



5 Reasons Why Branding is Important for Your Business

Description

As we built our branding agency in Singapore, we were often asked how important branding is. After explaining it to whomever we were speaking to, we would almost feel sympathetic towards them when we saw the change in their expression because they realised how much their business had been missing out on. There is an opportunity cost for not being a brand, and the longer you delay, the more you are losing out to your competitors.

There are so many reasons why branding is essential, if not vital, to your company. Below, we list five key ones.

You want to attract new customers

Customers have choices – the hundreds of products on the retail shelves competing for attention or the many vendors vying for the same contract. Most people make purchasing decisions based on their first impression. You have that one chance to attract customers to buy from you rather than your competitors', so you need to make the best of it.

First impression matters. It only takes a few seconds – seven seconds, according to researchers – for a person to decide whether your product “fits me or not”, “is the right solution to my problem”, or “is a good brand to try out”.

A strong brand makes a good first impression. Period.

You want to build trust with your customers

Your self-help gurus, wife or girlfriend will tell you that trust is the foundation for any sustainable, long-term relationship. Well, they are right!

Consumers mistrust products these days, and you can't blame them. With so many companies behaving unethically, prevalent poor quality, a lack of transparency, etc., it's no wonder that the confidence level is at an all-time low.

However, by staying true to the essence of your brand and delivering it well, you can build trust and ultimately brand loyalty with your customers.

How do you build trust? Whether in life, relationship or branding, you build trust by making honest and genuine proclamations and communicating them consistently. It helps customers understand what to expect from your brand. When you make your promises known, it means something to them. They know you have thought things through, that you are serious about providing a good product or service, and that you know what you're doing.

You want to increase awareness of your company

People remember iconic brands. The experience associated with it often lasts a lifetime, and the thing that sticks in your memory may be beyond the visuals. It can be any part of your five senses – sight, hearing, taste, smell and touch – or your emotion.

Don't you think that's true? Let's do a simple experiment.

Close your eyes and think about the first brand that comes to your mind. What do you remember about the product? The colour? The logo? The tagline, maybe? Or a catchy jingle? Perhaps even the aroma of the product (food or perfume) that filled the room? Your first bite? Do you remember how you felt when you saw the commercial for the first time? Or your emotion (excitement, anticipation, happiness) when you bought the product or played with it?

Whether the product is still available or not, chances are, you'll never forget your favourite brand and the experience you had with it.

By building strong brands, you increase the awareness of your company and ensure that the brand is remembered for a long time.

You want to increase the perceived value of your products/services

As we are no longer living in that simple world where customers only want to satisfy their basic, functional needs, you want to manage and preferably increase the perceived value of your products or services. For example, when a young woman walks into Starbucks and buys a cup of mocha, she is buying more than just a cup of coffee. She is purchasing the entire Starbucks brand experience – the atmospheric interior, friendly service and quality of the coffee beans, to name a few. She is also buying a sophisticated and urbane lifestyle and is willing to pay a premium price for it.

Thus, customers need to perceive your brand as something of value to them before they can be convinced to buy your product. Your job is to find out these perceptions and then build a strong brand identity to connect with them.

You want to identify your company's value proposition

A company is an entity, and an entity needs a unique proposition to attract and retain its internal audience (your employees, investors and partners) and external audience (customers obviously, but also the media and potential employees).

By creating a well defined and easy to articulate brand, you are essentially uncovering your company's unique proposition with a distinctive voice. This way, your internal and external audience do not confuse you with your competitors, and you can maintain a consistent brand identity.

About Us

Creativeans is an interdisciplinary [design and branding](#) agency in Singapore, Milan and Jakarta. Our mission is to make the world a more creative place.

This article is an excerpt from the branding book *Are You Brand Dead?* by Kimming Yap, Yulia Saksen and Judy Tham. Visit www.areyoubranddead.com for more information.