

POWER OF PURPOSE

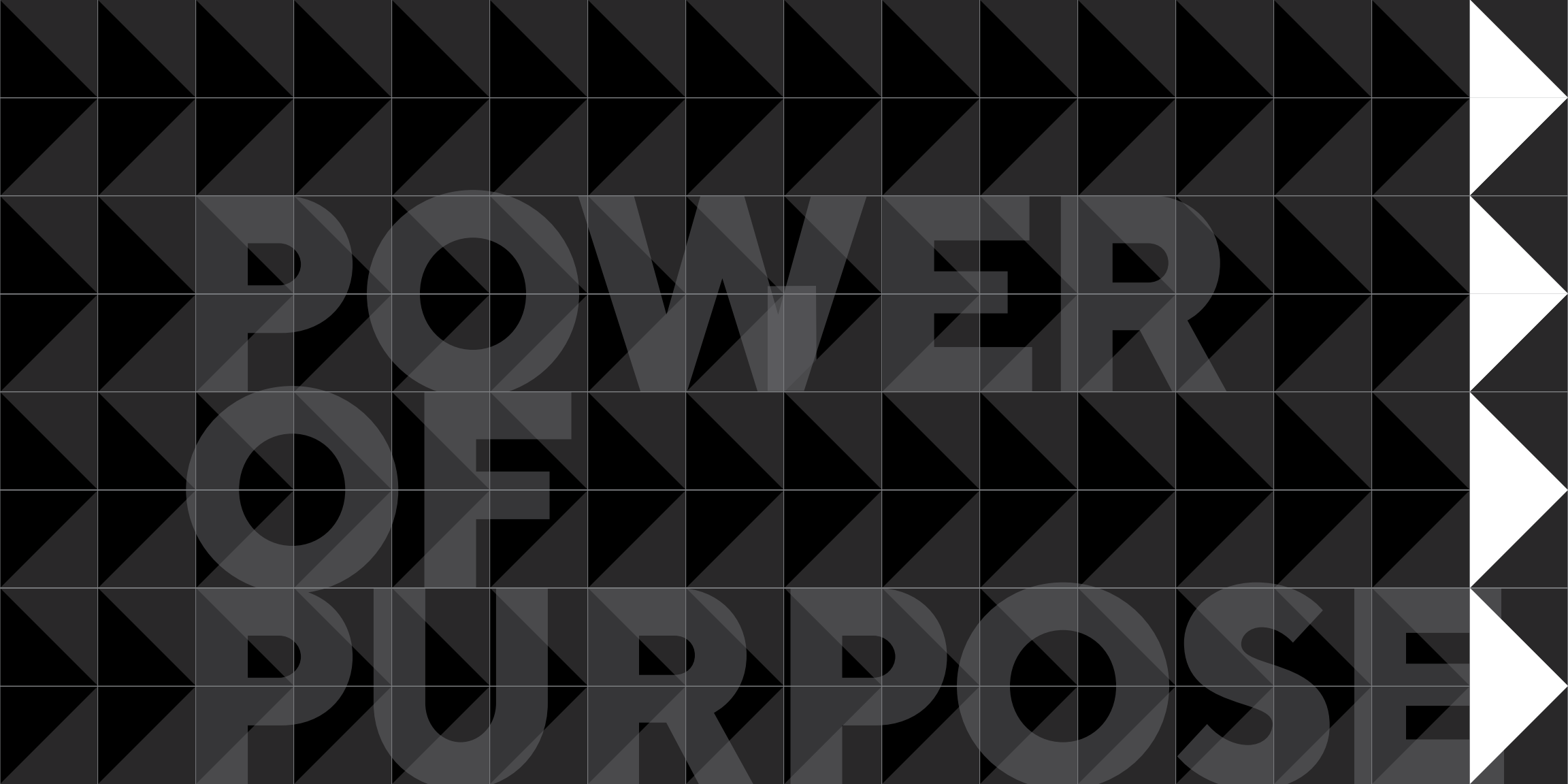
Creating Distinct Patterns
Through Branding

JÄN PAUL OSTENDORF

PURPOSE
BRANDING



Thanks to God, the original
pattern-maker, revealing your handiwork
and teaching us through repeatable
patterns found in nature.



POWER
OFF
PURPOSE





Creating Distinct Patterns Through Branding

Power of Purpose: Creating Distinct Patterns Through Branding

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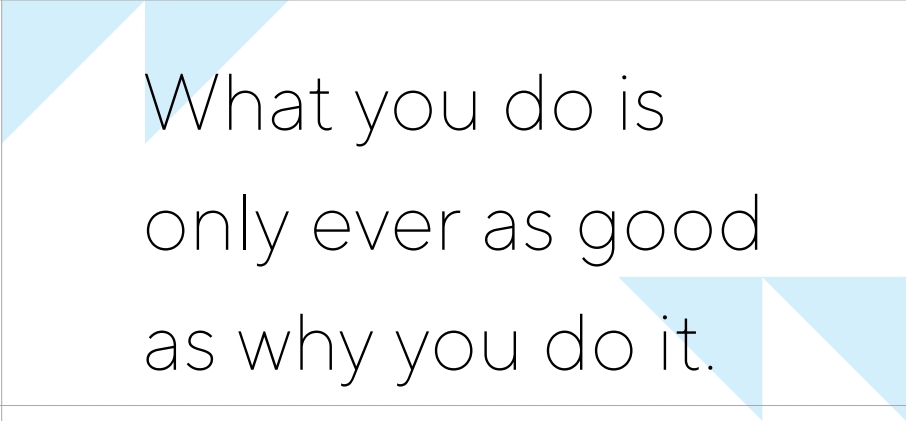
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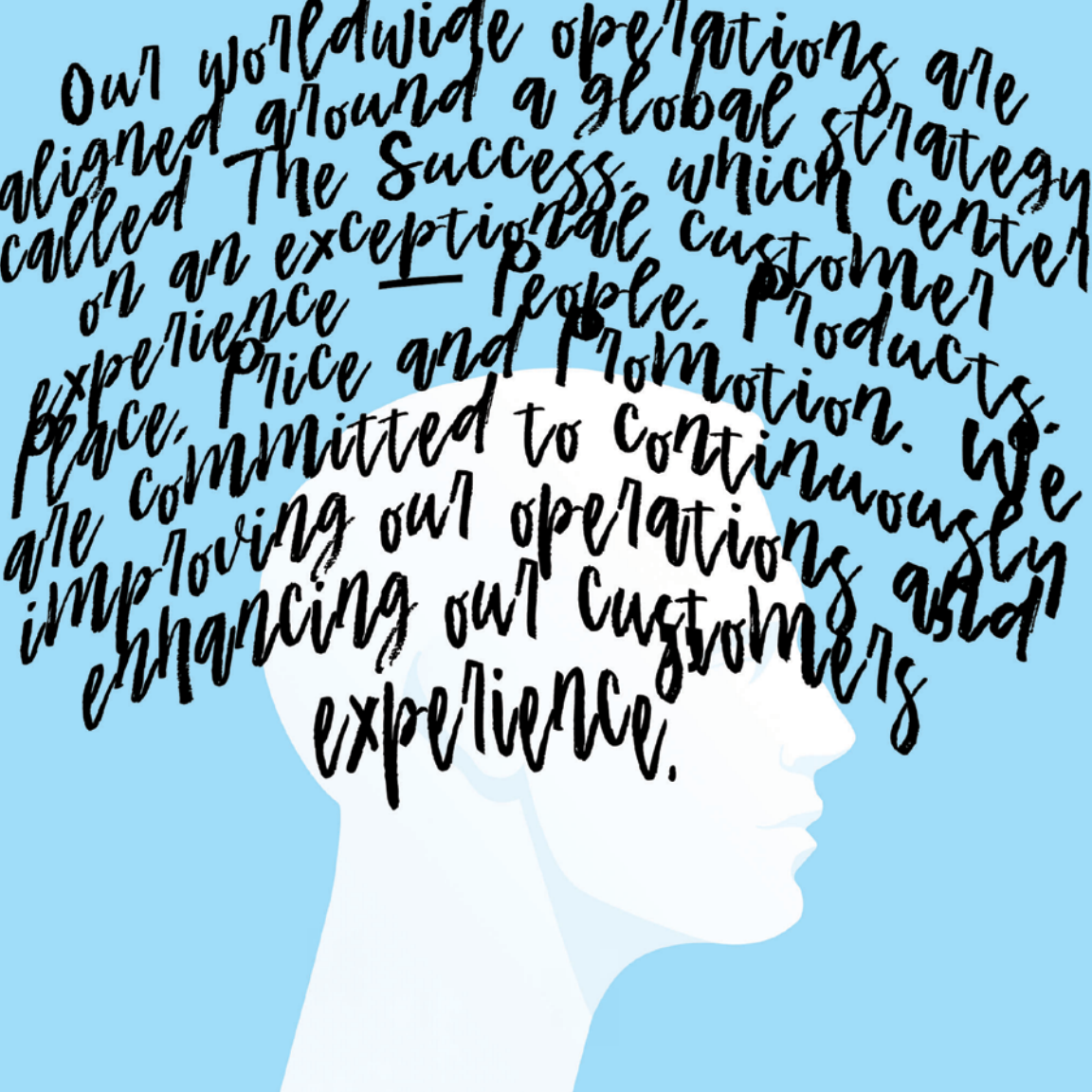
What you do is
only ever as good
as why you do it.

– Zach Mercurio
Author, *The Invisible Leader*

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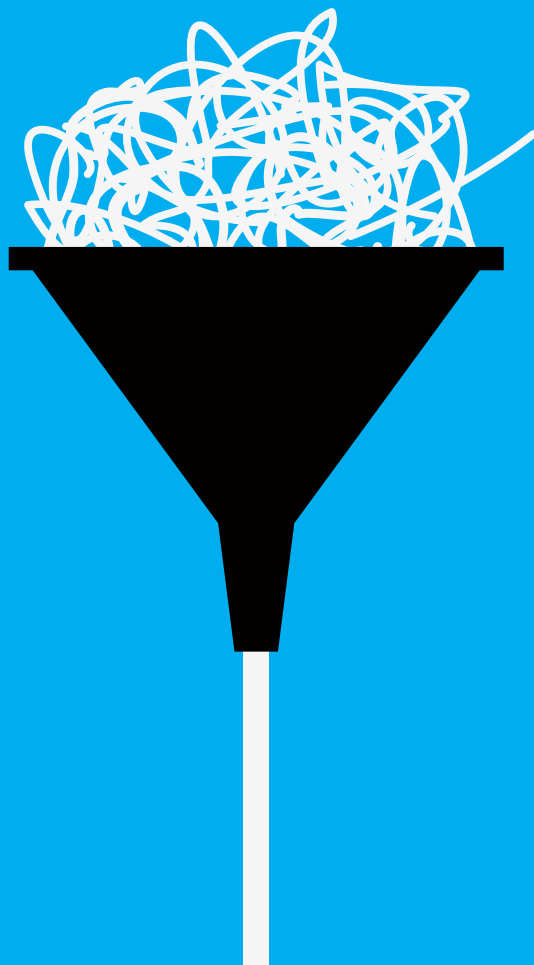
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Our worldwide operations are aligned around a global strategy called The Success, which centers on an exceptional customer experience — People, Products, Place, Price and Promotion. We are committed to continuously improving our operations and enhancing our customer's experience.

INTRODUCTION

Very rarely does it take less than fifteen minutes for a prospective client to tell their story and explain what their company does during an introductory meeting. It's more like thirty minutes and five to seven questions before an outsider can understand what makes them different, what they do and who they do it for. Don't get me wrong, I enjoy learning about someone's industry and profession, but it shouldn't take that long to give an introduction. To add insult to injury, those introductory meetings are to clear up what their website didn't communicate.



I enjoy learning about people's businesses. Trying to understand someone's industry motivates me. It's my job. However, it's guaranteed that their potential customer will be less motivated, spend less time and be attracted by plenty of other options. It's sad but true—businesses today do not have thirty minutes to make themselves relevant to anyone anymore.

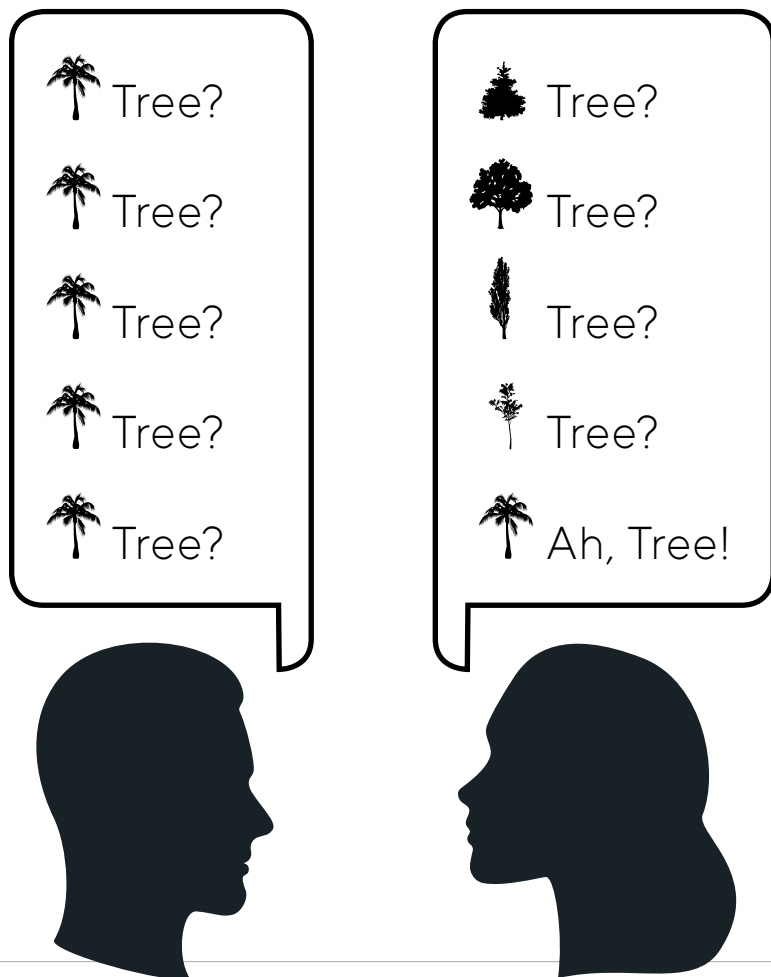
This communication problem is compounded. Most businesses don't have a name, tagline, or elevator pitch that aligns with who they are. Contradictions and confusion thwart the communication effort. A company called Projects Unlimited was having problems structuring the information on their website and the web agency asked me to help them organize and clarify their messaging. On a foundational level, their name was Projects Unlimited yet they only manufactured Class 3 low-volume electronics for Department of Defense. There's an inherent disconnect. Who they say they are and who they are, are two different things. Icing on the cake, ninety percent of their website copy sounds just like everyone else in their industry, even though they had a very unique and exciting story to tell. Their website used a lot of marketing speak and industry buzz words.

Through an internal survey, we found that their salespeople spend more than half the time during the initial meeting clearing up misconceptions and knocking down communication hurdles rather than talking about what they could do to help the company. This is all too common. Too many companies spend their money sending out a message (marketing and advertising) before defining their purpose and building a clear and concise message on that unique purpose. Also, over time companies grow and pursue opportunities that may muddy the waters of outsiders understanding their core competency.

“Simple can be harder than complex: You have to work hard to get your thinking clean to make it simple.”

Defining your purpose is not an easy task—it takes deliberate reflection and refinement. It’s even more difficult trying to do it for yourself. However, investing time to uncover your purpose yields dividends in both business and in life. Steve Jobs once said, “That’s been one of my mantras—focus and simplicity. Simple can be harder than complex: You have to work hard to get your thinking clean to make it simple. But it’s worth it in the end because once you get there, you can move mountains.”





Making the intangible tangible

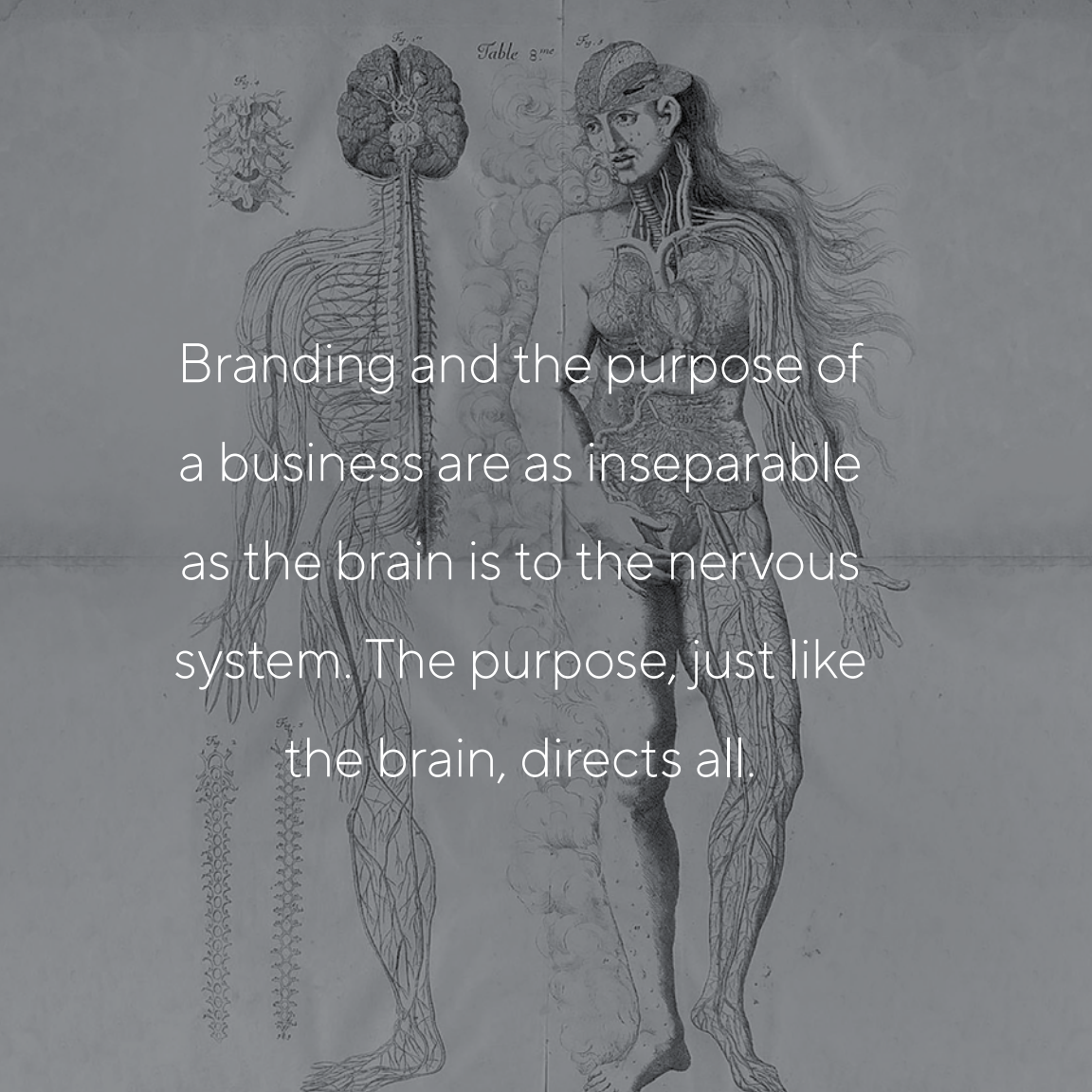
Over the years I developed and compiled exercises to help my clients distill their message and refine their purpose. I created these exercises mainly for myself for a process to lead clients through. I didn't want to miss a thing or leave the development of a brilliant brand up to chance. I needed a process I could use with every client that would help me build a brand with purpose. What transpired is the development of a Brand Workbook, *Branding on Purpose Workbook: A Guide for Small Business Owners* that's now on its sixth update and has become an online course.

During the journey to create a branding process, I've discovered how profoundly important it is to define a business's purpose and to build everything on that purpose. It makes the intangible tangible. The purpose becomes the measuring stick from which all other things are measured. All verbal and visual communications are not a matter of personal preference at that point. It needs to answer this one question: does it support and communicate the purpose?



The results will permeate through an entire organization. Customers turn into fans, employees turn into a tribe. The leadership of a business goes from a multitude of opinions to embody a single message. I've seen a sales force armed with a one sentence brand story start meaningful conversations. Customers have expanded their use of services that they didn't know their vendor offered. Clients have said sales meetings have gone from hours to minutes. CEOs have told me that the brand strategy has helped them attract the right people and in turn, let the wrong people move on. Witnessing how the clarification of purpose has positively affected every area of a business never ceases to amaze.

How does this seem to work? I'm glad you asked. Read on.



Branding and the purpose of a business are as inseparable as the brain is to the nervous system. The purpose, just like the brain, directs all.

1

WHY PURPOSE?

To embark on the subject of branding, you must explore its interconnectedness to purpose in relation to the business it represents. The foundation of a business is its purpose. Therefore, you can't look at a company's brand without investigating and clarifying its purpose. Once you have a clear sense of purpose, it will help drive all business decisions and activities. You can't look at your corporate culture, marketing message, the hiring process, or writing a simple website headline without understanding a company's purpose. Brand and purpose—the two are inseparable.



**PURPOSE IS A PATTERN
THAT CAN BE SEEN IN
REPEATED APPROACHES TO
DIFFERENT SITUATIONS.**

So, why not build a brand on the company's vision and mission? Because a company's purpose transcends its vision or mission. It is the reason behind the vision. What are you hoping to achieve? What would you do even if you didn't get paid for it? For the owner, founder, inventor of a product or leader of a company, it's their driving force. It's what excites them about being in business or developing a product or service. Looking deeper, it's their approach to solving problems or interacting with the world around them. If someone is an innovator, then they will innovate in almost everything they do. You'll see it in the small things like helping a child learn math. They will approach teaching differently than the standard method.

A good example of purpose transcending a company's vision or mission would be Elon Musk, the owner of SpaceX, Tesla, Solar City, Hyperloop, and The Boring Company. He is an innovator. His vision and mission are different for each endeavor. His purpose is the same: innovate on some large issues that are facing society. I know Elon is a one-in-a-million example and most people will not own more than one business in their lifetime or even less will own multiple businesses at the same time, but business owners are confronted with different opportunities that stem from the one business. Also, there can be many parts or departments to one business. Their purpose will affect how each is run. How that purpose is carried out will change based on the department.

Visions and missions can and will change over time. They respond to a change in technology or industry. If you look at a company that's been around for decades and grown into a very large business like GE, it's easier to see how the vision and mission can change but the purpose remains. Their current vision statement is "We bring good things to life" which communicates their purpose and tries to encompass the breadth of all their divisions to date. Because Thomas Edison started with the invention of the light bulb and electric generation back in 1879, their drive, purpose and "why" relate to innovations in electricity. The company started on an innovation.

In their early days, I imagine their vision and mission had to do with bringing electricity and lighting to the United States. Once accomplished, their vision and mission needed to change. They applied their innovative mindset to transportation with the first electric locomotive. Next, was the x-ray in the 1890s, appliances in 1902 with the electric fan and finally aviation in 1921. As the opportunities came, they needed a new vision and mission to meet each opportunity. If they hadn't, they would have plateaued or even declined over time. Even though they had developed new vision and mission statements, their purpose remained. GE needed to innovate in each complementary market they entered to become a viable contender. Innovation was always their guide post, their true north.

Purpose before vision and mission

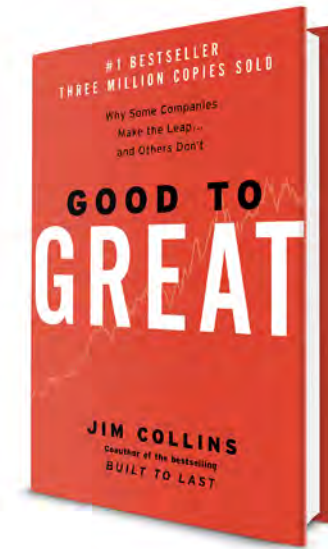
Mark Zuckerberg, the founder of Facebook, said at a Y Combinator's Startup School Event that he feels it's better for passion and purpose to come before the pull to "start a company." Understanding your purpose first helps you define everything else. It helps you make decisions about whether to get into a market, industry or develop a product or not.

Steve Jobs was often asked if he was going to get into a particular market and his response was always the same and the answer had nothing to do with money, "If we can innovate and make it insanely great, we will." Jobs was good at staying connected to his internal compass. In Jobs' book, he didn't consider the drive for money a strong enough "passion" to create a great brand or company. A company needs something more—a purpose.

His successor, Tim Cook, uses the phrase we will "participate only in markets where we can make a significant contribution." And "We are constantly focusing on innovating." Steve Jobs was one of those rare CEOs that were both creative enough to explore and disciplined enough to wait until Apple got it right. Purpose allows you to pursue a different direction as long as it has the same destination of purpose. The vision and mission should come behind and support that particular endeavor.

The vision statement is a lofty ideal to aspire to. I wasn't able to find an official vision statement for Apple when Steve was running the company, but I imagine it would have sounded something like "Focus on making the best products simply great." As you can see, there is no mention of innovation. It's implied. You need to innovate to make products simple, easy to use and provide benefits to the user. Because you have identified your purpose first, you have tapped into the human side of the business and made the business less about "the what" and more about "the why." When you start talking about "the why" you enter the world of meaning and purpose.

Contrary to an accepted understanding of business, people are starting to understand that businesses should provide something deeper than just money. In a book called *Good to Great*, the author Jim Collins writes, "Companies need to exist for a higher purpose than mere profit generation to transcend the category of merely good." A *Forbes* podcast interview with Melanie Whelan, the current CEO of SoulCycle, was asked what she learned from Virgin Airlines and Starwood Hotels that she brought with her to SoulCycle. She said, "First, every brand I worked



"Companies need to exist for a higher purpose than mere profit generation to transcend the category of merely good."

— Jim Collins

for was hyper-focused on the consumer and putting the consumer first. Build it by not thinking about putting your shareholders or economic return first. Think about how to make point of difference and how to make your product stand out—which is hard to do for capital intensive businesses like hotels and an airline to invest in customer experience. I learned from Richard Branson that you need to listen to your employees and make sure they are engaged with where you are going with the vision and mission—making sure culture is first.”

I’ve done a lot of research and study on how all this works—why you need to build a business on purpose—and its connection to branding. So as not to jump down a deep rabbit hole, I can say it very simply: it’s based on the way we learn as humans. We learn by connecting meaning to objects or experiences. If you put an iPhone in a child’s hand that has never held one before, the child will do one of two things: they will put it in their mouth or throw it. It has no meaning to them. Once something has an associated meaning, it has value.

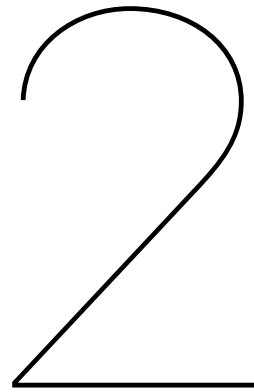


= apple =

Braeburn	rotten
fruit	Cameo
red	computers
Granny Smith	juicy
tree	crunchy
sweet	poisoned
Gala	Evil Queen
crisp	harvest
green	iTunes
Fuji	worms
iPhone	Newton
pie	gravity
Honeycrisp	company
edible	Steve Jobs
delicious	iMac
turnover	sauce
orchard	slices
McIntosh	snack

Viktor E. Frankl, a Holocaust concentration camp survivor and world-renowned Neurologist and Psychiatrist, wrote a book called *The Will to Meaning*. His philosophy on life was based on the belief that people's "main motivation for living is our will to find meaning." He saw firsthand that those who believed that they weren't born to die in a concentration camp didn't. This desire to find and have meaning is innate in us humans. We look for meaning in life. It's how we navigate through our environment. This extends to the use of signs, symbols, and language. A company's brand should use all these tools to communicate their identity and purpose.

When building a business—building a brand—start on a foundation of purpose. This will allow you to communicate with meaning and build value. The clearer the communication, the more accurate the people's expectations will be before interacting with your company. The more accurate expectations are, the better the experience they will have. If you communicate with meaning from the center of purpose, you will attract those that believe what you believe. You'll start growing your tribe—your loyal followers that see your business for something more than providing a product, service or making money.



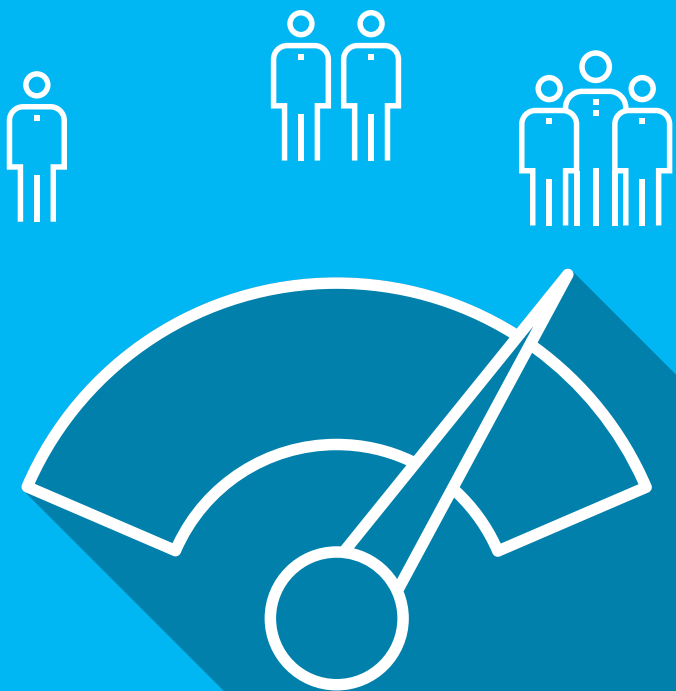
A REASON FOR BEING

I believe businesses exist to bring a belief to reality. All businesses started out with an idea: a better way, a better type of company or a way to fill an unmet need. But at the root was a belief that something needed to exist that hadn't existed before. We see this principle in action with charities, an extension of a belief carried out by an organization. If you look at the Red Cross, United Way and the Salvation Army, it's easy to see how a belief was brought to reality through the creation of the organization. When we move into the traditional profit-based businesses, it seems to be less apparent, yet it's still there on a physiological level.

Facebook started as a college project, a university online yearbook, with no ambition to be a business. These ideas turned into something tangible and something that the world has never seen before. The passion for seeing this idea become reality fuels all the energy and effort it needs to make it a reality. It's amazing to think that this online yearbook idea has become a company worth \$306 billion (\$7 billion more than GE) with 17,000 employees in thirteen years.

We see evidence of this even in brands that are selling commodities. Why go to one gas station over another? I had a gas station a few blocks from my house on the way to and from my office. It was very convenient, and the cost per gallon was always around average. It was sold to new owners a few years back. Owners (now it's quite obvious) with the sole purpose of making money. The pumps were not kept up and didn't always work right. Their convenience store is dirty and disheveled. No windshield cleaner or paper towels were to be found. I know it's just a gas station, but I stopped going and now drive out of my way and maybe pay a few pennies more per gallon to go to a nice, well-kept Shell gas station. I noticed the last time I drove by during evening rush hour there were no cars in the lot pumping gas. Not one. I'm not the only one that has voted with their wallet.





A Reflection of Purpose

I believe brands should be a reflection of purpose. For the most part, all brands and their popularity are barometers, whether for good or bad, of what society believes is important. They are artifacts of society. Just like that of an archaeologist digging through the dirt looking for artifacts. The accumulated number of a certain type of object, relic, statue, etc. determines what that culture found important. Likewise, you can see what today's society thinks is important by the sheer volume of consumption and popularity of that product or service—or brand.

You can look across the United States and see that there's a trend away from fast food to fast casual restaurants with fresh food, as well as, local restaurants that serve locally grown produce. The increase of organic sections in grocery store chains along with the growth of organic groceries has made it evident we as Americans are believing this is important. You can see the trend in what people believe is important by the popularity of a brand. When a company speaks the same language and conveys the message that we believe what you believe, people are attracted to the display of purpose.

People are also attracted to what that brand brings to their life—call it belief reinforcement or maybe it's something more superficial, like a sense of status. If people believe they are intelligent, they will want to make an intelligent choice, shop at an intelligent store and support an intelligent brand. Doing so is a value to them. If people have low self-esteem, they may buy things that make them feel more important. We like to think that all our choices are logical and made by facts, but they rarely are. We connect with purpose and meaning whether it's to fill a deficiency or reinforce a truth we already believe.

I recently read an article in *Forbes* where Tim Cook, the CEO of Apple, was interviewed. He was asked about the state of Apple and possible future products. His answer was very telling. Closely examine the sentences that follow Apple's purpose of "innovating." You will read a series of belief statements. "We believe that we are on the face of the earth to make great products and that's not changing. We are constantly focusing on innovating. We believe in the simple, not the complex. We believe that we need to own and control the primary technologies behind the products that we make. We believe in saying no to thousands of projects so that we can focus on the few that are truly important and meaningful to us. We believe in deep collaboration and cross-pollination of our groups, which allow us to innovate in a way that others cannot."



We believe. We believe. Belief statements are very important to discovering purpose. In my brand workbook, I have my clients write a series of belief statements to tap into “the why” they think the company needs to exist. Often these belief statements can later be translated into corporate core values. They have a way of uncovering the purpose for existence. Writing belief statements helps business leaders shed the corporate speak, industry terms and the approved marketing language for words with substance and emotion. In the end, belief statements are the business’s reasons for being. Companies that are in touch with their beliefs and purpose have the strongest brands, healthier cultures, higher customer satisfaction and stay true to their mission. Those companies have an easier time attracting the right people for the right reasons—employees and customers alike. Companies that speak with meaning work in harmony with how our brains learn. It makes us easy to connect with the purpose of the business.

Those companies that communicate their purpose have strong brands and are top performers. Making a quick comparison between the top 100 US companies (Forbes Fortune 500) and the top 100 brands (Forbes Top 100 Brands) you will find that over 50% of the top 100 companies are also

top brands.* That means seven out of the top eight Most Valued Brands were in the top 100 US companies, and that’s only because two were foreign-owned.

Millward Brown, a British multinational market research firm, has created a BrandZ™ Strong Brand Portfolio for comparison with the S&P 500 to measure how strong brands outperform those companies that pay little attention to branding. What they state in their 2016 Most Valuable Global Brand Report was “...valuable brands deliver superior returns over time and regardless of market disruptions. In concrete terms, \$100 invested in 2006 would be worth \$120 today based on the MSCI World Index growth rate, and \$161 based on the S&P 500 growth rate. But that \$100 invested in the BrandZ™ Strong Brand Portfolio would have more than doubled in value, to \$206.”

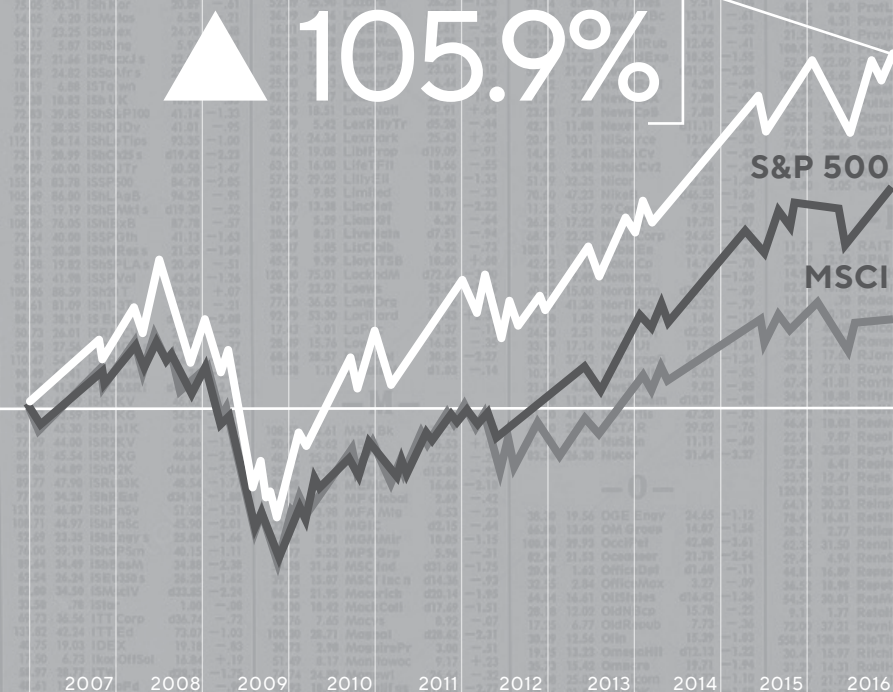
If you’re a startup, you should pay attention to branding from the beginning when choosing your name. A study published in *Venture Capital*, a peer-reviewed academic journal, has found that a startup’s name can affect how a company is perceived by investors. The business schools at Stony Brook University, Drexel University, and Villanova University

conducted the research. It is a two-part study which analyzed how names affect funding. Those that are well named tend to be offered more money, whether it's through crowd funders, angel investors, VCs or IPO investors.

As you can see, branding plays a valuable role in the overall success of a company. Going even further, building a strong brand based on purpose—clearly communicating meaning and your “why”—is an exceptional way to build a company from the inside out. I have created a Branding on Purpose Workbook to help small businesses harness the power of branding and apply it to their own companies. The Workbook is a series of exercises with detailed instructions to help business owners define their purpose, clarify their message and build their brand on a solid foundation. We'll be examining this method in detail in the next chapter.

**Please note that the lists are not scientifically exact. The internationally-owned brands had to be deleted from the top 100 Brand list to get only 68 out of 100 companies to compare 68 US top companies to 68 US top brands to get a 51.5% association*

BrandZ™ Strong Brand Portfolio
Outperformed the S&P500 by 45.2%
in the last ten years



Source: The BrandZ™ Strong Brands Portfolio is a subset of the BrandZ™ Top 100 Most Valuable Global Brands by Millward Brown.

EXTERNAL

Achieving
Congruency

INTERNAL

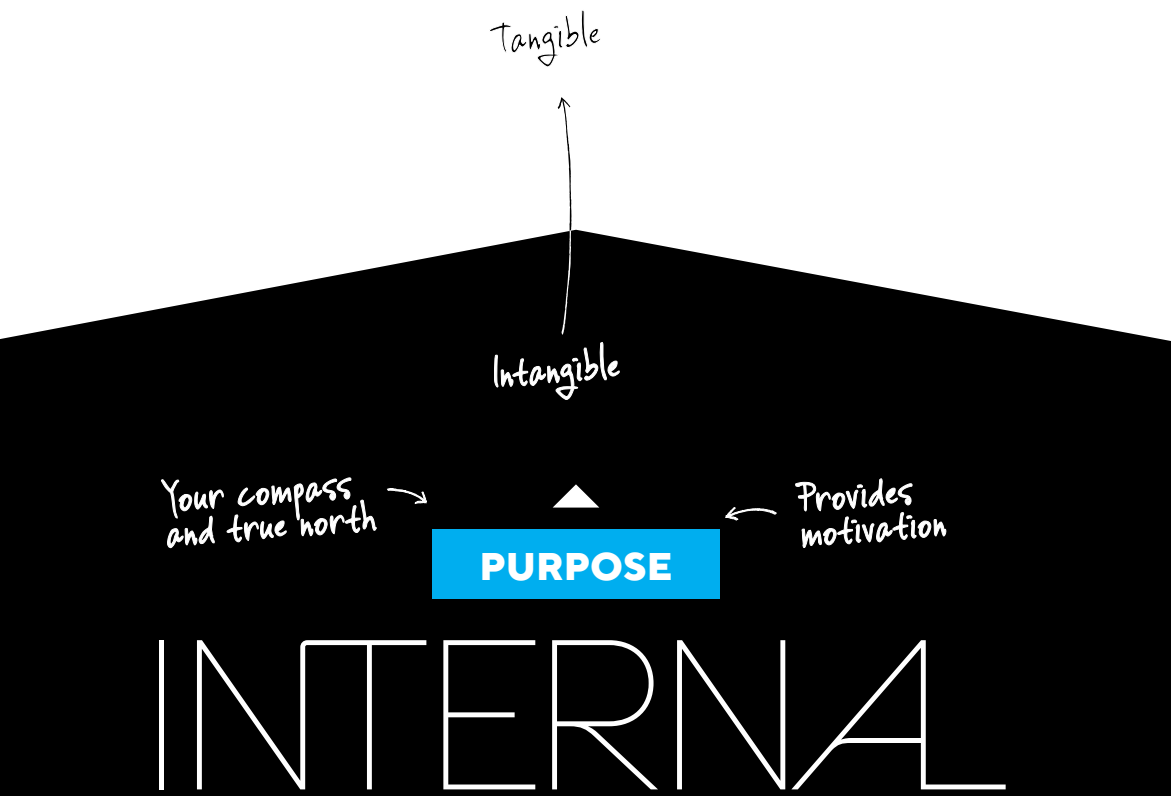
3

THE POWER OF PURPOSE DIAGRAM

A bedrock of purpose creates harmony and authenticity among all the company's endeavors. Its leadership is future-proof. The purpose's universality provides direction for the whole business—including the brand.

If everything is built on a clearly defined purpose, a congruency of communication and experience develops that provides no misconceptions, misunderstandings or missed expectations. Brand congruency builds trust and acceptance that has no equal. It delivers a subconscious message of dependability and reliability resulting in unhindered decision-making by the customer.

EXTERNAL



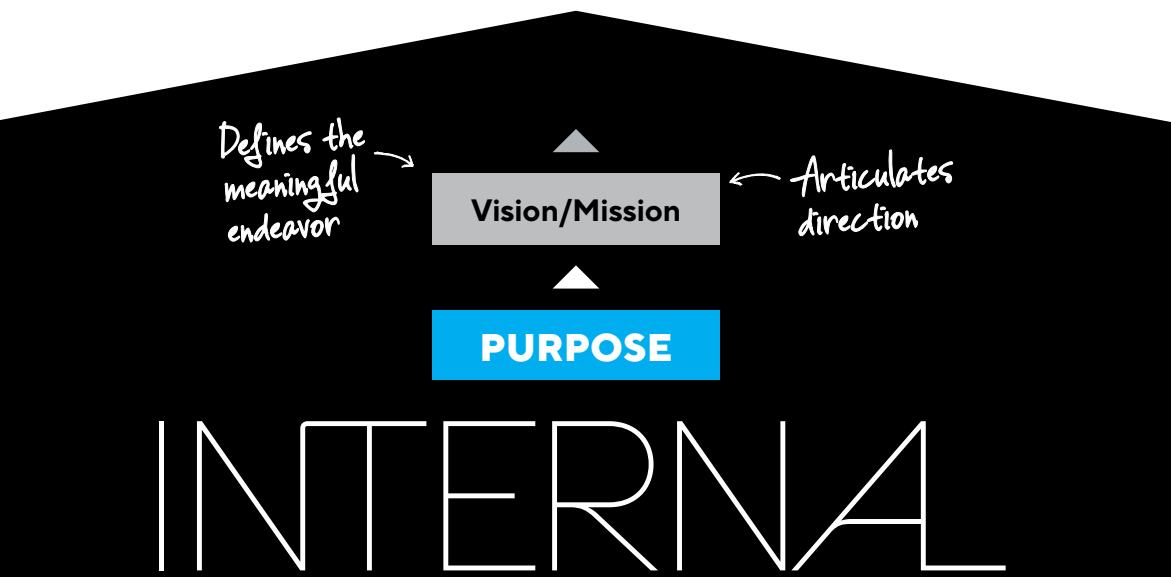
This method is a holistic approach to branding. It wards off trendy design, being different for difference's sake, or reacting out of fear. It provides a solid basis to guide the branding process that is unbiased and unwavering.

Purpose: The Foundation

The foundation is purpose—the “why” you exist. Fundamentally needed yet highly elusive, the purpose is the most difficult part of this whole equation. We tend to retreat to easy answers based on “the what” and “the how” and not “the why.” We naturally focus on what we can see rather than what motivates us. The first two exercises in my Brand Workbook aim to uncover this from your subconscious. Everyone operates from purpose; they just haven’t taken time to articulate, define and clarify it. It’s usually not something you can come up with in one sitting. You may need to let this brew for days working and reworking to make sure you’re focused on “the why” and not “the what” and “the how.”

Once succinctly written down, the purpose becomes your compass for the business. It provides a clear direction and the measuring stick to determine if continuing to spend time, energy and money in an area of business or a new opportunity is appropriate to pursue.

EXTERNAL



Vision & Mission: A Meaningful Endeavor

Most everyone in business has either written a vision and mission statement or know they need to. Brand exercises five and six in my Workbook will help facilitate the process. Your vision and mission will articulate the direction of your company. They help others understand what you're trying to accomplish. The vision and mission allow potential employees to decide if your business is a meaningful pursuit. Specifically, the vision shows what success looks like—an audacious universal goal—and the mission is how your company will address achieving this goal. The mission includes what the company is creating as a result. It's all about accurately expressing why you believe your business exists and what will be your way of accomplishing it. It helps to get the right people on the bus.

During a simulcast video interview at the 2017 Leadership Summit Sheryl Sandberg, now the CEO of Facebook, said she took the job at Google and Facebook because she believed in their vision and mission even when the position was undefined and unclear. She believed in the mission enough to take a leap of faith and accept the position at Google and grow the sales-and-operations group from four to 4,000 employees in five years. In her eight years at Facebook, revenues have grown more than 65x, from a \$56 million annual loss to a nearly \$3.7 billion in profit. A great vision and mission will attract the right kind of talent and provide the direction employees need to do something great.

EXTERNAL

Defines what it means to be a good team member →

Creates a manifesto or common language →

Where purpose starts to become publicly visible →

Core Values

Vision/Mission

PURPOSE

INTERNAL

Core Values: A Common Language

I have many Brand Workbook exercises to help determine your core values: exercises one through three and five through seven. They will help you define what it means to be a team member. Core values communicate what methods and attitude we'll have while we achieve the mission. It provides a common language and a shared set of statements that everyone can agree on. Many companies are using these to not only hire but to fire employees regardless of performance. When they are clearly defined up front, there is a reduction in missed expectations later on in the employee manager relationship.

In a 2002 *Harvard Business Review* article, Tony Wild, the CEO of MedPointe, worked with seven top managers, many of whom had helped launch the company to develop a unique culture driven by a distinct set of core values. They focused on two core values: "a can-do attitude and the tireless pursuit of results." Those values were based on an analysis of a couple employees who personified the qualities they were looking for. Tony Wild went on to state, "As for those employees who can't embrace or embody these values, that's okay. They might be a better fit at another company."

EXTERNAL

*The right character
and motivation to
overcome deficits*

*Becomes the
foundation for the
Brand Personality*

Core Values

Vision/Mission

PURPOSE

INTERNAL

If you value independent thinkers, then hiring an order-follower is not right for your culture. Not that one is right or wrong; one just may be wrong for your type of business. If not addressed in the beginning, both parties will end up frustrated. And you must be realistic. You can't have both. There are certain traits that you won't find in combination in one individual. Steve Jobs has been known to have said, "It doesn't make sense to hire smart people and then tell them what to do; we hire smart people so they can tell us what to do." Defining and communicating expectations at the start makes all the difference for both parties. When it's done with purpose, it's even better.

The values aren't just for the employees, they are just as important for branding. Brand strategists need to know what they should communicate in the brand voice and tone of the copy. Not that anyone may use the core value statements exactly word for word on any marketing pieces. But those values will provide direction for all brand communications, both verbally and visually. Over time, customers will connect with those values and the brand that stands for those values—developing brand loyalty. Howard Schultz, CEO of Starbucks, puts it this way, "If people believe they share values with a company, they will stay loyal to the brand."

EXTERNAL

Building of both
the internal and
external tribe

Attract the
right people for
the right reasons

Culture

Core Values

Vision/Mission

PURPOSE

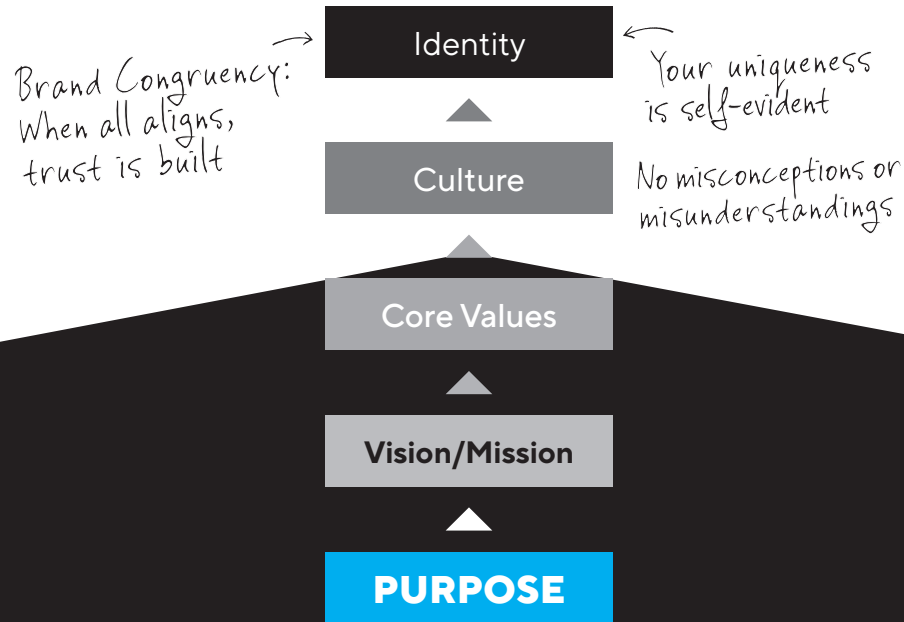
INTERNAL

Culture: A Common Goal

If you have enough like-minded people in a group, you have a culture. A particular type of culture will flourish when a group of people have all agreed on a set of values. By this time, your brand has started to become something others can see and experience: an artifact. The intangibles are getting real and will positively affect the business. Before this, the Purpose, Vision, Mission and Core Values were just beliefs, ideas, and thoughts put into words. Those words have meaning and will start to attract the right people.

It's important to write those words with emotion and conviction and not bland, safe and guarded language. All but one of the exercises in my Workbook will help you with this. Remember, use language that has passion and emotion. Like you're going out to battle, and you are gathering the people to rally around a cause. Or like you're going to do something exciting and life-changing. Think of it like this quote from Antoine de Saint-Exupery, "If you want to build a ship, don't drum up people to collect wood and don't assign them tasks and work, but rather teach them to long for the endless immensity of the sea."

EXTERNAL



INTERNAL

Identity: A Common Experience

In a perfect world, the identity should be the sign or symbol of the purpose, vision, values, and culture. There should be an alignment or congruency between all aspects of the brand. When there's congruency, loyalty and trust will result. If congruency doesn't exist, then it leads to a disconnect or even confusion. This disconnect may happen in the subconscious and you may not be able to get someone to verbalize this in a focus group, but it's there. When there's confusion, there's distrust, or at least a lack of trust. The mind accepts things that make sense.

Also, if done right, the identity will provide differentiation from your competitors. It's important not to purposely or incidentally mimic your competitors in any design elements. Differentiation is key to stand out in the marketplace, to be remembered and judged on your own merits. You want to eliminate as many preconceived ideas as you can, and if you've built your identity on your purpose, authenticity should be natural.

Identity starts with the company name and logo and continues to build with color (like red for Coca-Cola), font usage (like IBM's striped letters) and tone in their headlines (like NIKE's "Just do it"). The challenge is finding or creating the right visual elements that support, connote and reinforce the semantics of your purpose. Creating a framework that your

EXTERNAL

Identity

Culture

Core Values

Vision/Mission

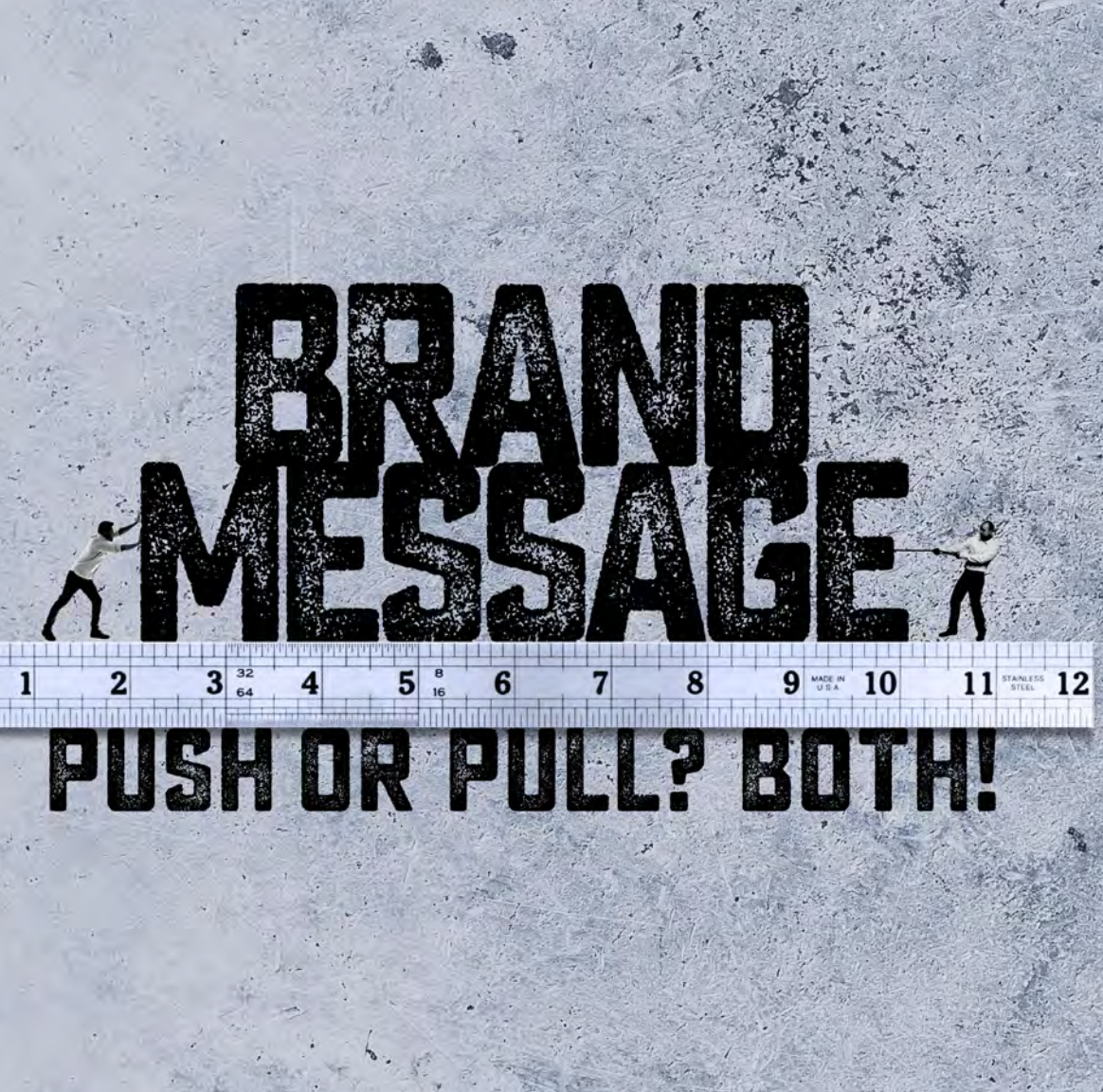
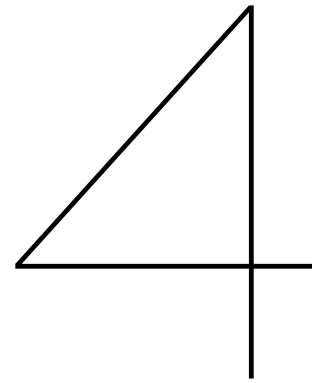
PURPOSE

INTERNAL

creative professionals can use as boundaries is important. The Brand Framework has five descriptive words that judge whether a design has met its goals. Does the design represent each of the five words? How to go about building your Brand Framework is detailed in my Brand Workbook in its own chapter.

The Sum is Greater than the Parts

All the pieces of this diagram are the start, an intentional start, to developing a brand. The building of a brand takes time. It may take years to tend, manage and grow the brand into something that has value over and above anything tangible. It's called brand value. A typical example of brand value is the iPhone. How much would you pay for a phone that looked like an iPhone but didn't have the "Apple" symbol on the back? Maybe \$100. That's the typical response I get when doing speaking engagements. So, that means \$500 of the \$600 price tag is brand value. If your business, products or services don't have brand value, you're left competing on price—a no-win strategy.

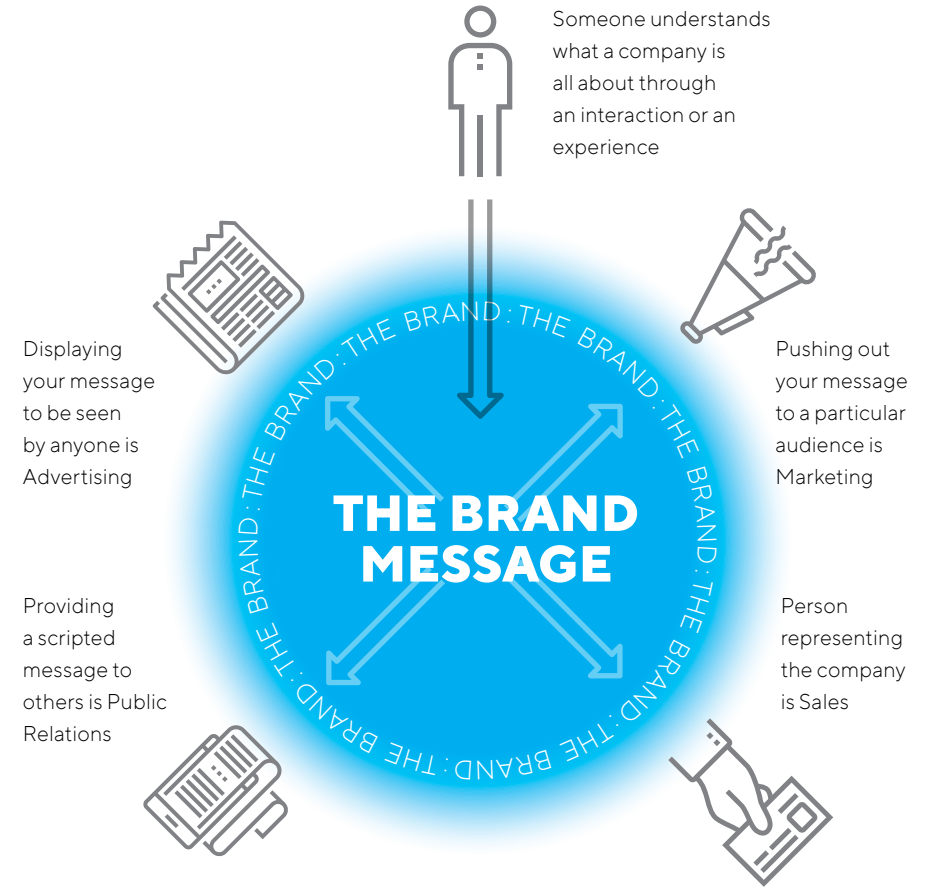


EXPERIENCING THE BRAND VS PROMOTING THE BRAND

There's a lot of confusion about branding and what it is and how it's different than design, marketing and advertising. Many design firms say they do "branding" and that means a refreshed logo, new colors and design elements. There are naming agencies that will name or rename a product, service or company. If you go to a marketing agency, messaging and a strategy to push that message out to your audience is their strong suit. A brand strategy makes sure all these areas are congruent while aligning them toward your future business goals and objectives.

Most business owners want more sales, more customers or more clients. So, they initially think they need to hire an all-star sales person. The sales person needs to be given a simple message combined with a clear and understandable product or service offering. They will contact a marketing firm to develop a message, create a plan and the tools to reach out to their audience. Unfortunately, each step of this process moves the problem-solver another step away from the visionary (the CEO). Apple was so successful under Steve Jobs because he was both the visionary and a master in marketing with a personal mantra of simple and clear.

Clarity is easy to lose. Like the game Telephone, the message gets lost while passing from one person to another. It gets compounded by the fact that the message wasn't that clear and concise to begin with. Before you do anything, work on clarifying your message first. Branding is largely about creating a clear message both verbally and visually. It's about creating that stop sign with emotion that people "just get" when they see it. Why did I say "stop sign with emotion"? Well, a stop sign communicates without any emotions attached. A brand wants personality, attitude and emotion attached to it. Think stop sign versus a peace sign. The peace sign will bring images and emotions with it.



We went through the Power of Purpose Diagram to show how everything is connected. With brands, everything is important—from the interaction with a sales professional to the way the product feels in your hand. The brand is a world that people experience. The more senses, the better. Educators know that by engaging as many senses as you can when you teach, the more likely the student will learn and retain the information. Same with branding. Using sound, color, smell, touch, and taste—if you can—that all align with your purpose.

Harley-Davidson has patented the sound their bikes make. Yes, really! And they have won at least one court case with another manufacturer that replicated the sound on their bikes. The sound is a badass sound for a badass bike for those wanting to shed the responsibility of everyday life on the weekend. It all works, so much so, that people will get their logo tattooed on their arm. Has anyone got your logo tattooed lately?





The Power of Purpose Diagram helps express the foundation of the brand, which in turn starts building the company's reputation. It's important to have the foundation set so you can provide the right direction to anyone overseeing social media, website, sales, advertising and marketing for your company. Everyone needs to understand where you are going and what you are about. The worst thing business leaders can do is assume that everyone just "gets it." Thinking that you can be all things to all people is another recipe for mediocrity and a pathway to be forgotten.

All companies have a brand. They may not be clear, apparent or well thought out, but the brand was conceived at the time the idea came to mind or the business started. The question you need to ask yourself is, "Am I going to be intentional about developing and communicating it?"

5

NOW AND IN THE FUTURE

Having a clearly defined purpose has a way of reshaping your current business and providing insight for the future of your business. Businesses I've rebranded have later changed their internal structure to align with the brand strategy. I've seen others modify the company's direction or business model—or even open up untapped areas of services. Some have pruned products or services because they do not align with where they are heading. Once the purpose has been clarified, it's easier to see if the company has drifted off course, been reactionary or unintentional about how it grew.

A photograph of a crescent moon in a dark, starry sky. Below the moon, a bright blue horizon line separates the dark sky from a lighter blue, hazy atmosphere, suggesting a view from space or a high-altitude landscape.

When you envision someday walking on the moon, it's easy to say no to any non-essential pursuits.

The other benefit of a clearly defined purpose is a sense of foresight. Knowing who you are *not* is just as important as knowing who you are. As opportunities arise and new technologies develop, it's tempting to "take advantage" of those opportunities or feel like you need to keep up with the times by implementing a new technology. Knowing your purpose allows you to determine whether that new technology, opportunity, offering or service will support your purpose.

If you look at the newspaper industry, it has changed dramatically over the last decade. What hasn't changed is their purpose: to inform and educate. They are still doing that, just not as much with physical newspapers as they once did. Those news outlets that understood their purpose embraced technology, adapted and developed new ways to fulfill their purpose.

For a company that's been around for over one hundred years like Xerox, having their purpose in replicating and storing documents has helped them stay focused. They started out as Haloid Company that sold photography paper to duplicate your photos. Their original name came from that fact that photographic paper is created from silver halides, a compound of silver and halogen (a derivative of haloid salt). They developed xerography technology in 1938. They renamed to Xerox in 1961 when it was clear that xerography technology was the future.



Knowing your purpose not only allows you to make future decisions with confidence, but it also builds a reputation in the minds of consumers that's synonymous with what you provide. The purpose provides focus as well as a playground to work within. Like Xerox, since their purpose is owning everything to do with documents, then that opens up the storing of documents, equipment and software to create and manage documents, etc.—managing the world of documents. Gatorade has recently redefined their purpose from a “sports drink company” (a thing) to “replenishing the inside of the athlete” (the why). Clarifying their purpose has allowed them to expand the products they offer, to capitalize on the market share and reputation they have already built.

One of the keys to not losing ground is keeping the brand equity you've built over time. Harvard Business Review published an article called “The Brand Report Card” where they outlined the top ten traits of the world's strongest brands. Six out of the ten traits below are about managing the brand message while staying true to their purpose.

The top ten traits were:

1. The brand excels at delivering benefits customers truly desire
2. The brand stays relevant
3. The pricing strategy is based on consumers' perceptions of value
4. The brand is properly positioned
5. The brand is consistent
6. The brand portfolio and hierarchy makes sense
7. The brand makes use and coordinates a full repertoire of marketing activities to build equity
8. The brand's managers understand what the brand means to consumers
9. The brand is given proper support, and that support is sustained
10. The company monitors sources of brand equity



The word “consistent” does not mean uniform or monotonous. Great brands like Coca-Cola have stayed true to their brand since their first advertisements. Pepsi has not. Pepsi has never surpassed or even matched the market share of Coke. So how has this happened? Well, one aspect is that Coke has never deviated from who they were and what their purpose is. Their brand archetype (more about brand archetypes in Chapter Seven of my Workbook) is “the innocent” which brings simplicity, happiness, optimism, and idealism. Think the Forest Gump mindset, “life is like a box of chocolates.” This sentiment is portrayed in the development of Coke’s first Santa Clause Ads in the early 1900s. The headline was simple: Refreshing Surprise. Optimism and idealism was communicated in the “I wanna teach the world to sing” TV commercials. In 2009, Coke’s slogan was “Open Happiness.” I grew up in the 70s with “Have a Coke and a Smile.” These all reinforced the emotion of happiness and optimism designed with simplicity and communicated with idealism.

If your purpose is to make people happy and provide a feeling of optimism, then that purpose is a sandbox that creative professionals can play inside. It provides the consistency and flexibility to explore and tell the same message but in a different way each time.

Six out of the ten traits of the world's strongest brands manage their message with knowing and staying true to their purpose.

Staying true to your purpose and keeping your message consistent allows you to build trust in the subconscious of your customers. Deep down in the back of their minds, they are saying, "These people know who they are, do what they say they will do and will continue to deliver what they say they will deliver. They will meet my expectations, and I can trust them."

CHAIRS



MODERN DESIGN



Same but different



NATURAL MATERIALS



CHROME BASE



CONCLUSION: A REFLECTION ON THE POWER OF PURPOSE

I grew up under my Dad's drawing desk. He was a freelance illustrator and my mom was a grade school art teacher. My dad taught me to draw the human figure by breaking down the complex form into simple geometric shapes. The concept of taking the complex and breaking it down into simple forms was so enlightening at a young age, I've never forgotten it.

With my Dad working from home, I had no concept of a "real job." Somehow my Dad raised six kids and put them through college by doing something he loved—drawing pictures. It seemed obvious at the time, but I later realized not everyone worked at home and did what they loved.

I grew up thinking everyone should do that. When I was eight years old, I started a business selling bikes. I didn't think of it as a business; I was just having fun repainting things and making them beautiful again. I collected old bike parts and taught myself how to refurbish and resell them. It was a business.

Being from Dayton, Ohio means living in a city that had one of the largest numbers of patents and inventions per capita. Dayton is a city of invention—Home of the Wright Brothers. One of the largest companies in downtown Dayton was Mead Paper, a company that started in 1864. I remember seeing the Mead Logo on top of that 27-floor building as we'd drive down the highway. I connected their logo with the logo that was on the coolest wire-bound school notebooks anywhere—very proud that a national brand was in my hometown. Mead would pay local design firms a nice chunk of money to explore and generate design ideas for the new season of Mead notebook covers. They were coveted by all, discussed and compared on the first day of school.

Another national company founded in Dayton was Huffy Bicycles. All the kids rode Huffy bikes. Started in 1887, Huffy had a long history of being first, innovative and somewhat revolutionary for the bicycle industry. In



1949, Huffy developed a bike named the Convertible, a children's bicycle with rear training wheels and foot steps. The Convertible revolutionized the children's market. Other innovative models include the Radio Bicycle, the Scout, the Dragster, the Sigma. The United States won two gold, two silver, and one bronze medal in the 1984 and 1988 Summer Olympics riding Serotta-built bicycles under the Huffy name. A proud moment.

I remember the first time I visited the Huffy design department soon after graduating college. To get to the design department, you had to walk through a fair amount of cubicles and corporate offices. The first time I walked through those doors to the design department, it was like walking into Willy Wonka's Chocolate Factory. It was an entirely different world. They had surrounded themselves with well-designed objects, posters, toys, t-shirts, everything, everywhere. There was the coolest stuff displayed just for creative inspiration. I worked a freelance job there early in my career, and they paid well and valued creativity, innovation, and a high level of craftsmanship.

I was privileged and honored to witness both of these national brands at their pinnacle in Dayton. Somewhere along the line, they left their purpose and followed price. Both companies found Walmart too tempting and couldn't resist their massive retail power. They reduced my coveted

super-cool Mead notebooks to the typical crap on the shelves you could get anywhere and Huffy bikes to be almost disposable after a few years of riding. Both companies now have been sold, no longer an American-owned company, no longer producing innovative and unique products.

Seeing these brands deteriorate firsthand provided me with the drive to understand what went wrong with these beloved hometown brands. They were both in the business of being leaders and innovators in their industry, but started following the dollar rather than their dreams. Both of these companies lost their way, forgot who they were and why they were on the planet. They didn't hold true to what made them great. These two brands demonstrated how important connection to your purpose is for brands to stay healthy.

Having a passion for what you do is everything. I grew up having the ability to draw, but I didn't have the passion for it. During high school, I wasn't sure what I wanted to do until I saw my first *Communication Arts* magazine. I was in love with design. So off I went to The Ohio State University's Industrial Design program and majored in Visual Communication. Looking back, I can now see the connection with what my Dad taught me about simplifying complex forms with looking for foundational principles to apply to complex problems. I found this

theme repeating when I went to college. I was privileged to have the Chairman of the Department, Charles Wallschlaeger, as a professor. He established the Department of Industrial Design at OSU the year I was born. The department was built on Bauhaus's foundational course of study that covered the basic principles and elements of form found in art, architecture, and design. This course established the pattern for design education for all major design colleges and universities for decades.

Most people have heard of Bauhaus's famous philosophy, "form follows function." Design school taught us that every design element should exist for a reason, have meaning and serve a purpose. We learned to justify and defend our rationale behind every design decision. Little did I know that this philosophy would set me on a course to gain an understanding of the role of purpose behind identity and branding—that brands are a reflection of purpose.

Five years out of college, I invented (Patent#5551178) a collapsible, non-metal, lightweight real estate sign. Once launched, I oversaw the marketing and sales on the sign to individual Realtors, realty firms, brokers and realty franchises. I didn't make much money, but I sure did learn a lot about business, starting a company, naming, branding, marketing and selling a product. After four years, we sold the company. Since then, I've been involved with starting two more companies in the design industry and helping my wife start a yoga studio.

In 2010, the company I co-owned with three other partners, created a children's retail brand called A Modern Eden. AME's products were sold by Land of Nod (a Crate and Barrel Co.), MOMA Museum Stores, stores at national zoos and AME's online store. Our Apps were sold on the Apple App Store. The products were featured in the *New York Times*, *Parent & Child Magazine* and an AT&T commercial. Once again, we didn't set the world on fire, but we had a bunch of fun bringing products to market and watching something grow from just an idea to reality.

Branding is powerful and can help a company be successful, but there are many things it can't do. It can't fix internal business processes, make bad employees exceptional or revive an industry. I know what it can do and has done for my clients—it has eliminated both misconceptions and false expectations while clarifying direction. It gives businesses every chance to connect with the people they are seeking. It saves time by attracting those interested in what your company is providing—not wasting too much time on qualifying potential customers that are drawing the wrong conclusions from the wrong message.

This book and my Brand Workbook are for those who want to get it right—for those who wish to build a solid foundation and hate the thought of reclaiming ground they’ve already won once before. It’s for owners who want to create a culture that is self-feeding and enthusiastic about their company.

Whether you believe it or not, every company has a brand. Whether it’s a one-person consultancy or one that has hundreds of employees, the business has a brand. Ask yourself: are you going to let others define it for you? Are you going to let the public determine the narrative? Will your brand message be scattered or intentional? Will you manage it? Will you focus and clarify it or keep it vague?

There is power in controlling the narrative. There’s power in building a strong brand. There’s power in communicating purpose. I love to help business owners harness that power and build a company that has a solid foundation. As a business leader you must be the brand champion.

RESOURCES FOR SMALL BUSINESS BRANDING



Workbook

This workbook includes my eight exercises with in-depth explanations and instructions for each exercise. There are ten additional chapters that deep dive into how to build a brand on purpose and what it can do for your company.



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The Power of Purpose: Creating Distinct Patterns Through Branding

All great brands have learned to speak in the motivational language of purpose to attract the right people for the right reasons. It starts by distilling a clear and concise message of purpose. It translates to establishing a captivating vision and mission to defining core values for a unified understanding. Once implemented, the purpose becomes contagious, permeates into the business model and results in a thriving culture of brand loyalty.

About the Author

Jän was born and raised in Dayton, Ohio and studied Industrial Design at The Ohio State University. After 30 years of being a designer, inventor, and entrepreneur, he now runs his branding consultancy called Purpose Branding. His purpose is to help small, privately-held business owners clarify and align their purpose—both verbally and visually—allowing his clients to attract the right people for the right reasons.

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