation by positioning GE as fun and lively and by giving GE a catchy tagline: “We bring good things to life.” In doing so, it revised its brand value equation to look like this:

$$\text{Value} = \frac{\text{Performance} + \text{Emotion/Experience}}{\text{Price}}$$

The TPC Sawgrass resort in Ponte Vedra, Florida, is doing the same thing through storytelling. Golfers flock to Sawgrass to play the infamous No. 17 with its treacherous island green, which doles out emotional highs and lows with every tee shot. Sawgrass adds to the experience with tours (led by docents known as storytellers) of the Mediterranean-style, 77,000 square-foot clubhouse, which features an expansive gallery of photography, golf clubs, and history lessons.

Guests leave with memories that turn them into storytellers and ambassadors, effectively pre-selling Sawgrass's next golf buddies' trip. How do you put a price on all that? Well, Sawgrass does, and it's not cheap. But we've never heard of any golfers leaving Sawgrass muttering about what they paid for the experience.



Most of today's private club members relish an unforgettable experience far more than a bargain. Memorable experiences are those that are hard to duplicate. They can come in the form of pre-planned activities and events that are packed full of emotional and shareable impressions. It's the wedding reception on the lawn with a band playing music from the bride and groom's college days. It's the member-guest that ends with a Low Country boil and a multi-media show featuring the emotional reactions of golfers from the previous two days.

Clubs that tap into the passion of different segments of the membership also are mining for emotion and experience. The director of golf schedules trips to iconic courses in Scotland and Ireland. The VP of food and beverage organizes travel to Napa and Sonoma. Artistic members enjoy road trips to Santa Fe and Naples. The options are as varied as one's imagination, with the greatest success coming from innovative ideas that create unforgettable experiences.

COKE'S HARD-EARNED BRAND LESSON

A recognizable and loved brand is one of the most valuable assets a company owns. There's a famous story told in marketing circles that dramatically emphasizes the point. In 1985, in the face of heated competition from Pepsi, The Coca-Cola Company decided to test out a new formula for its flagship brand. Despite the fact that taste tests had given the new formulation high marks, the release of New Coke was met with near revolt by its most loyal consumers.

As Coke learned the hard way, it turns out that people don't always like products for the reason that marketers think they do. Even though focus groups said that New Coke had a better taste, consumers turned up their noses at the new brand because it wasn't the same Coke that their grandparents gave them on their birthday, that Marilyn Monroe famously touted, or that a cute little kid gave Mean Joe Green in an iconic 1980 Super Bowl ad.

Coke loyalists were furious and let the company have it, flooding switchboards and a specially constructed call center. Coke eventually reverted to its original formula and ingenuously explained that its failure was in not realizing that the true owners of the brand were consumers, not the company, and it should not have tinkered with something so dear to consumers' hearts.



Building a Brand

The marketing team of Ries and Ries says that a successful branding program is based on the idea of “singularity.” Harkening to the days of the Old West, they advise that **a branding program “should be designed to differentiate your cow from all of the other cattle on the range.”** In other words, create in the mind of the prospect the belief that there is no other product on the market quite like your brand.

So how do you build a brand? Here are six steps to follow.



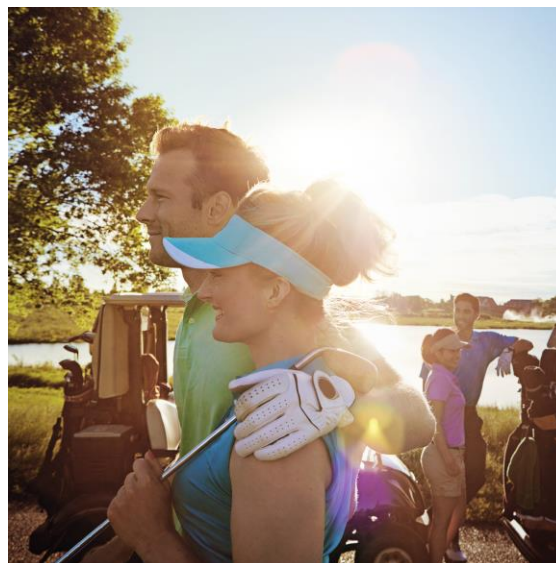
1 START WITH A VISION. You have a head start on the branding process if your club has developed a strategic plan and crafted a vision statement. As we say in our whitepaper on strategic planning, a vision statement should speak to the club’s aspiration and guide its long-range goals. It also sets the course for the brand.

Example: “The Commerce Club is a platform for the discussion and debate of the day’s important business, government and social issues and aspires to make a positive difference in our city and state.”



2 KNOW YOUR AUDIENCE. Tailor your messages and their tone to the specific behaviors, lifestyles, and preferences of your primary audience. Odds are that you have more than one demographic among your members and prospects – baby boomers, moms with children, young professionals, and millennials, for example.

Pick one as your key audience and create a brand identity to which its members relate. Specific messages for other audience segments should be tailored appropriately, but never at the expense of your primary audience.





3 KNOW YOUR COMPETITION. You should be aware of competitors' advantages and shortcomings. The goal is to find your niche within the market, so your brand stands out and appeals to the people you're most interested in attracting. A brand competitor spreadsheet - which identifies competitors' key messages, an honest appraisal of the quality and effectiveness of those messages, and the media channels used to communicate them - clarifies competitive differences and exposes your best opportunity to be successful in your market.



4 GIVE THEM A REASON TO CHOOSE YOU. What are you offering that is distinct from other competitive offerings and provides significant value to your target audience? When considering your answer to this question, go beyond a simple laundry list of programs and amenities; serious competitors will have similar lists. Instead, go back to the idea of emotion and experience. Think about ways your club brings members and their families together, gives them a place to celebrate milestones, and provides opportunities to share laughter and good times.



5 FIND YOUR VOICE. Your brand's voice is not only what you say, but the way people hear what you say. It could be professional, friendly, authoritative, promotional, conversational, or informative - or a combination of those characteristics. Most Important, it must resonate with your key audience in a way that's consistent with your brand and encourages people to want to be part of your club.



6 CREATE A LOGO. One of the most important pieces of the brand building process is creating a logo. Your logo will be placed on just about every member- and prospect-facing piece of communication and is literally your brand's calling card. Its development is not a task to be taken lightly or hurriedly. Many find that this is the time to bring in a graphic designer to develop the logo and the guidelines that ensure consistency across applications.



Making It Personal

When it comes to making decisions, purchasing and otherwise, research proves that memories and sentiments are the most potent triggers. That's why Godin says, "People do not buy goods and services. They buy relations, stories and magic." Or, as Don Draper once put it on *Mad Men*, **"You, feeling something, that's what sells."** And that's what brand building boils down to: creating an emotional connection with your customer. The connection becomes even stronger when it's personal, as Coke discovered when it began customizing bottles of some of its most popular brands with the names of the people drinking them.

It's a lesson some of the most respected club leaders put into practice on a daily basis. "Our team loves making guests' experiences memorable," says Damon DiOrio, the former CEO at the Charlotte (N.C.) Country Club who is now in a similar position at Desert Mountain in Scottsdale. "We engraved guests' names on a metal plate for the locker room, we did a Google search to learn more about the guest and our staff greeted you by your last name throughout the club."



“You, feeling something, that's what sells.”

A Never-Ending Story

Former Nike and Starbucks executive Scott Bedbury once said: **"A brand is a story always being told,"** meaning that there's no finish line to the branding process. There's always room and opportunity to shine your brand.

Brand building can be one of the most significant things you do for a new or existing club. A brand gives people a reason to choose. A great brand – one built on a foundation of emotion and experience and integrated into every aspect of the customer experience – gives people a reason to choose you.

THAT'S NO BULL

A cattle rancher in Oklahoma, who also knows a thing or two about branding, tells this story about a fellow rancher named Don Zahorsky.

“He’s been in the business of registered Angus cattle for decades, even back when my dad was a kid. Ride around in the pasture with Don, and he can tell you the parentage of every animal. ‘What’s that tag number? 0282? That’s another Dominator son. His mother is a real good cow. Her father was the grand champion.’

“He has invested his life in breeding the best registered Angus cattle he possibly can. He’s bought bulls back from people, because he didn’t like the way they performed. He’s never thought once about business brands, about emotional experiences, about logos. But he does care a lot about his reputation and the service he provides his buyers.

“He brands his bulls with a DZ on the right hip. Everyone around here knows that brand. They know Don. They know that brand means a good bull. Here’s the lesson: It’s not the brand that makes the bull valuable. It’s Don’s reputation that makes the bull valuable. The brand is just a way of showing it.”



Branding has been called the glue that holds the broad range of marketing functions together. But the real power of any brand is its ability to influence purchasing behavior. Is your brand fulfilling its responsibility?

For an assessment of the strength of your brand and its potential to influence your members and prospects, get in touch with a member of the GGA Partners team. Contact information detailed on the following page.

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