



*How to Make Your
Brand Promise
Unique & Relevant*

Small Business Brand Report by Designbull

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INTRODUCTION

This Small Business Brand report 2016 is a brief summary of a comprehensive paper titled, "**A strategic approach to creating the SME brand value proposition: an alignment of internal and external factors.**" by Secil Fuller, our Marketer here at Designbull. It's based on her findings over the past two years studying her MSc, (Master's degree) in Marketing.

It reveals insights into the SMEs who took part in the research and **how they perceive their business brand** – and provides **key important findings and recommendations** for any SME owner or manager of a growing business.

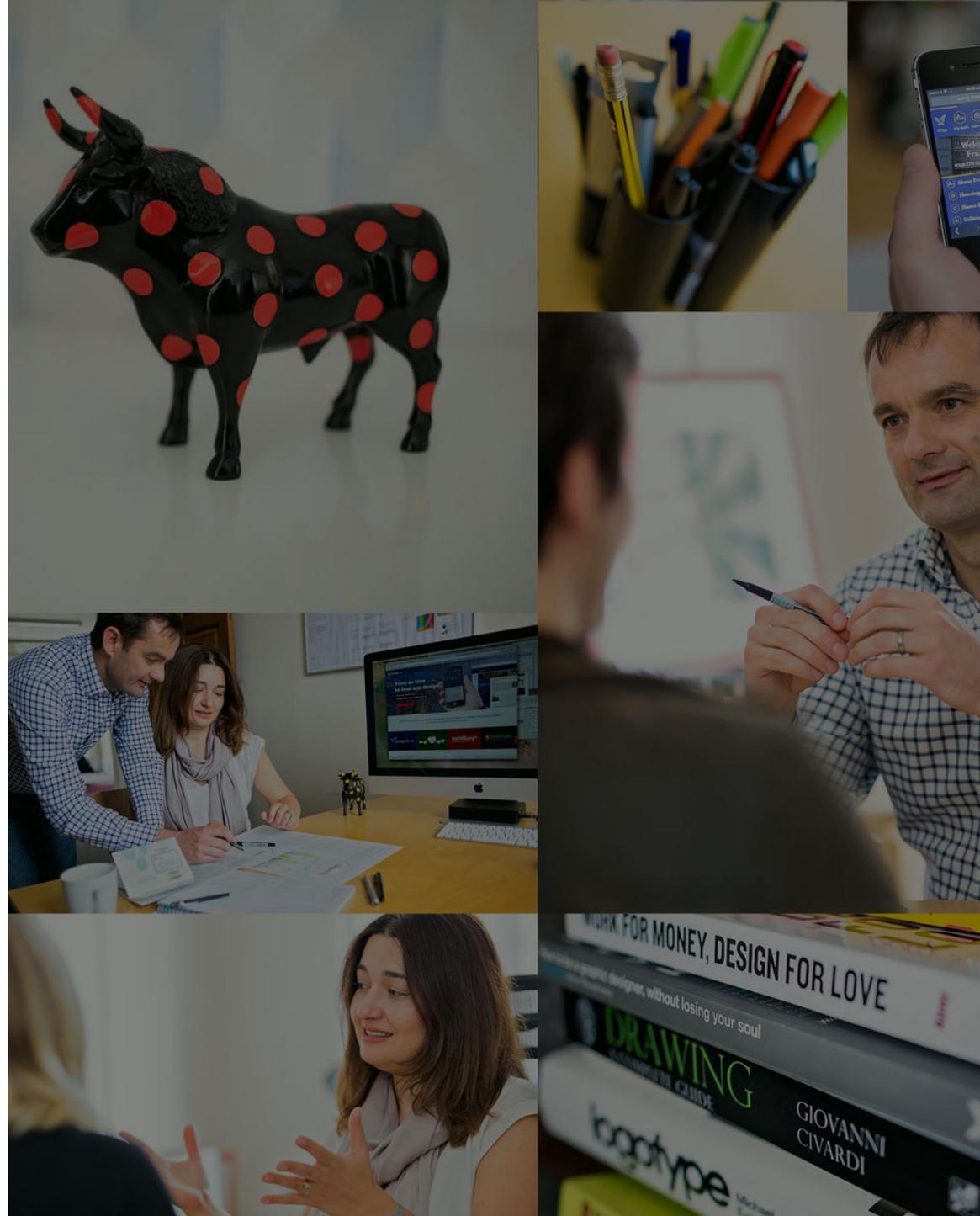
We hope you'll find it valuable – and gain an insight into your company's brand promise.

Warm regards,



Secil Fuller
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BACKGROUND OF THE RESEARCH

The data* published by the UK's Department for Business Innovation & Skills in 2014 revealed two important findings regarding SMEs (Small to Medium Enterprises):

- 99.9% of private sector businesses in the UK were SMEs with a combined turnover of £1.6 trillion.
- 56% of the small business employers who took part in the survey said that competition was the second biggest challenge to the success of the business, after the economy.

The business problem of **competition and how SMEs can differentiate themselves** were the starting points for this research project.

The research project approached the problem from the angle of competitive positioning and the **brand**. The brand can be thought as the **'interface'** between the company and its stakeholders. It communicates the positioning strategy and shapes perceptions.

This research focused on one of the key elements of the brand: **the brand promise**. The brand promise frames how the brand is positioned and differentiated, in other words, it communicates the benefits offered and why it is different. So the research looked for answers to the specific question of **how can SMEs create their brand promise that helps achieve differentiation?**

References: If you would like to find out more about a particular topic presented in this summary report, I can provide the details of the relevant academic papers.



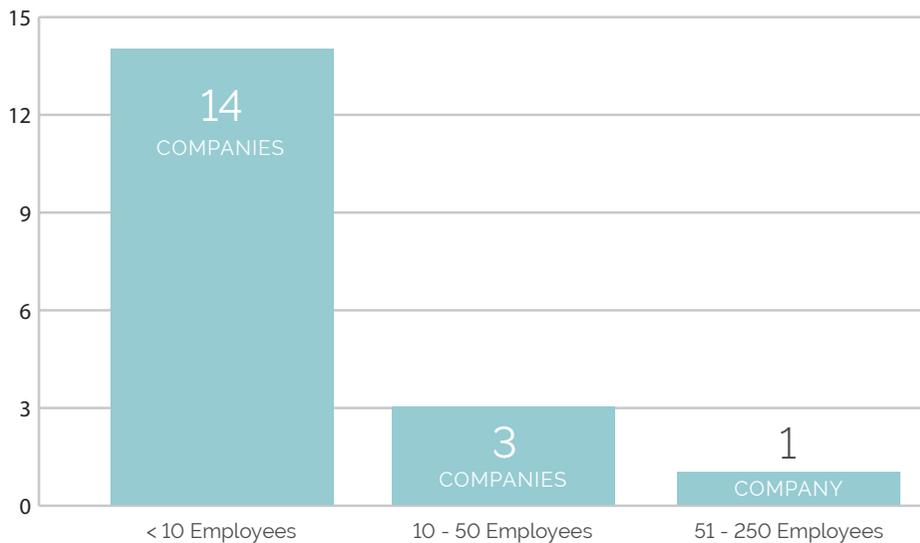
BRIEF DETAILS OF THE METHOD

To explore the research question from the perspective of SMEs, in-depth interviews were conducted with eighteen Small to Medium-sized Enterprises (SMEs).

Their sizes ranged from a **'one-man band'** up to a company employing **160 people**. These businesses who participated in this report are based in the South West of the UK and primarily operate in the technology, creative and travel industries. See pie chart opposite:

Although the sample used is small and the findings cannot be generalised to the UK's SME sector, the rich data collected provides valuable insights into how SME owners and managers approach creating their **brand promise**.

COMPANY SIZE *by Employees*



ELEMENTS USED
by a company as a
SOURCE of DIFFERENTIATION

VALUES

1. *Commitment to delivering high quality work.*
2. *Commitment to customer relationships.*
3. *Honesty, trust and integrity.*

SKILLS & CAPABILITIES

- *Professionalism*
- *Expertise*
- *Efficiency*
- *Consistency*
- *Transparency*
- *Adaptability*

COMPANY

CULTURE

PERSONALITY

RESOURCES

KEY FINDINGS

There are two factors that influence the decisions made for a brand promise: *company identity elements* and *customer insights and data*.

1. COMPANY IDENTITY ELEMENTS

What makes the SME brand promise unique?

The results suggest that the participants consider the following elements as the source of differentiation. At least **one** of these elements are reflected in their **brand promise**.

VALUES

Three key themes emerged as the principle values:

1. Delivering high quality work: Irrespective of the size of the SMEs interviewed, they all highlighted the importance of delivering what is promised.

2. Establishing close/personal customer relationships: Establishing and maintaining close and personal relationships with customers is the second main concept discussed by the participants in relation to what makes them different.

“I think that [personalised relationships] is what good companies lose as they grow, because most of the

process is automated, well, actually we don’t want to automate the process. Because people know when they receive cut and paste. We just interact more.”

3. Trust, honesty and integrity: The data suggest that honesty, trust and integrity are central to the participants' way of doing business. These values guide their actions/business activities in order to deliver what is promised and maintain good customer relationships.

“It’s about old fashion words like trust and integrity and being prepared to go the extra mile.”

SKILLS AND CAPABILITIES

The data suggest that these skills and capabilities: professionalism, expertise, efficiency, consistency, transparency and adaptability/flexibility, are considered by the participants to be vital for the delivery of the service/product and maintaining customer relationships.

“In the industry there is a big move towards specialist skills...What they are asking is a guy who worked in retail for 20 years has now gone into consultancy... Therefore... they have huge amount of expertise and credibility. We are the same.”

CULTURE

The companies employing the largest number of employees highlighted the role of company culture as an important part of their corporate identity. The largest company stated that their internal message, which they want to give to their employees, has to be clear because it also has an impact on the external message and how it is communicated to the outside world.

One company referred to the culture as one of the important elements that helps attract new talent:

“...There has been a brand evolution over the last few years where the CEO is keen that we differentiate ourselves by our culture rather than our credibility.”

RESOURCES

The findings indicate that in order to adapt to the needs of customers, the participants, especially those employing less than 10 people, adopt a collective or associate approach by working collaboratively with other professionals. This approach is mainly used to boost existing skills and resources when customers are looking for evidence of credibility and infrastructure for the work required. This approach is being used as a means of competing with larger agencies to attract larger projects.

“A lot of people say we punch above our weight.. we

pitched against bigger companies and people are surprised once they found out how small we are. We describe ourselves as a collective... size is really important. Clients want to know that they are in good hands and you have the infrastructure in place.”

PERSONALITY

In smaller companies, the personality of the owner had a big influence on the character of the business, that is, how the business activities are organised and conducted and how the personality is communicated.

“I think what I am trying to do with my branding is to have a good mixture of professionalism and being very personable. The logo is my signature and that sums up what I am trying to achieve.”

In contrast, in the larger companies, the impact of organisational culture was influencing strategic decisions, rather than the owner's personality.

“We have been through a process where we consulted with staff and looked at lots of options, drew it all and agreed what our values are and how we define those. We are just starting now to communicate those externally.”

2. CUSTOMER INSIGHTS AND DATA

What helps SMEs make the brand promise relevant?

The SME owners chose the most appropriate company elements to communicate in their brand promise, e.g. expertise and professionalism. Their selection was not only based on their strengths or what made them unique but also on their understanding of their customers' needs and expectations. Customer insights and data informed strategic decisions made about positioning and the brand promise.

The SME owners and managers used these skills and techniques to obtain customer information:

Networking and feedback

The SMEs interviewed are close to their customers, and over time they have developed understanding of the needs and expectations of their customers by interacting and working with them. The finding indicates that networking, close relationships and customer feedback are the key tools when obtaining customer insights.

Segmentation

The findings indicate that the participants, irrespective of their company size, used some level of segmentation. This was mainly done to develop their business strategy but also to develop their brand and marketing communications, (e.g. website and printed materials).

The common segmentation variables used by the participants were:

- *Personality, values and attitudes of customers, e.g. seekers of quality and expertise.*
- *Industry/market segment served, e.g. management consultants.*
- *Economic, demographic and lifestyle, e.g. high income earners.*

One company said:

“At the beginning the founders thought they knew who the customers were. When they looked at the stats it was not a million miles off but was not particularly correct. They thought their customers were ‘Men’s Health-reading city boys...’ Whereas actually it was 50% women. They did not take into consideration women, so it puts me off advertising in a single sex magazine. That’s like ignoring half of your market.”

OTHER IMPORTANT FINDINGS

COMPETITORS

No direct influence on the brand promise itself, but... competitors' business and marketing activities affected the decisions made about the positioning and overall marketing strategy. These did not have a direct effect on the creation of the brand promise.

The main competitor activities followed by the participants have been grouped below:

- ***Pricing and offers***
- ***Marketing activities, such as websites and presence in the press***
- ***Jobs they go for***
- ***Their positioning***
- ***Their brand image***

ALLIANCE WITH COMPETITORS

The theme of forming alliances with competitors emerged from the data. The SMEs interviewed had good relationships with their competitors, especially if the market segment or the geographic area served was small. These alliances manifested themselves as referring jobs to one another, hiring equipment to each other or sharing advice and expertise.

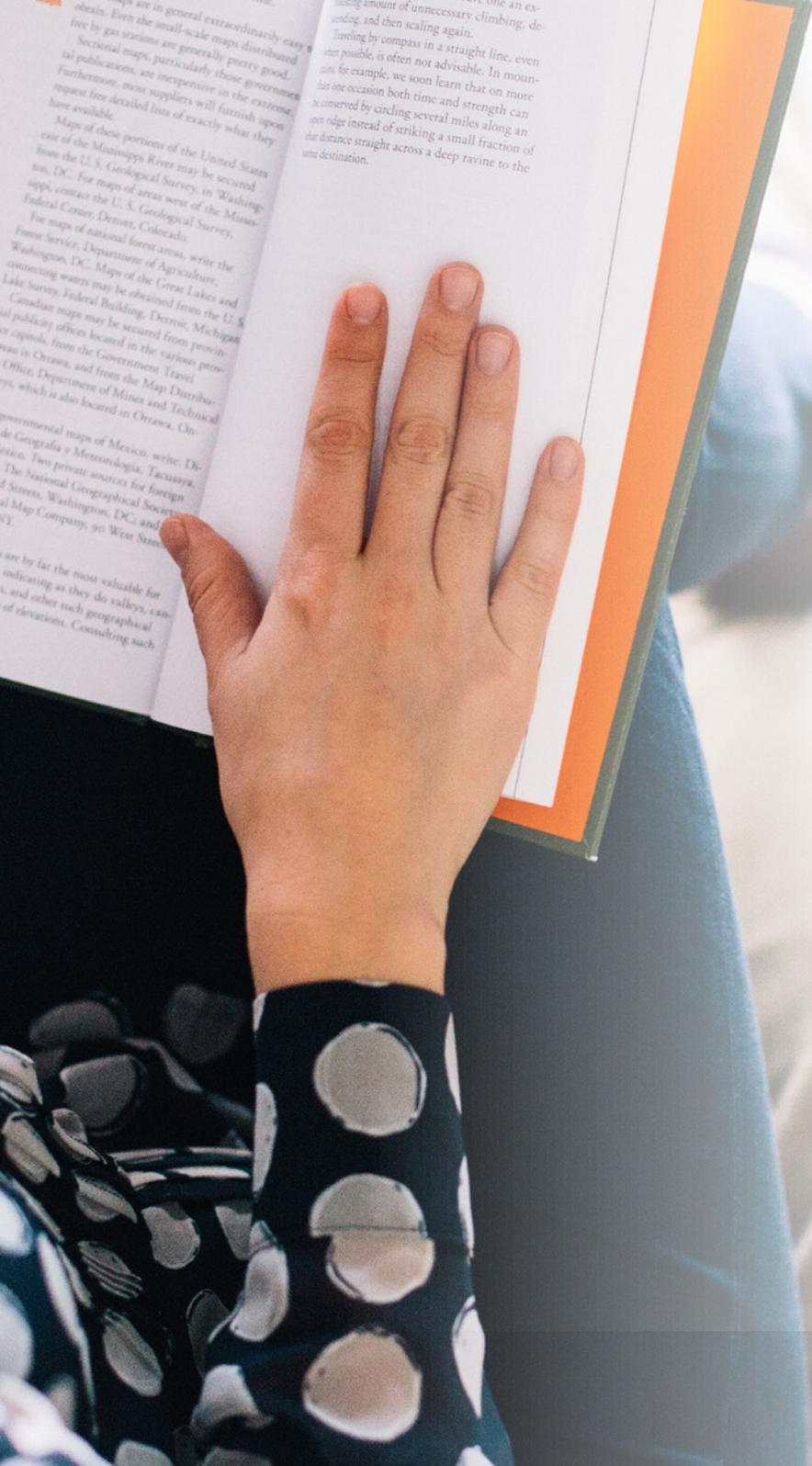
TACKLING LARGE COMPETITORS

Competition did not necessarily stop the SMEs entering into a particular market segment, but it affected service offerings and positioning strategies.

In order to compete with larger companies and attract bigger clients the SME owners worked in collaboration with other self-employed professionals. This is referred to as 'being collective' or the 'associates approach'. This approach was also used by the SMEs to boost their credibility by expanding their skill pool and expertise.

Other participants maximised the advantage of being small and responsive, as opposed to the more complex structure of larger competitors, by offering efficient, personalised services to their customers.

“We stay small and agile. Our clients love the fact that compared to dealing with more complex agencies, they can communicate directly to the people on the front-line doing the work without having to go through an account manager first...we are still very hands on.”



CONCLUSION

The brand promise is one of the brand expression elements and forms the basis of competitive positioning. It will help SMEs differentiate themselves if it:

- ***stems from the SMEs unique competencies - unique company identity elements.***
- ***is relevant to customers - its relevance should be expressed by encapsulating the benefit/s sought by customers (e.g. emotional, functional or self-expressive benefits).***

The brand promise can be developed through finding the long-term fit between an SME's competencies and the demands of the market it serves.

RECOMMENDATIONS

Creating a brand promise is a strategic process and requires SMEs to align the elements in their internal and external environment. In order to create a brand promise that is unique and relevant, **I would recommend to examine and evaluate your three key strategic elements:**

1. YOUR COMPANY

The company identity elements: values, skills and capabilities, personality, culture and resources, should be the starting point when identifying what your strengths are and what makes your company unique.

2. YOUR CUSTOMERS

Feedback systems and networking should be used to gather customer insights. Also, different segmentation variables such as economic, demographic, lifestyle, personality, values and attitudes can help you to enhance the understanding of your customers. Your promise should address the solutions you are offering to their problems. Customers may expect not just functional, but also emotional benefits from the relationship they may have with your brand, e.g. trust.

3. YOUR COMPETITORS

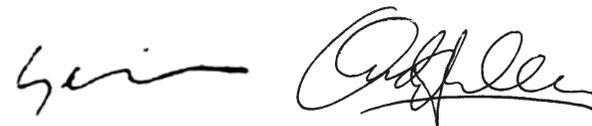
Competitor analysis should include their marketing mix elements (e.g. offers, pricing and marketing communications), their positioning, types of jobs they go for and their brand image. This information can help you develop your positioning strategy and identify which markets are profitable and how to compete in them.

*After evaluating these three elements, you can then consider what **to action** and what **benefits to communicate** on your brand promise. Once defined, other brand elements such as **a visual identity** and **tone of voice** should be created accordingly to enforce it.*

And if you're **looking to get started** with your brand promise and set the **foundations of your brand**, we're offering a **FREE 30 MINUTE CONSULT** to help growing businesses.

Just click to book a slot below, and we'll chat about your brand and ways we can help.

Talk soon,



Secil Fuller (MSc) & Andy Fuller (MCSD)

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