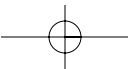
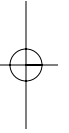
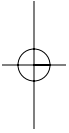


WHAT'S YOUR BQ™?



WHAT'S YOUR BQ™?

Learn How 35 Companies Add
Customers, Subtract Competitors, and
Multiply Profits with
Brand Quotient™

Written by
Sandra Sellani

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Dedications

This is dedicated to those whose
inspiration & encouragement made this book possible:

Mentors

John Klymshyn, who never stops pushing me,
David Frosh for his constant mentorship and encouragement,
Steve Gardner & Jim Jacobus for their kindness, honesty and guidance,
Scott Sherman whose strategy class of 2003 inspires me to this day
Dr. Jay Barney - whose work has changed my business and my
life forever,

Family

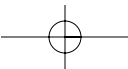
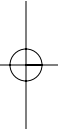
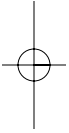
My parents, John and Angie Sellani, for their love and support,
My better half, my twin sister, Susan Hosage,
who is far away but always in my heart,
My nephew John Sellani, who put up with my complete unavailability
during the writing of this book

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& Tom Popp, my love.



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Foreword

One Important Question

Early in my career I received some great advice from a very successful CEO who said, “The most compelling question a business needs to ask itself is – What is our unfair competitive advantage?” The reality is that without an unfair competitive advantage the company is destined to compete primarily on price and possibly fall into a place known as “commodity hell.”

I have spent more than twenty years creating or evolving brands for clients and the question of unfair competitive advantage still stumps even the best and most prepared corporate executives. The problem is that often, when the company was formed, it had an unfair advantage; however, as the company grew or grew older, it became difficult to maintain. This is why brand, which defines the distinction of “unfair competitive advantage,” must evolve over time. There are too many factors to become complacent in this regard – the competition catches up, the marketplace changes, there is a revolving door of change at the executive level or there is just not a corporate culture of continuing innovation. It is imperative for companies to constantly challenge themselves to keep this competitive edge and very importantly - aggressively claim their differentiation through a consistent branding program in the marketplace.

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Much has been said about the global economy, but its existence necessitates creating a sustainable competitive advantage and a clear promise of distinction. That is also why brand distinction should be a corporate initiative and not just a marketing initiative. The CEO and executive team must own the brand for it to be successful. And there are many reasons why.

A branding strategy will never reach its potential unless it is completely aligned with the business strategy and the internal alignment of the entire organization. Secondly, the company's financial valuation is greatly affected by the intangibles (brand) within the organization. In many cases the brand value of the company is greater than the book value of the company. On average the intangible value of stocks traded on the New York Stock Exchange represent more than 60 percent of the market value. For this reason alone, it is clear why the CEO should be placing a huge emphasis on the ability to direct the corporate brand. For private companies, the ability to own a clear and defensible position in the marketplace can not only drive top line sales and bottom line profit but also position the company to be very attractive for an acquisition – at a premium price.

I know that some of you already understand the importance of building the brand, but what you may not know is the process of doing so. This is where *What's Your BQ™?* is so different than most branding books on the market. Sandra provides key insights and practical examples into the process of building a corporate brand that can truly create an unfair competitive advantage.

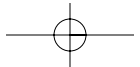
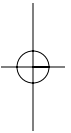
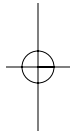
In *What's Your BQ™?* you have been given the opportunity to measure the strength of your company's brand and test how your brand stacks up against other companies in your category. Sandra also provides great examples of companies who have developed a unique brand strategy that has propelled them to success. No matter what category your business is in, you will find that many of these strategies will have relevance and could spark insights for the creation of a new brand or the evolution of a current brand.

I welcome you to apply the practical insights outlined in this book to create unlimited success for your business.

FOREWORD

RiechesBaird, a business/brand consulting firm that builds the market value of B2B brands through business strategy, brand development and integrated marketing, is ranked among “The Top 10 B2B Agencies in the U.S.”

—Ryan Rieches,
CEO RiechesBaird



Preface

“The future ain’t what it used to be.”

—Yogi Berra

Remember not too long ago when branding seemed to be a simple concept? In the minds of many businesses, it was just a logo, a color or a catchy tagline. But increased competition for the attention of the consumer has made branding a much more sophisticated venture. I meet a lot of business owners who are confused and overwhelmed with the prospect of branding their companies. And for good reason.

Branding is far too important a job to be left to the marketing department. It’s everyone’s responsibility, but most of all, the brand champion of the company must be the company’s leader – whether you call yourself CEO, president or founder, you will set the tone for the brand because only you touch every area of the corporation. If you are a brand champion, you will ensure that it is incorporated into every department, every initiative.

Many companies do not consider brand strategy when creating corporate strategy but they are one and the same. Branding and strategy are as inextricably interwoven as a complex tapestry and separating them would snag, flaw and deteriorate the company’s overall image and function. As the company’s leader, you should ensure that decisions are made on the basis of whether or not they support or negate the brand. Likewise, brand decisions should be made on whether or not it supports the strategic vision.

The method I will use to help you build a brand is the same method used

PREFACE

to help business leaders create strategies for a sustainable competitive advantage. The system, called the VRIO model, was created by Dr. Jay Barney of Ohio State University, who created it to transform the wisdom of academia into a business world which demands practicality and execution. His method is the “ $e=mc^2$ ” of businesses –simple yet brilliant. When I learned about it, I wanted to share it with the entire business community, and in fact, I teach Dr. Barney’s model regularly to business owners throughout the country to give them a systematic means to build their business. If you are like these business leaders, you will find this model to be refreshing in its simplicity but powerful in its execution.

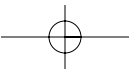
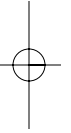
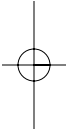
I am thankful that Dr. Barney has given his blessing to allow me to share my interpretation of this powerful strategy tool for branding. But it’s not something that can be left in a text book – it begs to be used and once you learn about it, you’ll be hooked. By bringing brand in alignment with strategy, every department within your company will fly in unequivocal formation. You will give your company an ability to have a sustainable competitive advantage in a competitive marketplace.

People Who Will Benefit from Reading this Book

- CEOs, presidents, owners of small to medium sized businesses (you will also want to share this with your management team members and VPs as branding is their responsibility as well)
- Private practice professionals who must sell their services – like lawyers, accountants, CPAs, physicians
- Salespeople who are independent contractors, and therefore, running their own small businesses

Acknowledgements

I would like to thank and acknowledge the business owners and
representatives who have enabled me to share their stories.
You are the people that make the business world an exciting place.
You are the risk takers, the visionaries, the dreamers.
You are my heroes.



Introduction

*“Good instincts tell you what to do long before
your head has figured it out.”*

—Michael Burke

I am fascinated by small business owners with successful brands. When you consider the fact that 80 percent of all brands die upon introduction and 10 percent die within the following five years, it’s hard not to look at these people in awe. Who are they? How did they get that great idea? How did they bring it to fruition? Do they have some special knowledge, skill or training? Were they simply in the right place at the right time? What is that seemingly elusive “it” factor that has brought them from obscurity to success?

Chances are, they did start with a great idea, but it takes more than a great idea to be successful. And it takes more than a great idea to have sustainable success. The thirty-five companies in this book have many common traits. They are risk takers. They did research before starting their companies, but didn’t over analyze—they acted. They had the ability to quickly change their strategy if it wasn’t working and build on it if it was. They persisted. They never lost site of their goal.

But perhaps you’ve done all those things in your business and still feel that something is missing, something that will give you that extra edge over your competition. The “it” factor you’re looking for just might be something else I observed in these companies; they had a remarkable gut instinct about building their brands. They had remarkable Brand Quotients.

What’s a Brand Quotient? In its purest sense, it’s that innate ability to get

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into the minds and often the hearts of your prospects—and stay there. It's the ability to set your company or product apart from the competition even when you're surrounded by competitors who have bigger budgets, a larger sales team, or who claim they do the same thing as you do. It's the ability to create memorable experiences for your clients over and over again, experiences so compelling that they will keep coming back for more, tell others about your company and even pay more for your products or services than they would for your competitors.

The leaders of these thirty-five companies seem to have instincts that made all of this happen and more. It's a quality I just wanted to bottle and sell to the world. But the closest I could come was to develop a Brand Quotient Test. The test includes the things these business leaders did instinctively. It also introduces concepts from the VRIO model, that most of these companies may not be consciously using, but seem to instinctively make a part of their businesses. And finally, it includes successful practices that I have used and observed in more than twenty years as a marketing executive.

By taking the test, you can get an immediate snapshot of your own Brand Quotient. You can immediately identify your strengths and weaknesses and know where to make changes. But what if you don't have those same gut instincts of the thirty-five business leaders outlined in this book? What if you don't like your score? Can Brand Quotient be learned?

It can. Unlike Intelligence Quotient (IQ), which we have little ability to change, Brand Quotient (BQ) can be raised and, in doing so, you can have a powerful impact on the success and longevity of your company.

After reading this book, you will have the ability to create a remarkable brand for your company. It's not about spending a lot of money. It's not about huge advertising campaigns. It's not about being the biggest company in your market. It's about a step by step process to build a brand and a strategy that anyone can learn and master with any size company.

After you take the test, I will teach you a simple process for building a brand that is truly unique from your competitors. I will help you to experience the importance of having a point of differentiation for your company. I

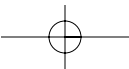
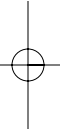
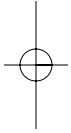
INTRODUCTION

will also guide you through the process of developing your company's differentiation strategy and tactics through a technique I call "brandstorming." As a result, you will be able to create a customized brand plan that you can implement immediately.

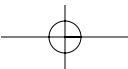
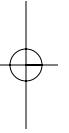
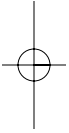
Your participation in the exercises in this book can have a profound impact on your company if you put it into practice, and the practicality of the system will enable you to do just that.

In addition to their great instincts about branding, I have selected the thirty-five companies in this book because their stories are so inspirational and because they did remarkable things without being the biggest in their respective categories.

Get ready to be inspired, not only by what they've done, but by what you can and will do. Once you read this book, you will look at your company with new eyes and have a renewed energy in bringing this system into being for extraordinary results. I am honored to join you on this journey.



SECTION I: Identifying Your Brand



CHAPTER 1

It's About Them

"But enough about me, let's talk about you.

What do YOU think of me?"

—Bette Midler as CC Bloom in *Beaches*

If you were fortunate enough to see Bette Midler's delightful performance in the movie *Beaches*, you undoubtedly remember the laughter that followed her endearing, but completely self-absorbed statement. Yet, every day, as business owners, salespeople or marketers, we often fall into the same "let's talk about me" approach.

We can't wait to tell everyone about our company, our services, and our products. Our websites begin with an "about us" section. We give sales pitches that highlight our features and benefits. We place advertisements that talk about who we are and what we do. We give clients our track record, bios, testimonials and more. Yet, the last thing people want to hear about is us; first they want to hear about themselves and their needs. Then, they will be open to hearing about how our business can meet their needs. Our prospects need to know that we already know who they are. We understand them. We've done our homework and we know their needs better than they do. They must be affected by us and our words. They must feel a response to our messages. Sometimes that response is laughter. Sometimes it's intrigue. It can be fear or sadness or curiosity. If we can make them experience something that is visual, emotional, rational or cultural, we've started to make an impression in their mind. If we can keep that impression there for any length of time, we are beginning to create a brand. If we keep positive impressions and loyalty in

Identifying Your Brand

their mind for a significant amount of time, we have created a brand.

What's the Difference?

Five years ago, when I began working with Sperry Van Ness Commercial Real Estate Advisors, a Southern California based brokerage firm, we were conducting business primarily in the Southwestern states and did about \$2.1 billion in property sales with 100 brokers. Today, the company has grown to a national brand with \$9.5 billion in property sales, more than 800 brokers, and is still growing. How could this happen in five short years? No one knew who we were in other parts of the country; in fact, no one cared. The company had been in existence since 1987. What happened in those five years that was so different?

What changed was that we started to communicate our strongest point of differentiation. It had been there all along, but we organized the corporation to leverage it to its fullest. The president of the company, David Frosh, co-founder Randy Sperry and I traveled to five cities each month speaking to people face to face about this compelling point of differentiation and people responded. They couldn't help but respond. We had a powerful story to tell that was in their best interests. We used that point of differentiation in everything we did from our sales pitches to our marketing materials to the decisions we made as a company. The growth was unprecedented in the history of the company which had already been in business for fifteen years prior to the national expansion. Our competitors had been in business far longer, had budgets that dwarfed ours, and had significantly better name recognition. But we had a compelling competitive difference.

It is differentiation that will give you a voice that can be heard in a sea of competitive cacophony. It is differentiation that will keep your company in the minds, hearts, and souls of your clients. It is differentiation that will give you a sustainable competitive advantage in a marketplace flooded by "we can do that too" competitors. And that differentiation is achieved through branding. And the better you are at building that brand, the greater the impact of its differentiation. When you think of your differentiation, think of it as your clients

It's About Them

will perceive it. It's not enough to be a differentiator to you. Remember, it's all about them.