

Insights into Identity

Being a brand leader in today’s environment requires the honesty to recognize a key brand reality: In today’s world, the retailer’s brand identity is just as important — sometimes even more important — than your brand’s identity.

This is a marketing “paradigm shift” in every meaning of that cliché, and it transforms how we need to invest in and manage brand identity.

Whenever I’m faced by a fundamentally new marketing challenge, I go back to the fundamentals.

So, I revisited five brand management books I had saved from my days at H.J. Heinz. All five of these books basically boiled down into four key points: 1) understand the consumer’s wants and needs; 2) develop a preferred product based on those consumer wants and needs; 3) market strategically, using a fact-based approach to positioning, message and media; and 4) build the business on a

market-by-market, local basis.

All four of those points still make sense today. But as I thought about them, I was stopped by the fourth point, that “all marketing is local.” That’s simply not true. While it’s still true that all marketing is local, it is now local not to the *market* but to the

retailer and to the retailer’s shopper segments.

I concluded that five factors are driving brand identity today:

Innovation. Retailers are demanding innovations that are customized to their shoppers, and in many cases, to their shopper segments.

Influence. The retailer’s brand is oftentimes more influential when it comes to where consumers shop and what they buy. That brand has less to do with specific items on the shelves than the shopping experience in total.

Insights. While it’s still important to understand consumer experiences, it’s just as important to understand the shopper experience, where they shop, for what and why.

Speed-to-Market. To keep pace with retailers, the lead-time for innovation is compressed from 12-24 months to as little as 1-6 months.

Experience. The retail environment is often the only way the manufacturer has to link its functional benefits and features to the emotional and usage benefits of the product.

In short, where brand identity used to be primarily about the logo, package, advertising and media, it is now primarily about the shopping experience. It’s not that consumer insights and the usage experience is no longer important, but that

All great brand identities are now retailer-specific



The Huggies Baby Network

To differentiate itself from Pampers and its other competitors, Huggies built brand identity that delivered retail partnership, consumer/shopper demand, and product profitability by reaching both consumers and shoppers experientially. Working with Wal-Mart, Huggies moved beyond its specific product benefits and:

- Partnered with Wal-Mart's *Baby Connection* monthly newsletter and emails that are sent to expectant mothers
- Conducted monthly online sampling opportunities on Wal-Mart.com to give moms the chance to experience the product first hand
- Communicated new product news at shelf
- Sent email blasts via the Huggies Baby Network about special promotions and new products featured at Wal-Mart

- Featured on-pack communication to build awareness of special in-pack items that were relevant to moms at key periods of time, such as a Revlon coupon book during Mother's Day and Potty Training DVDs during Potty Training Awareness month

- Underwrote and led a test program for on-cart media communication

Huggies also leveraged brand-led initiatives that reached consumers/shoppers throughout the day at places moms frequent, such as local YMCAs, swim camps and daycare centers.

The brand additionally created opportunities for peer-to-peer, word-of-mouth around Huggies products by using the Huggies Baby Network as a forum for moms to chat. To encourage trial, direct mail and coupons were sent to moms, and diapers and wipes were distributed to hospitals and doctor's offices.

shopper insights that drive the retail experience now demands greater attention.

Most would agree that it has become difficult to impossible to differentiate product features and benefits when any innovation can be replicated almost instantly. The greatest opportunity for differentiation is now the shopping experience. Retail is also the greatest opportunity to drive purchase and deliver a meaningful return-on-investment.

Yes, the consumer's usage experience is important, because obviously if consumers don't like your brand they won't buy it again. But if you don't take care of the shopping experience, you may never get to the consumer experience.

CREATING DEMAND

What hasn't changed in today's world is the constant need to deliver profitable, topline sales growth by creating demand. The difference is that instead of creating demand purely via old-fashioned awareness, trial and repeat (which is still important), creating demand also requires having a plan to engage and convert a specific shopper base at a specific retailer.

This requires identifying *both* consumer and shopper "touchpoints," figuring out what to say, how to say it, how much money to spend, and calculating the projected return-on-investment. This can only happen if consumer and shopper insights are given equal consideration.

The key is to understand the different connecting points for each brand and every retailer. But it's not just about the connecting points inside the store; it's about understanding the consumer as a shopper, and when, where and how best to connect with him or her.

Where do they make the decision? Up front? In the category? In the aisle? At the department? How does that impact your marketing and how you build your brands?

To build a strong brand identity today, you must understand how to engage and convert your shoppers where and when they're ready to buy.

Brand identity today is less about logos and more about the experience, both at home and at retail. A strong brand identity requires understanding consumer and shopper connect points and the experience they want. It means combining the functional and emotional benefits of your brand that appeal to your consumer with the need states that shape the shopper's behavior in the store. ■



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