

Giving Branding a Bad Name

*Many start-ups still equate branding with screaming—
and now they're keeping quiet.*

The Internet-driven venture capital boom of the late 90's overhyped the Internet, overvalued technology stocks, and left many young workers disillusioned.

Equally troubling, and less discussed, it gave branding a bad name.

Millions of VC dollars were earmarked for "brand-building" activities—generally meaning television advertising, the better to gain the once-vaunted "first-mover advantage." Brand-building generally meant one thing: getting noticed.

Being heard is, of course, an important goal. However, getting noticed for its own sake has no long-term benefit. And attracting customers without having a clear and coherent brand value proposition can be devastating—as many start-up companies have learned.

Merely equating branding with noise—instead of approaching branding as a holistic effort to convey a coherent message at multiple customer touchpoints—produced little in the way of ROI or any meaningful results.

The most egregious so-called "brand-building" advertising came from high burn rate dot-coms like Outpost.com, famous for a television spot in which gerbils were fired out of a cannon. Perhaps Outpost

and its agency were desperate to break through the clutter. Or maybe they were trying to appeal to a particularly sophomoric consumer.

Either way, they were thinking very short term—like "until our IPO."

No wonder the pendulum has now swung and we find start-ups in a virulently anti-branding mindset. I've lost count of how many new company management teams I've spoken with who deride branding with terms like "marketing fluff" and "the icing on the cake."

They're too busy trying to run their companies and maximize the value of their intellectual property. They don't have time for soft, unmanly stuff like *branding*.

Here's what typically happens: a venture capital firm funds an idea. To bring this idea to market, the company needs a management team, which generally includes a finance person, an operations person, a tech person, and someone with category experience. Who's missing here? The brand champion.

Coming from a branding consultant, this sounds self-serving, of course; after all, why do new companies need a branding

person on board? Isn't this a nice-to-have, like an espresso machine or a staff masseuse?

What these management teams don't realize—and they're not bad people, of course, just unschooled in the art of branding—is that brand is the glue. Brand is the soul. Brand is not simply the logo and color palette (my favorite misconception); instead, your logo and your website and your sales materials and your package and your product itself and your customer service greeting are all expressions of your brand—whom it's for, what it offers, why it's better, why you need it.

Your brand is your business. It's your life's blood. Saying you don't need branding is antithetical to the health of any going concern.

But after the expensive and mostly failed branding efforts of late 90's, it's more difficult than ever to get management teams to think about branding. So companies are ending up with fragmented, disjointed efforts, lacking any continuity from marketing through sales through product/service delivery and customer service/support.

What's the manager of a startup to do?

Ask yourself these questions:

- What's my elevator pitch? Who is my target, and why should they switch to my product or service? Can even the lowest-rung employees of my company articulate this story?
- Is my value proposition built into my corporate identity? Does my company name and nomenclature system (names of products, service lines, etc.) reflect this?
- How about the way my company operates—is this reflective of my essential value proposition, or is there a series of disconnects along the way? Am I constantly apologizing for or explaining some aspect of my company's process?
- Are my company's basic communications materials—ads, sales sheets, presentations, web sites—communicating a consistent message with a single voice? Do my investors, partners, management team and customers have a unified sense of the market need and the solution we offer?

At most start-up companies, there's room for improvement. Even if your business is in an early stage, it's never too soon to think about your brand.

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