

The Power of Branding: A Focus on Intangible Services

Many entrepreneurs we know in the *Services Business* sector are perplexed about branding. We hear comments like “Isn’t branding just for product companies with big budgets?” and, “That’s fluff-stuff so we don’t need it.”

We beg to differ and ask the confused and/or unconvinced to consider a few “bottom line” points. We have it first-hand from several successful merger and acquisition gurus who say they can point to specific deals where the seller received a higher than anticipated value for their company due to strong branding. (And, not just branding of their company but their services, as well!) Further, research giants like Gartner regularly talk about the “increasing value of well branded services”. Based on our 25 +plus years of starting and growing businesses – our own and our client’s – we know there is significant value in effective branding.

We like to keep things simple. As the ultimate pragmatists, we invest a good deal of time in helping business owners to focus on this, our mantra, for profitable growth: “*Make it easier to buy, faster to sell, and predictable to deliver.*” It sounds simple enough. But, now go make that happen in your business on a consistent basis. Ah, yes it’s simple but not easy. So, branding is one of the tools we employ to help with the heavy lifting required to fulfill our profitable growth mantra.

Branding: A Few Basics

Here it is, short-and-sweet:

- A logo is not a brand–nor does that identifier alone make one;
- A brochure is not marketing–not even the most effective one of the lot;
- Marketing is not sales–and, oh boy, does that cause a lot of consternation.

Let’s take a look at using some marketing muscle in the form of “service branding” to assist sales with its challenges. Effective service branding involves a set of ideas and activities developed by a seller with three primary objectives in mind:

- Create perceived value for it;
- Associate specific attributes and qualities with it in the minds of buyers;
- Increase mindshare about it.

These objectives are very practical because they all lead to increasing revenues from the branded service. Revenue can be increased via branding by:

- Successfully appealing to more buyers increase sales;
- Allowing the seller to charge more for the service based on its perceived value over competitors;

- Carefully using the well-branded service as a “value-add” or motivator to close a sale more quickly than normal.

So, when we encounter questions from services business owners along the lines of “What can branding do for my business” or, “Why bother?”, the following critical factors are the ones we believe are most worthy of thorough consideration.

Branding: Make it Easier for Buyers to Buy

It is tough to sell intangible services e.g., advice, know-how etc. Well, it is even more difficult to buy! Consider that a buyer has to understand, evaluate, believe, and frequently convince colleagues and team mates to agree with them about your (intangible) service. How do you put your experience, expertise, value, approaches, culture, business style, intellectual assets – and more – out there in a way that *makes it easy for the buyer to buy*? This is *always* difficult to accomplish but effective branding is a major help. Placing your “special stuff” inside of a well named, graphically reinforced, tightly described and precisely targeted brand can make all of the difference. To use an analog from the consumer products world, think about “Starbucks”. We don’t “get coffee” (the ultimate in commodity items), we “get Starbucks”. In this same vein, we have created effective brands for our clients who offer great but intangible IT Services, Professional Services and Business Services.

Branding: Help Generate Good Leads

If prospects know about and respect your services, they are more likely to read your articles, accept your event invitations, or take your phone calls. (If they have never heard of you, your outreach generally goes unnoticed.) Copious research supports the need for regular outreach to prospects; we call this process Touch Points SM. Some say as it must be done as many as 10 to 12 times before you get mindshare. Effective branding helps to grab attention and create a context for remembering your company and/or service. The name of your service, your graphic identifiers, the taglines that reinforce the key message, the *integrated* ways in which your brand is seen in the market, it’s all vital to business success.

Branding: Command Premium Pricing

When a buyer is attracted to your service, quickly understands it, relates its value to their business problem and sees themselves as the beneficiary of your value proposition, you have a winning situation in hand. It may be basic, but buyers are looking for services firms to do what they say they’re going to do. When you brand in way that buyers value what you have to offer, you can command a premium for your services. Of course, branding alone does not build a service, but it is a key, and often overlooked, component

Branding: Beat Your Competition

If a buyer believes he is going to receive great value, quality deliverables, risk reduction, savvy experts, etc., that will beat the lowest price just about every time. (By the way, if

you find a prospect looking for the “lowest bid”, we encourage you do some real thinking about whether you really want their business.) Done well, services are not a commodity and effective branding will always help you stand out in your market space as a differentiated alternative.

Summary

We encourage owners of Services Businesses to learn more about effective branding. The very process of developing an effective service brand is good for the overall business because it:

- Creates real clarity and drives differentiation;
- Sharpens the focus on targeting and finding the “right buyers”;
- Strengthens and unifies key messages about your service – and company;
- Creates synergy inside the business among sales, marketing and delivery resources
- Drives new business and profitable growth
- Creates additional value for your company;
- Is a very powerful asset

About Marketplace Partners

For more than a decade we have successfully served B2B Services Business organizations in the greater Chicago area. Our business consulting and marketing services are designed specifically for business owners and executive teams committed to accelerating the profitable growth of their business. Leveraging our proprietary and on-going research with C-level buyers of services, we propel our clients into new services, new markets, more sales, better margins and timely results. We assist our clients in closing the gap between their business plan and the strategic marketing and practical performance required to effectively grow their business.

Contact Us: 877.250.7524 or learn more at: www.marketplace-partners.com