

On the Mark

Helping you **mark** your credit union for success



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Putting Love in Your Brand

What products do you love? Not like. Not respect. Love. Do you love Starbucks? Do you love Walt Disney World? Do you love your credit union? More importantly, do your members love your credit union?

The most successful companies today put love into their brands. The concept is definitely more touchy-feely than your more traditional marketing tools like ROI, sales, and MCIF, but it's also a more realistic profit driver for the 21st century.

Research suggests that brands which engage people emotionally can command prices as much as 20% to 200% higher than competitors. They also sell higher volumes. A recent Gallup survey showed that a customer who is "emotionally connected" to your place of business is likely to spend 46% more money than a customer who is merely "satisfied." That could explain why an average family of four will choose to spend the equivalent of one whole paycheck or more on a five-day trip to Disney World instead of spending a few hundred dollars visiting their local the park. At Disney World, they feel the love.

So what exactly does it mean to put love in your brand? How does a consumer get emotionally attached to something like a cup of coffee, a tube of toothpaste or a financial institution? Saatchi & Saatchi, an agency that works with more than 60 of the top 100 worldwide advertisers, explored these same questions. Their answer was a concept they call lovemarks.

Lovemarks transcend brands. They deliver beyond our expectations. They reach our hearts and our minds, and they create an intimate or emotional connection that we can't live without. The hallmarks of a lovemark are mystery, sensuality and intimacy. Well known brands like iPod, Google, Starbucks, LEGO, Toyota and Coca Cola are all among the top 50 on lovemarks.com.

Cheerios is a good example of a brand which retooled its advertising to become a lovemark with consumers. The bowl pictured on the package was replaced by a heart, and instead of focusing on the product's functional benefit of being good for you, the focus changed to the more emotional benefits.

"We realized there was an opportunity to take Cheerios to a higher emotional ground, moving it from being part of the kitchen cupboard to part of the family," said Mike Burns, co-CEO of Saatchi & Saatchi.

Financial institutions can do the same thing - find that special something that gets consumers emotionally attached. Capital One did it successfully in 2000 when it introduced its "no hassle" card. At the time, most people knew they had a MasterCard or Visa, but not many associated their

cards with a specific financial institution. Capital One did extensive research and then developed a marketing campaign – “What’s in Your Wallet”- featuring pirates and vikings that protected consumers from hassles and hidden fees. Within three years, brand awareness jumped from 61% to 96%. Sales and net income have nearly doubled since the launch of that campaign.*

Here are some ways you can incorporate love into your credit union’s brand:

(1) Find your most passionate members and listen to them.

They will tell you all you need to know about your credit union. Some credit unions today use their own members in their marketing messages. This is a much more powerful way to communicate your brand.

(2) Put your brand through the love-respect axis.

Lovemarks.com has a respect axis that focuses on performance, trust and reputation. There’s also a love axis that focuses on mystery, sensuality and intimacy.

(3) Start telling stories.

Don’t just talk about your product benefits. Show how your brand is part of an experience, an adventure or a dream. Instead of selling the features of a home equity product, tell a story about how a member financed their kids’ education with a home equity loan from the credit union.

Putting love into your brand will take your credit union to the next level.

*Information obtained from Copernicus Marketing.

Tips from the Top

Tom Asacker is the author of *A Clear Eye for Branding*, the groundbreaking book that redefines business for the new, customer-controlled economy. Tom has lectured on customer relationships, business, branding, and innovation to corporate, association, and university audiences around the world. He writes regularly for both the national and business press and has provided analysis on television and radio broadcasts. You can find more insights from Tom on his website (acleareye.com), where you can also subscribe to his e-mail updates.

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| <p>Q. Your website and book are built around the concept “a clear eye.” What exactly do you mean by this term?</p> | <p>Q. Your most recent “thought piece” says that “customer service is dead.” Since so many financial service companies are trying to compete on “service” does this mean they need to come up with a different strategy?</p> |
| <p>A. There is a lot of confusion about how to thrive in today’s rapidly evolving global marketplace. Business people are overloaded with information and conflicting opinions on just about everything. That being said, I once heard that’s it not what you look at that matters, it’s what you see. So, the concept of “a clear eye” is my way of cutting through all of the noise,</p> | <p>A. Maybe. As the article points out, “customer service” arose as a way to help customers who couldn’t help themselves. But one of the promises of our new economy was that customers would finally be in charge. And it’s true, they are - but only if companies put them in charge. So the imperative of customer-oriented organizations today is to do just that;</p> |

“seeing” what’s *really* happening in the marketplace for products, services, entertainment and ideas, and clearly communicating what it takes to create superior value and appeal to today’s fickle and skeptical consumer.

help customers by helping them help themselves. The goal is perfect customer service through no customer service. Customer service, therefore, should now be thought of as the customer “experience” department, and its mandate should be to purposefully and tenaciously help the organization design the best customer experience possible.

Q. How do you get people to engage in your marketing?

Q. What is the most important thing a credit union should consider when undertaking a branding project or initiative?

A. I try to practice what I preach and make my writing and educational services accessible, inclusive, entertaining, and, most importantly, valuable. If people gain insights that help them improve their lives, they’re more likely to return and tell their friends about it.

A. Most importantly, that there is no such thing as a branding “project.” Branding is an ongoing process of renewal to make the organizations’ people, products, locations, hours, services, design, etc. both distinctive and desirable to its audience.

Q. Branding. Branding. Branding. Everyone talks about branding today. Let’s get real: what is branding and how is it different from marketing?

Q. You are obviously knowledgeable when it comes to marketing trends. What are two of the most important marketing trends executives should know about in the next 18 months?

A. That’s a perfect example of the confusion I mentioned. There really is no meaningful difference. “Branding” are the actions taken by a company, organization or person to influence people to choose their “brand.” Both big “M” strategic marketing (e.g. product, pricing, location, hr policies, etc.) and little “m” marketing communications (advertising, promotion, events, collaboration, etc.) are attempting to do just that. The important point to remember is that people in the marketplace are influenced by many factors, some of which are beyond the control of the organization. That’s why brands must stay tuned into the dynamics of the marketplace (e.g. new offerings, culture, technology, etc.) and evolve their brand to remain highly relevant and desirable to their audience over time.

A. Remember, marketing is both strategic-how do we orchestrate and deliver better value to our members? - and tactical - how do we communicate with, and facilitate conversations among our members and potential members? That being said, the most important trends are not really trends at all. They’re present day realities: members are overwhelmed with choice, starved for time, anxious and distrustful. They are looking for an organization they can trust - one that truly understands them and offers them a sense of belonging and respect. So instead of spending money trying to persuade people to join, encourage present members to provide input into the design of the credit union experience. Help them feel good about themselves and their decisions as members, and then work with them to spread the word and the experience of the credit union to their family and friends.

Q. How are customer experience and branding tied together?

Q. If you were an executive at a credit union, how would you make your

financial institution stand out in a crowded marketplace?

- A.** A brand is simply someone's expectation of receiving emotional "value" in the marketplace. Assuming that a person decides to trade his or her time and money for a particular expectation of value (a.k.a. brand), the experience should validate and reinforce that decision and, thus, the consumer's subsequent behavior. The key for leaders is to understand the expectation they are trying to create, and then make sure that their people, facilities, communication, etc. provide evidence of that expectation day in and day out. Distinctive and desirable doesn't mean a darn thing if it's not doable!
- A.** Simple. I wouldn't worry about what people think about my institution. Instead, I'd focus all of my time and energy making my people and my members feel good about themselves and their decisions while in my brand's presence. I'd work ceaselessly to improve their experiences, as well as connect members to my people, to other people and institutions that may be able to help improve their lives, and to each other. I'd bring the essence of "community" back to my credit union brand!

Resource Review

Knowledge@Wharton

If you're truly hungry for good, solid business knowledge, there's plenty of information to digest on [Knowledge@Wharton](#), the online business journal for the Wharton School of Business. This site offers the latest business insights, information and research from both industry leaders and Wharton faculty. It is divided into 14 sections ranging from Marketing to Operations Management and Technology to Business Ethics.

Content on this site is extensive. You'll find analysis of current business trends, articles based on the most recent business research, interviews with respected business leaders, conference overviews, book reviews and a searchable database of over 1,500 articles and research abstracts. Believe it or not, that's not even the best part. Fasten your seatbelts for this. Knowledge@Wharton makes information available in mp3 format.

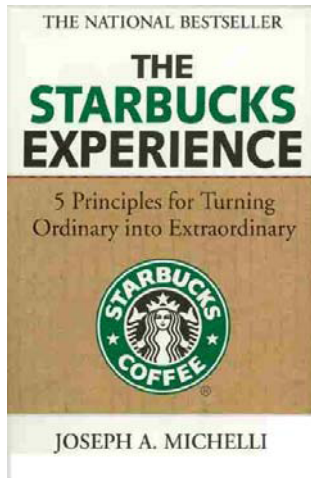
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Remarkable Reads



Every business consultant, speaker or author seems to cite Starbucks as an example when it comes to branding, experiential marketing or a slew of other hot topics. I even use them as examples in many of my speeches, staff training sessions and consulting assignments. But what really makes Starbucks so successful? If you want to know the answer to that question, read *The Starbucks Experience*.

Author Joseph Michelli offers five principles for “turning ordinary into extraordinary.” He spends a chapter each on “Make it Your Own,” “Everything Matters,” “Surprise and Delight,” “Embrace Resistance,” and “Leave Your Mark.” Those are the five key leadership traits that helped transform Starbucks from a Seattle coffee shop to a world-wide phenomenon. These are all principles executives can learn and apply at our local credit unions as well.

The book emphasizes that one of the keys to Starbucks’ success is their people. Many companies (or credit unions) may say that mantra “our employees matter, it all starts with our employees, etc...” but few live it. Starbucks does. One of the book’s best quotes is:

“Partners (Starbucks’ term for employees) are given extensive training in product knowledge, guiding principles for success, personal empowerment, and the importance of creating warm customer experiences. In stunning contrast to most Fortune 500 companies, Starbucks consistently spends more on training than it does on advertising.”

Wow! That has to step on a few of us marketers’ toes. But you know what? In many ways marketing and training (especially sales and service training) are invariably linked together. You can have all the great marketing campaigns in the world, but if your front-line staff is not delivering incredible experiences for your members, then ultimately your credit union will fail. That is one reason why Starbucks succeeds: they focus on their employees and training.

One of the best aspects about *The Starbucks Experience* is its practical nature. The book does not focus just on theory. In fact, each chapter ends with an “Ideas to Sip On” section that offers tactical suggestions for improving your organization.

This is a wonderful read. It combines sound strategy with practical tactics and compelling stories. At less than 200 pages, you can come away from this quick read with some powerful Starbucks secrets.

training • speaking • brand consultant • planning • facilitator

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