



# Defining a Brand

# Perception Is Everything

{Even for Not-for-Profits}

**D**id you keep your promise today? This may be the single most important question you can ask about your credit union. Because whether you succeeded or failed, your members took note of it.

Simply put, a brand is the promise you create in your members' minds as to what they can expect from you. That expectation is your credit union's DNA – what makes it unique. The fact that credit unions are not-for-profits doesn't alleviate the need to work as hard as the local restaurant or GAP store to earn mind share and brand loyalty.

## Brand Equity May Be Your Greatest Asset

The American Heart Association and Muscular Dystrophy Association have built strong reputations for research, underwriting and wellness education. Their brand perception is so strong that a person who had only \$20 to donate would probably select one of these groups over a lesser-known charity. The reason is that each has earned strong brand equity in the public's mind. Such brand value is garnered through consistently delivering a positive experience, message, and image. We've all heard

about MDA through the annual telethon for Jerry's Kids. We know the American Heart Association for its dietary recommendations and heart healthy recipes.

Some credit unions view offering financial services to members as enough. They focus on transaction counts, cash reconciliations, account openings, and the like. These functions are important, but as brand measures, they all fall woefully short.

The reality is that every member assumes that the transaction or account opening will get done. The time taken and manner in which their business was conducted is what's important to them. The former is operationally driven; the latter is brand driven.

For members, it's all about the brand experience they had with you that day. Credit unions may not see themselves as a brand like Nike, yet members perceive the institution as a brand and continuously make brand judgments about it.

There is a danger in relying too much on the fact that credit unions are member-owned, not-for-profit financial cooperatives in trying to appeal to members and prospects. Just as they do with Sprint, Coca-Cola or Target, members demand a brand value in order to do business with you rather than another financial institution down the street.

## Tailoring Your Brand

Committing to the brand process is a huge first step in protecting and investing in your future. Texas Dow Employees Credit Union discovered that whether you're a manufacturer of consumer goods like Michelin Tire, or a not-for-profit provider of financial services, the key steps to building a brand are the same.

**Identify a brand champion** who is in charge of driving the brand development and delivery. The champion can ensure that the brand is built into the way you conduct business every day.

**Bring in outside help** that can provide objectivity and expertise in tailoring your brand to your strengths and vision. Professionals outside of your business inject a reality check into the process so that the focus remains on "what you can truly deliver" versus "what you think that you can deliver."

**Conduct research** on the perceptions that both internal and external constituents have about your brand. It's imperative to understand what drives members' financial decisions and learn what role you play in their decision process and institutional selection.

**Define your brand** through workshops with your brand management team. The data from your research serves as a baseline for building your positioning platform. Along with MCIF analytics, set out to define:

- Who you are strategically targeting
- What that segment wants from you
- Why that segment chooses you
- What distinguishes you in their mind from the competition

As you begin to draft a positioning statement that creates your unique niche in the marketplace, make sure your competitive advantage doesn't overlap that of another financial institution. That only causes confusion and, ultimately, dilutes your message and credibility.

**Launch the re-branding internally** so that all employees know their respective role in delivering the brand. Typically, D. Hilton Associates brand research indicates that 8% to 14% of a credit union's employees don't perceive that they have a role to play in delivering the brand. Another 55% to 65% cite mixed messages when articulating the credit union's brand vision. It's difficult to deliver a consistent brand experience when so many are confused about what they are to do.

**Marketing and brand communications** should all support and reinforce the brand. From logo and colors to typeface, tagline and communications, everything must be portrayed consistently in building brand awareness. Your brand look should be memorable and should distinguish you from your competitors. To ensure a consistent look and feel, create a brand guide that describes each element and how it should be used.

**Lead with your brand** to create affinity and loyalty. A well-defined and delivered brand that offers the member a consistent and unique experience will drive member relationships, account consolidation and, ultimately, loyalty. A successful launch of your new brand is vital. It's your first opportunity to make a real emotional connection with both your members and prospects. We all know first impressions count.

When your brand message is clear, so is your members' perception of your brand. Even a not-for-profit can have a distinctive, expressive brand. All it takes is time, a common vision and consistent delivery on the brand promise you make every day.

## Case Study | The Profit Magnet in Branding

If you have already captured all of the checking accounts, auto loans, home equity loans, money markets and mortgages of every one of your members, quit reading. You are already there. Your brand is a potent force to be reckoned with and is the perfect expression of your singular competitive advantage.

If, like most credit unions, you find members frequently shop the competition, keep reading. Strengthening your brand can help keep your members coming back to you. Research shows that brand loyalty correlates to products purchased. The higher the loyalty, the greater the number of products bought from the brand holder.

Texas Dow Employees Credit Union successfully assessed its brand position, then integrated that knowledge strategically throughout the organization to ensure consistent brand delivery. According to Marketing Director Janice Broussard, "There are no quick shortcuts or easy answers to reengineering your brand."

But that is exactly why it is so strategically powerful. "The branding process involves every front and back office employee. Everyone has a role to play in building and delivering on the credit union's brand promise," contends Broussard. The compelling competitive advantage is really a cultural shift brought about by branding. Unlike pricing or product design, the competition cannot replicate your unique branded culture overnight.

"We started with brand and image research to develop a baseline of our brand value in the market. Brand reassessment occurred through workshops that resulted in the development of our brand positioning statement. Now that brand vision is carried through all delivery channels, at every point of contact and in marketing communications," Broussard said.