

## **BRAND SECRETS AND STRATEGIES PODCAST #153**

Hello and thank you for joining us today. This is the Brand Secrets and Strategies Podcast #153

Welcome to the Brand Secrets and Strategies podcast where the focus is on empowering brands and raising the bar.

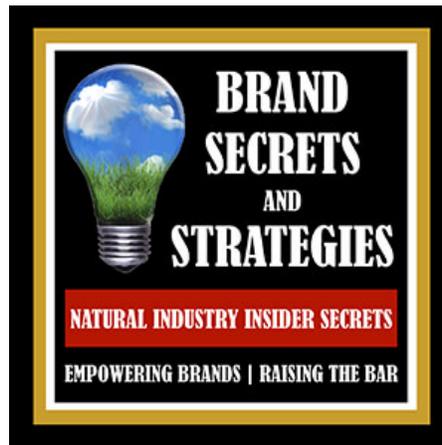
I'm your host Dan Lohman. This weekly show is dedicated to getting your brand on the shelf and keeping it there.

Get ready to learn actionable insights and strategic solutions to grow your brand and save you valuable time and money.

**LETS ROLL UP OUR SLEEVES AND GET STARTED!**

Dan: Welcome. We spend a lot of time on this podcast talking about the importance of branding, how your brand is a representation of you, how it is an extension of your company, and how it personifies everything that's important to you, your mission, your work ethic, everything about your brand. Today's story is taking that to the next level and beyond. In today's story, we're going to talk about what every brand wants to be, indispensable.

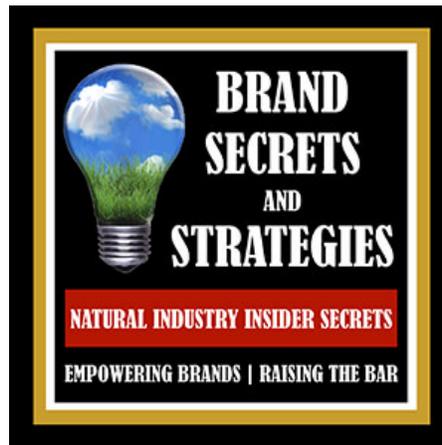
So what does indispensable mean? Think about it for a minute. What are some things that are indispensable to you beyond oxygen? Think of it that way? What are the things that you can't



live without those iconic brands that you gravitate to. Those iconic brands that transcend other things in your life? For example, could you imagine giving up your iPhone? Or how about not being able to use Google to be able to do any research with? Or could you give up social media altogether? What if Facebook and Twitter were no longer?

I know that there are a lot of other platforms, but these are just some of the most prominent platforms that we look for that we use today. The reason we look to them is because there's a no-lie trust factor. I've shared several times that I used to work for Kimberly-Clark. Well, people used to call the facial tissue category, the Kleenex category. The point being here is that that brand personified everything within the category. So this is what we're focused on today, how to turn your brand into an indispensable brand, how to become a household name, how to turn your brand into something that people just can't live without.

Imagine having a brand that has that a powerful community behind it, and then being able to leverage that community to help drive sales at retail, whether it be online or in traditional retail. That's what today's story is about. You're definitely going to want to pay attention to this episode. And as an added incentive, at the end of the podcast, my guest today is going to tell you how you can access his book. That's right, how you can download it yourself. I need to tell you that I've been reading through this book, and while I haven't finished it yet, it covers all the key things that every brand needs to know when developing an indispensable brand, and also focuses a lot on the antithesis of this.



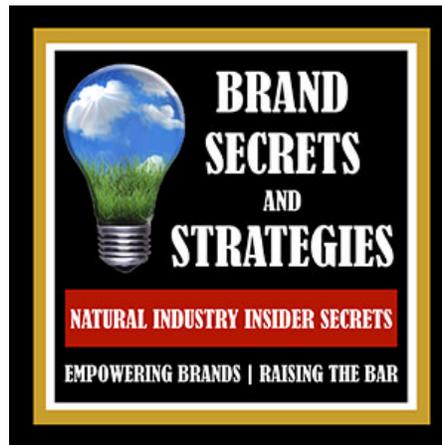
In other words, how do you avoid the monotony that other brands fall into, the same old, same old? How do you go from being just another package on a retail shelf to being something that consumers want? Anyhow, we'll get more into that in a minute.

But before we go any further, I want to remind you that there's a free downloadable gift for you, at the end of every episode. I always include one easy-to-download, quick-to-digest strategy that you can instantly adopt and make your own. Remember, the goal here is to get your product on more store shelves and into the hands of more shoppers.

This podcast is about you and it's for you. If you like the podcast, please share it with a friend, subscribe and leave a review. Now, here's Mitch with Full Surge. Mitch, thank you for coming on today. Can you please start by telling us a little bit about yourself and your journey to where you're at today?

**Mitch:** Sure, happy to Dan. I have about 25 years of total experience in the brand and marketing space. I began my career on the client-side, if you will, in brand management, with Unilever, and with Coca-Cola. I did that for about 10 years, and for about the last 15-plus years, have been consulting, but on the same topics. Not general management consulting, but very specific to brand and marketing strategy. I work with a variety of clients, in my career capacity, of all sizes. You've got product and service, B2B, B2C. But again, all in the area of brand strategy. So positioning, brand architecture, brand extension, and so forth.

**Dan:** So, when you say brand... Well actually, let's back up a little bit.

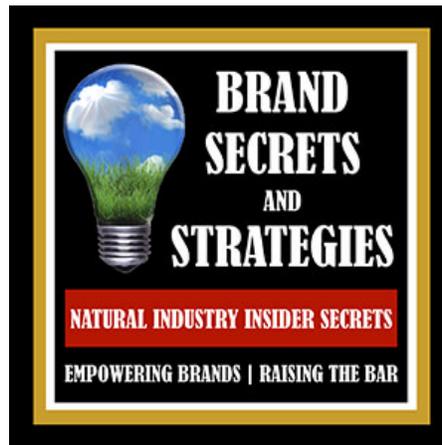


Mitch: Sure.

Dan: We actually worked for Unilever, right about the same time, so I thought that was interesting. Yeah, we were sharing how Unilever bought Helene Curtis, and they merged Helene Curtis with Chesebrough-Ponds and Lever Brothers, and how that radically changed a company. But the reason I bring this up is because you and I are both classically trained in mainstream CPG. The reason this matters is because, as I work with smaller brands, the focus of this podcast, smaller brands can learn a lot from mainstream CPG brands. And they can take those insights and make them their own.

So it does not look, we don't want to try to recreate you in the image of a big brand, but rather, what are the strategies at work? What are the strategies that are effective? And once you understand those, then that gives you the context to go forward. And this also ties in nicely to your book. So as you're talking about brand strategy, what are the different aspects that you think are most important that people need to be thinking about as they're developing their brand? And then, perhaps you should... I should even ask you to define what is the brand in your mind?

Mitch: Yeah, so I think... You know, a few things. First, I want to comment on what you were saying earlier because I think it's a very important point. I agree I think a lot of the principles of the brand, and brand strategy, in particular, apply every bit as much to a startup as they do a multi-billion dollar global CPG. Most, I think, when you start getting into marketing and activation, I think arguably, there might be some tactics for approaches that differ, right, based on the size of the company.

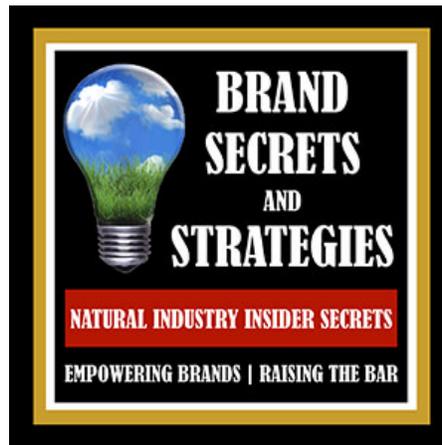


But when you think about the basic concepts or precepts of branding, you know, they're really every bit as relevant for a small, local, mom-and-pop brand, if you will, as they are for a CPG. But to answer your latter question, I think about the brand as essentially the sum total of all the touchpoints that you provide, that your company provides to customers and other stakeholders. So starts with the promise that you make, which is really your brand positioning. Why should customers or anyone for that matter, purchase your brand over any competitive alternative?

What is your primary point of difference, which is a lot of what I talk about in the book? And then how do you take that primary point of difference, and your promise, and reflect it in really every touchpoint throughout the customer experience?

Dan: So when you're talking about the branding, first of all, let's unpack that a little bit. I think one of the things that's critically important is that everyone needs to adopt these strategies, these frameworks, the basics, as you said. The reason that's critically important is that if you don't get this right, then it's a lot harder to go back and try to convince a customer that was turned away, because they didn't understand, et cetera, to give you a second chance. You never get a second chance at first impression.

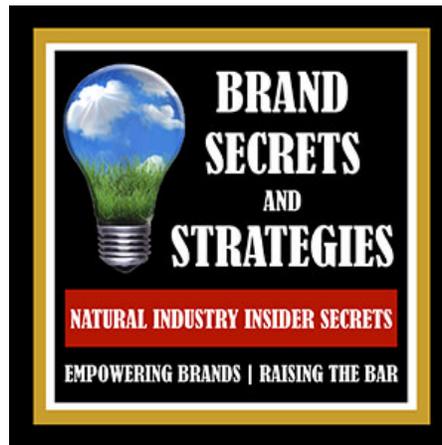
Can you talk a little bit about that please, Mitch? And then talk about how does that relates to the importance of getting this right the first time. And then next, I want to talk about what are some of the strategies brands can leverage to identify what is their brand? Or how their brand should be perceived?



Mitch: Sure. Well, for starters, I think it's important to note that arguably every brand has a positioning. If you consider a positioning is essentially the perception that your stakeholders, whether its customers or anyone else, has in the mind of your brand, by definition, every brand is positioned. I think the question is, to what extent is it intentional and deliberate on your part? Or, to your point, are you kind of leaving it by chance? Leaving it to chance, rather, and essentially having other people define it for you on their own terms based on their own perception? In my mind, branding is really all about being very purposeful and intentional, identifying that central idea that you want your brand to stand for, and then communicating that very consistently over time, so that is eventually seated in customers' minds.

Dan: Love how you said that, positioning equals perception, critically important. Because it's not the perception of the brand owner, it's the perception of the consumers who use your product, and this is a key point of differentiation. This is one of the things we talked about, in the pre-call, where a lot of the big brands talk at us. "Hey, I'm number one. I'm the biggest brand on the planet. I'm really great. Gosh, you got to go by us, because we're great."

Whereas, these small brands have that one-on-one relationship with their customers. And so it's about the customer's perception. And where I'm going with that is I think a lot of the big brands lose sight of the fact that it's the customer that determines what your brand stands for. It's the customer that determines the true value of your brand, and that's where you develop the know, like and trust. Can you speak to that a little bit more, please?

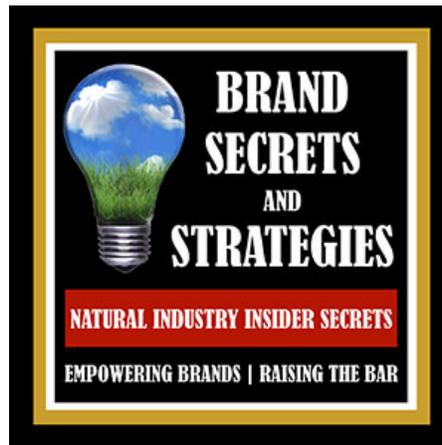


Mitch: Yeah, absolutely. I think, at the end of the day, as because we both agree, it is the customer that ultimately decides how you're positioned, right? And what their perceptions are. But that doesn't mean there aren't things that you can do consistently over time to influence those perceptions in a way that is desirable and favorable toward you. And really that, to me, in my mind, is really what branding is about. I would argue that it's a whole lot harder today, in the world of multimedia and digital technology, to do that, than it might have been 40, 50 years ago, when brand management was in its infancy.

If you think about it, way back when, there weren't the communication channels that there are now, right? There were three or four major network televisions, and big companies developed a commercial, a 30-second commercial, and they ran it on the soap operas, and voila, their brand was positioned, right? And obviously, I'm over exaggerating to make the point. But now, we no longer live in a world of three network television networks, right? We're talking about, since then, we've seen the birth of cable television, and satellite, and then the internet and social media.

And increasingly, we no longer have the control over positioning the brands that we once had. But yet, it's still very important for us to influence that, and to try to direct consumers to view our brands or perceive our brands the way we would like to, even though it's not as much of a command and control as it used to be.

Dan: And on that note, thank you for bringing that up. One of the things I think challenges a lot of the smaller brands, as they think that they're X. In other words, this is why people like me, we're a



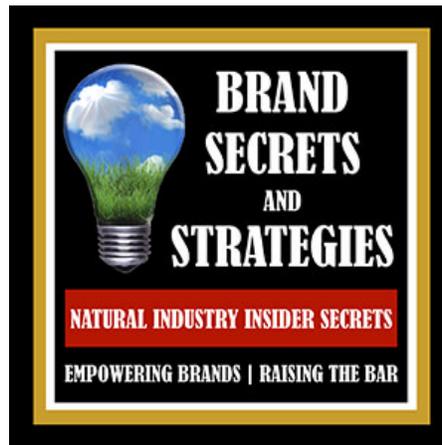
dog food company, that's it, end of the story. But the reality is that their consumers can actually give them insights into understanding how they perceive the brand, things that they might want to leverage in their messaging. And so, while the mainstream brands tend to talk at us, and they tend to talk about feature benefits, stuff like that; very sterile, old strategies.

The younger brands, these more disruptive brands, have a different relationship with their core customers. It's about the mission. It's about giving, doing good. It's about giving back. It's about doing something more than just being a product on a store shelf for selling a certain price. Can you talk a little bit about the importance of that? And why a brand needs to bake that into their strategy, and how they need to get that right? And if they're able to get that right, what it can do to the overall positioning, the way that they communicate their message to their consumers?

Mitch: Yeah. I think what you're talking about is purpose branding.

Dan: Yeah.

Mitch: And there's certainly, I think, over the last decade or so, I think there has been a huge rise in the prominence of purpose branding, defining your brand around something bigger than the product or service that it provides. Right? And it's more than just a CSR. Right? It's more than just a corporate social responsibility campaign. That, most companies have that. But it's one thing to have a CSR, it's another to essentially define the very essence of your brand around a purpose. I do think that it is very much on-trend. I think it is very much a wise thing for a lot of companies to do and why you're seeing them do it.

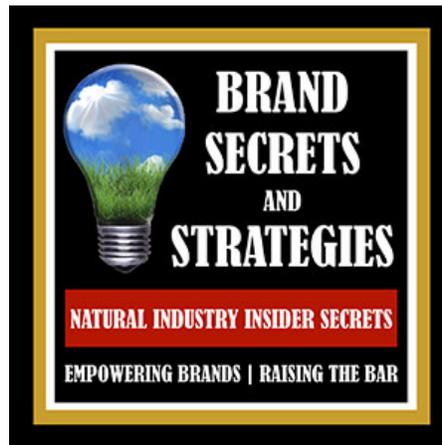


I think millennials, in particular, are leading the so-called transparency era, where companies really care as much about the product... the company behind the products and services as they do their products and services themselves. So it's really critically important, especially if you are trying to court millennials, that you make your purpose well known, and that you kind of communicate that in a very consistent manner to them. Because that is a lot of how decisions are being made today, and I think that's very different from 10, 15, 20 years ago.

Dan: How would you recommend a brand make its purpose known?

Mitch: Well, even before that, I would start with... And this is why I think you don't see more, but it has to be genuine. So this isn't something you can just market research your way into and find an idea or a cause and then say, "Okay, that's what I'm globbing onto." I think some of the best brands that are positioned around a purpose, I mean, it's really true in genuine. Because if it is disingenuous, I think consumers will sniff it out in a hurry.

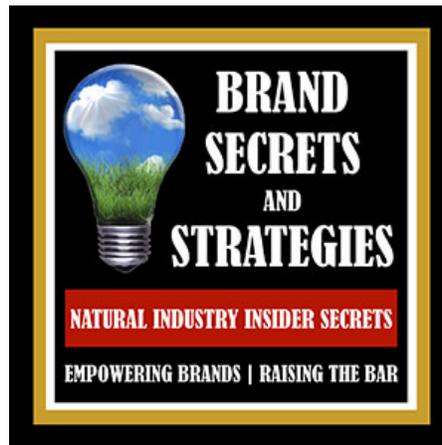
But one of the best ways to do it, to answer your question, to kind of communicate it and reinforce it, is through story. I think that it's no accident that brand story and purpose branding, I think have both grown in popularity in recent years. Because what better way to communicate something as higher-order, and potentially emotionally based, has a purpose and then through story. So you see a lot of brands communicating their story, whether it's why they were founded, or their origins, or just kind of articulating their cause in a very compelling way, you see that being can communicate very consistently through the brand story.



Dan: And I think to go one step further, one of the things that makes Natural Brands unique is their connection to their core consumer. What I'm getting at is that mainstream solution providers, and agencies, et cetera, tend to commoditize all shoppers, and products, et cetera. The point here is that you've got to really understand what your consumers are looking at, what they're thinking about, what their perception is, from their point of view. And the only way you can really do that is by asking them. In other words, if you had the ability to ask every single customer, "Why did you choose us? Why did you choose us over another brand?" That would be ideal. So what are the strategies that you would use, Mitch, to help a brand ascertain the answers to those questions?

Mitch: I think that the most traditional way certainly is through market research. I still think that, ideally, in a perfect world, is how you would go about it. I think the good news, especially for smaller brands and brands that just don't have the budgets of the large gold brands, is that there has been a democratization of market research; new techniques, especially digital and online techniques, that make market research much more attainable, and accessible, and affordable than ever before. To me, there still is no replacement for going out in a fairly methodical and scientific way.

Even if it is just in the form of interviews, in-depth interviews, or small focus groups, and talking to consumers, as you suggest, and finding out what's important to them, finding out what motivates them to purchase one brand over another. And then, very importantly, how they think about your brand vis a vis competitive brands. But if that's not a possibility, I think that



there are a lot of other creative ways to do that. Certainly just even observation and getting feedback directly from your customers, through your day-to-day interaction, or through your sales force.

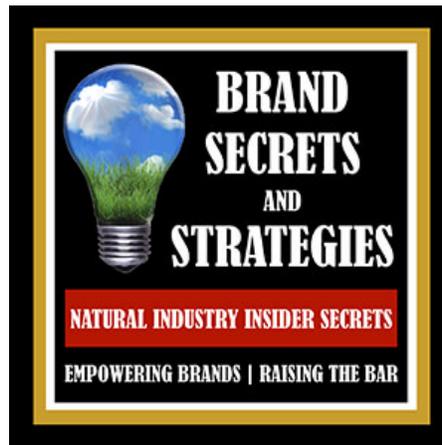
There's been a lot of talk about social listening. So what can you learn about consumers, your consumers, as well as those that may be loyal to your competitors, through just kind of observing the chatter, if you will, on social media, and how they're talking about the category, how they're talking about your brand and competitors.

Dan: Can you talk a little bit more about social listening? It's the first time we've actually talked about it on this podcast. It's a fascinating concept, and it's something that every brand should be taking advantage of.

Mitch: Sure. Yeah, it's really about the kind of, it almost seems a little bit like lurking, right?

Dan: Exactly.

Mitch: But, kind of hanging back and just following the dialogue, if you will. So regardless of the platform, and it's going to differ by brand and by category, but maybe you're on Facebook, or Twitter, or Instagram, or Pinterest, whatever the case may be, and just listening to, without even necessarily having to participate that heavily, listening to what's being said and kind of soaking it all up and trying to determine or ascertain what kind of insights can you take away from those conversations? What are you learning from the way consumers are talking about the category? It's almost like market research. It's not as structured, obviously. You can't



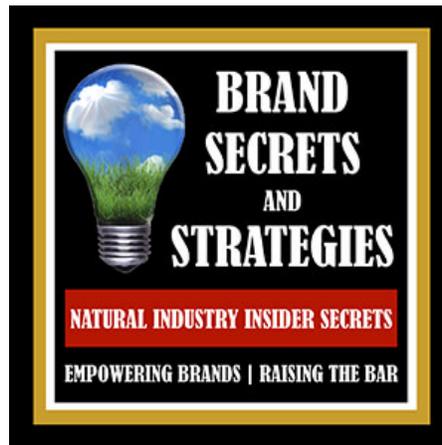
control it the way you would a survey or an interview, but that doesn't... You still can learn quite a bit from it.

Dan: And on that note, one of the cool things about this strategy is that you're actually paying attention to the consumers that might buy the products. And what's great about this, is that it's a trail of breadcrumbs. If you start following those trail of breadcrumbs, you can unravel their actual concerns. You can dig more into a specific topic or a concern, and then you can iterate, or change, or modify, or something your messaging. More importantly, this gives you insights that other brands overlook. Do you have any other antidotes around that?

Mitch: I do. One thing I would add, though, I mentioned one of the downsides of that. You can't control, right? It's not a controlled environment, like market research, you can't set it up. Focus group is your... you have a moderator, you recruit the people you want, the moderator's following a very set guide. Things are largely controlled. One of the advantages is really the flip side, right?

People would argue that a focus group, for example, is a very artificial environment. By contrast, social media or social listening, whatever the case may be, is inherently real, right? It's happening in real-time and you are much more in observer mode. So you can actually kind of flip that negative and turn it into a positive. You're hearing things unfiltered, right? These aren't articles, environments, they're happening real-time.

Dan: On that note, one of the things that I think is... I've always said that one of the challenges that I find with focus groups is that a lot of the people that are in the group are not necessarily your



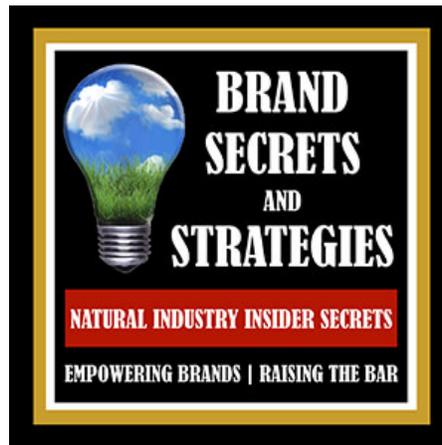
core customer, one. And then two, a lot of times you hear things that they think that you want to hear, whereas that authenticity.

Mitch: Exactly.

Dan: Thank you. That's so critically important, because instead of getting some insights that are scripted. I hate using that term in this position. But what I'm getting at is that there are a lot of products that have failed as a result of listening to a focus group. You and I were part of one brand that came out, it was going to be the best product in the category. It was a fabric stain product if you're familiar with it, and it failed, because they didn't think to take the time to understand how it related to getting it on the shelf, and on, and on, without getting into the nuts and bolts.

The point is, the focus group said that this is a home run. And the reality of it is that it wasn't. Where I'm going with this, so the opportunity to get authentic research, authentic information back for your consumer base is so critically important. And then when we're talking about the consumer dynamic, a lot of those groups, they bring people together based upon what that person, the questioner, thinks is your core customer; female, head of household, 2.3 kids. In my world, however... And what're your thoughts about this?

The LOHAS consumer, for example, the ideal core customer, is someone who's trying to reduce their carbon footprint. Someone that understands the difference between regenerative agriculture, versus non-GMO, versus something that's processed, et cetera. And so what are your thoughts around leveraging those insights to develop the kind of relationship with your core customer you

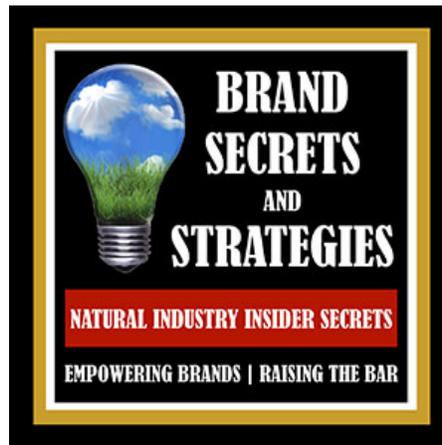


want to be able to track and then leverage those that information to help build your branding?

Mitch: I think, in the categories in which you deal, you really do have a unique opportunity. I think the first point I would make is, you're really at the intersection, I think, of two very hot, topical on-trend issues, right? One is the one we already talked about, which is purpose, right? Consumers care more about purpose than ever before. And especially millennials, right, but not only millennials.

Then secondly, there are probably very few purposes beyond the one that you're talking about. We talked about sustainability, carbon footprint, the environment. That is one of the hottest issues. That's really a very powerful intersection that you have right there. Just this notion that purpose is more important and the categories in which you're participating have one of the most pressing purposes in generations.

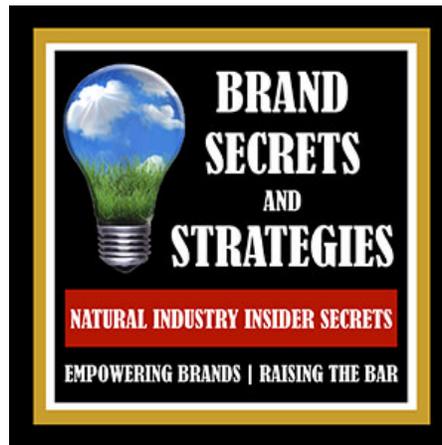
Dan: On that note, to get even a little bit more, go into this little deeper, it's not just necessarily someone who wants to improve their carbon footprint, because they think it's cool or sexy. We're talking about those core consumers that, that's part of their DNA, and being able to differentiate that consumer from the other consumer is critically important. So what I'm getting at here, Mitch, and give me your thoughts on this. My focus is on where the ripple in the pond starts. For example, when did chia become important? When did gluten-free become... You know, when did that start? And then paying attention to that ripple in the pond as it begins to develop, long before it becomes a tidal wave and ends up on a Safeway or a Kroger shelf, and certainly a lot longer before it becomes a tsunami ends and upon a Walmart shelf. Your thoughts?



Mitch: Yeah. I couldn't agree more. I think, and we often talk about this with our clients, regardless of size, is start with who they are, and how they think about this issue, or as we call it, this purpose, in general. So if you think about this notion that they are very socially conscious, environmentally focused, they care very much about the environment, about the planet. What does that mean? What does that mean in terms of their life, in terms of their priorities overall, in terms of the relationships that they have, in terms of the decisions that they make? And then, gradually drill down to much more specific things.

Like, well, what does this mean for the types of products they buy? Even further down, what kind of food do they eat and why? I think the natural temptation would be to look for kind of the intersection of food products and these issues. And what I would say is take 10 steps back and just think about these issues overall, and what makes your consumers tick in all facets of their life, not just the way they eat and how they purchase food products.

Dan: I agree. Thank you for saying that. In fact, I want to go one step further. I think big brands tend to focus on how do we get the product off the shelf? How do we sell what's on a retailer shelf? The reality is that the selling doesn't stop until after the... until well after the consumer takes it home, and shares it with their friends, and evangelizes it with their friends or community. And so being able to focus on that, on the brand, all the way through the consumer, all the way through the product lifestyle, well after the product leaves the store shelf, well after it leaves your distribution center, well after they share it with their friends and family. That's critically important because that gives you the



insights that you can leverage to convert an occasional customer into a loyal evangelist. Tour thoughts?

**Mitch:** Agree. I would say it's actually much easier today than ever to do that before, because of a lot of the digital technology we're talking about. If you think about it, years ago, prior to the digital invasion, if you will, it was arguably harder to do that; to establish a relationship, especially ongoing. And the manufacturer, the producer, was one step removed from the consumer by the retailer. Now, the manufacturer just has a much more direct path to the consumer. They can use things, like the internet, and what it provides, right? Content marketing, social media, email marketing. There are ways that you can touch consumers and be relevant in their lives, largely through digital, that just was never available 15, 20 years ago, or more.

**Dan:** So thrilled that you shared that. Thank you. One of the things that I wanted to focus on is that, if you get your branding, right if you understand your branding, and you can leverage your brand with your community, that's far more valuable to the retailer than any slotting or any of the fees that you may pay. What I'm getting at is that big brands have deep pockets, mostly. And they can pay for the volume, and they've already got the relationship, so they are at a competitive advantage. Small brands don't have that infrastructure. They don't have deep pockets, but they do have the customer base.

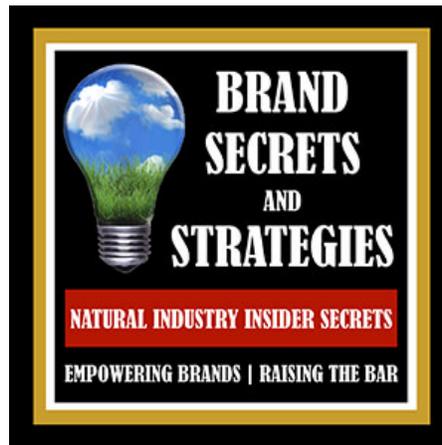
What I'm trying to do, Mitch, is I'm trying to teach brands how to leverage the relationship, what they have with their consumer, through everything we've talked about, to be able to leverage that relationship with a retailer to help that retailer drive sales



and remain relevant in their market. When I mean relevant, relevant against other competitors in their market and relevant against the online threats. Your thoughts?

Mitch: Yeah. It's hard to disagree with that. I think it is also about mindset, right? I think one mindset could be, "It's us against the retailer." Right? So... If you're a small brand. How do we compete against a big brand? And how do we kind of use consumers to essentially strengthen our position? I think one of the things that smaller brands can do is go the extra step and understand consumers to a much greater depth, understand the role that their brand can play in consumers lives, as we talked about earlier, beyond the more functional aspects. And then, share that with the retailer. So it is a win-win. Because at the end of the day, the retailer does win when your products are flying off of their shelf. So the more you're able to leverage your understanding of consumers and the role your brand plays in their lives, share that with consumers, it turns into more of a win-win-win.

Dan: The best part about it is that if you understand this, and you understand your numbers, you know that your brand contributes more to the overall profit of the category and the store than most other brands that don't go down this path, that doesn't follow it. So what I mean by that, is that the myth that price is the only thing that drives consumers into a store and gets consumers to buy a product, that's something I'm trying to get people away from. Because the reality is, is that natural organic products cost more, I don't believe that they should have to pay for, or apologize rather, for the fact that they're using quality ingredients.

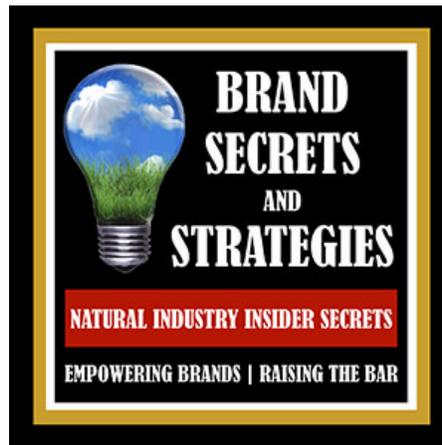


The fact that they're able to drive more profit, even though they don't have the velocity, but they're able to drive more profit to the category. And then if you think about it, going back to what we're talking in terms of research, if you understand, when the consumer buys your product, what other products do they buy? What's in the market basket? Market basket is the total sum of their purchase. So their market basket's going to be a lot higher than a consumer that goes in and buys the private label or the cheap stuff. What I'm getting at is that, when you think about organic, an inorganic consumer is going to buy organic produce, organic dairy, organic milk, et cetera.

So at the end of the checkout, they're going to spend a lot more money in that store. And if they can help that consumer help that retailer remain relevant, by leveraging the strength of the consumer, I think that's the win-win. Your thoughts?

Mitch: I agree. Very often, I think that... And that's not new, necessarily. I think, for years, long before this trend came along, manufacturers were learning to talk about the market basket theory. Consumers that buy this brand or consumers that bought by premium, for example, or by large sizes at higher price points tend to be more lucrative shoppers for the retailer. I think that's a very powerful story that is still applicable today. The other thing I would emphasize is that consumers, in general, will not default to the lowest price, unless you just haven't differentiated. Unless you haven't given them a compelling reason or motivation to pay more money. And that's really where I think branding comes in.

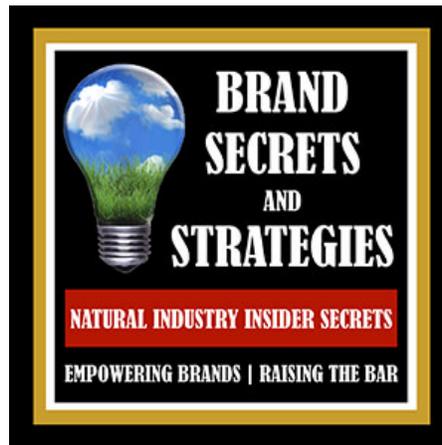
Whether it's for natural, organic products, or in other categories, whatever it is, especially if you are a premium price, you need to have that meaningful point of difference that resonates with the



consumer. If you do, and if it's delivered consistently, there's value, and that value will prompt them to spend more money. If you aren't able to do that, if you are unable to differentiate that, your brand rather, and consistently communicate that point of difference, and deliver on it consistently, then it does become a price game and they will default to the lowest cost option, because you haven't given them any reason not to.

Dan: Exactly. I believe that and actually, the research shows it too, that price is usually something the decision that consumers make at shelf. In other words, they go into the store and they look for price. I used to work for Kimberly Clark, it was the Kleenex category. I mean, that's the way that people to find it, even though it was facial tissue. When I worked for Unilever, it was Wisk. Wisk was the big brand, far bigger than Tide was today. And the point is, people, define the category based upon the number one or two brands in every category. It's that brand that drives people in, because of the promise that brand offers.

The reason I'm going down here is because, yeah, you're right, that price is secondary to quality, et cetera. And you made the comment about it's not new in terms of folks in the market basket. But the problem is this, the industry, especially in a natural channel, actually mainstream brands too, are focused on making margin on a single item. The industry is set up in such a way where it's all about, "How do we squeeze as much margin out of one product?" And not thinking about the other products on the shelf, not thinking about how that product relates to other products. How do brands leverage that relationship? Because the challenge is, this is one of the reasons I think that they're at a severe competitive disadvantage. And if they could flip that, then

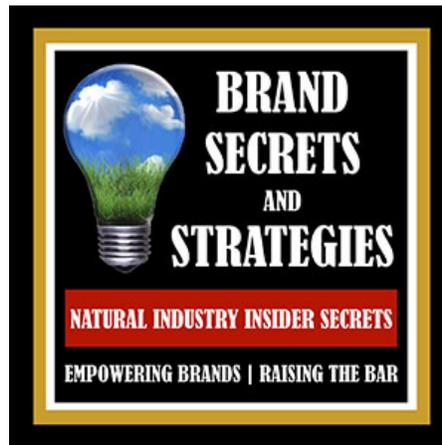


they'd have an opportunity to change the conversation. Your thoughts?

Mitch: I think there's an important point that we haven't mentioned yet, but I think you're kind of getting at, and that's segmentation, right? By definition, no brand... there is no brand that's universal, right? No brand is going to appeal to everyone. I just think that's a physical impossibility. So what is really important for any brand, in any category, to do, is to segment the market, because people are going to buy products for different reasons. So... Excuse me. For example, there are consumers out there, in almost any category, that are incredibly price-driven.

No matter how compelling your proposition, no matter how strong your purpose, no matter how superior products and services, they are going to buy the lowest cost option, right? If that's who you're ideally set up to serve, maybe you are the lowest cost producer and you're able to feature the lowest price, maybe that is the segment you want. My guess, is a lot of the brands that you work with aren't in that position, right? So those brands need to identify what those non-price driven consumers are making these decisions on, right?

Is it some facet of the product or service? Is that a purpose as you're describing? Is it something else? Why are they buying? And then hopefully that segment is large enough, but assuming it is, you then position your brand, you're offering, around that need that that segment has and you go after them and you win with them disproportionately, right? That's really, I think, the key here.



Dan: Wait a minute, my mom likes it and you're telling me that not everyone else will too? Just kidding.

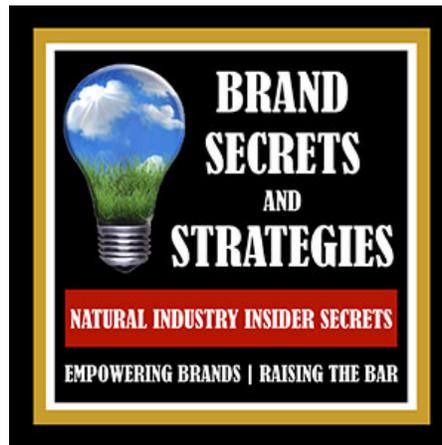
Mitch: Exactly.

Dan: I tease about that a lot, that yeah, this is why you've got to understand this stuff. This is why you've got to understand who are your consumers. You don't necessarily want to go after every consumer. If you're trying to be all things to all people, then you're nothing to anyone. I know, I'm saying that wrong, but the point is-

Mitch: No, that's exactly right.

Dan: Yeah. It's the small disruptive brands that are more closely tied to their consumer, they have that more intimate relationship with their consumer, that are the ones that are driving sales across every category and every channel. Again, you shouldn't have to apologize for having quality products. If price were the only driver, then luxury and decadent items would be declining. That's not the case. And so, now that we've talked about that, what are some of the tactics you would recommend that brands use to leverage their branding strategy at retail and with the consumers?

Mitch: Well, I think it starts by the, really, the common theme that has woven itself throughout this entire discussion, which is, identify that point of difference. In the book, I talk about four different primary points of difference, when you get down to it. And every brand has all of these different aspects, I should say upfront, but each brand should identify one of these four, at least, as their primary point of difference. Is it what? Is it some benefit, end



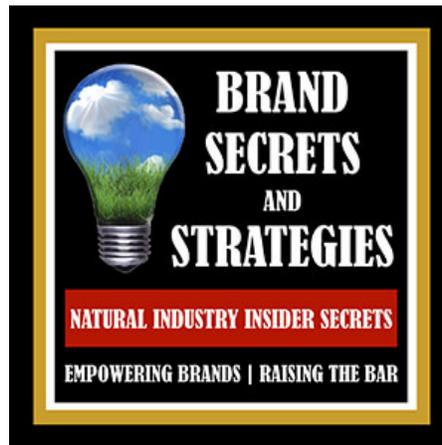
benefit, that your brand offers? Is that what makes you different? Perhaps you solve a problem that no other brand or product does? Maybe you present an opportunity that no other brand does. It's what's, right?

How is, how you do it; the approach, or the ingredient, or the experience that you offer. So your benefit, or your what, maybe generic or universal, but how you deliver it is unique and differentiated. The third way is the why, which we've talked a lot about here today, which is about the purpose, right? So what's the overarching idea, beyond the mission, what's the very reason you get up in the morning and go to work or go through your life for that matter? That's again, the why, or the purpose. And then the last one, which isn't quite as common, but there's a lot of brands that are kind of differentiated based on a personality or persona.

Whether it's the percentage the persona of their founder, like a Richard Branson, for example, with Virgin or maybe even just their target users. Warby Parker is an example, I think of. When you think about Warby Parker, that brand has target consumers that everybody can kind of understand. You may relate to them or not, but it's kind of hip, urban, New York, trendy, sophisticated. You get the idea?

Dan: Yep.

Mitch: Brand, I think is very much differentiated based on the type of people that it most appeals to. So of those four, you need to be able to identify, which one sets you apart, which one is going to compel a consumer to purchase you over competitive



alternatives, and arguably, in doing so, pay more money than they might for a lower-cost alternative.

Dan: We should have mentioned, and I apologize for this, the name of the book is The Indispensable Brand. Just the title alone should get anyone to pick it up. The reason I say that is, that's the goal. You want your brand to be indispensable, or as I would say, relevant. That's how I would leverage that term. Throughout our conversation, I've been leveraging it. But if your brand is indispensable, indispensable to the consumer that buys it, indispensable to the retailer that sells it to their strategies and whatnot, that is the win-win.

That's the Holy Grail. That's where your facial tissue category becomes the Kleenex category, et cetera, et cetera, et cetera. And so that's how brands can leverage that relationship with their core consumer. Can you talk a little bit more about the book? Why did you write the book? And then, what was your purpose? And what do you hope brands hope to get out of it? That's a loaded question, so go ahead.

Mitch: No, no. I thank you for bringing it up. So yeah, the title of the book is The Indispensable Brand. The way we define indispensable in the book, it's probably not overly surprising, right? But it's a brand that you simply cannot, or at least would not want to live without. It's a brand that really makes a difference in your life, it holds a special place. And I very often... I talk quite a bit on this book, but I also speak with my clients about it, on a daily basis.

I asked them, "Is your brand indispensable?" When they said, "What do you mean?" "Well, if it went away tomorrow, would



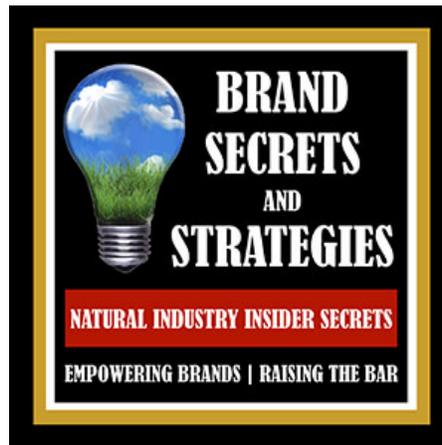
anybody care? Would your customers care? Would they even know?" More often than not, I'd say 95 times out of 100, or 99 times out of 100 even, the answer is, "No. There are people that are loyal to my brand, there are people who like my brand, but are their people who really feel they cannot live without my brand, or would not like to." That really is the goal of being an indispensable brand, and you're not going to do that by being the lowest cost option, right? You're going to do that by being highly meaningful and highly relevant in someone's lives. I think that's really attainable for any brand.

The example that I use is, one brand that I find is indispensable to me, and it's one of those oft used examples, but it's true, is Starbucks, right? I am a huge Starbucks fan. I love that brand. I am very loyal to it. I probably consume it every day or near every day. And if it went away, I would be very, very disappointed. And yet 20, 30 years ago, if somebody told you that a coffee brand could be indispensable in your life, people would look at you like you're crazy. I mean, if a cup of coffee can do it, become indispensable in your life, any brand can, and that should be the goal for anybody managing a brand today.

Dan: Well, and-

Mitch: Become that relevant.

Dan: Thank you for sharing that, and I get it. I get it completely. I know a lot of people that Starbucks is the thing they gravitate to. My son's grade school teacher, every day, two of them, like clockwork. He complained about how he didn't make any money and then bought two coffees because that was important to him.



Mitch: Exactly.

Dan: But the point is this, it's not only just the coffee, to go down this path. It's the community. It's the way you're treated. It's the way they invite you into their store and the way they greet you. It's not like a lot of other situations, where toothpaste, or whatever, that's somewhere down in that part of the store. It's not my department, don't bother me. My point is that the brand has done an incredible job of engaging their community, building a community around them. Like them or not, that's one of the things that every brand needs to be doing, needs to be focused on. That's a great example.

I remember, years ago, where we would talk about, to your point, if your brand went away, would anyone care? And the goal is to understand what are the key drivers that keep people coming back? Why are you relevant? Why are you important? And why are you indispensable? So thank you for sharing that. So now that you've got your cup of coffee, now that I know you're up and running. And now you've got... You know, we're talking about a specific brand, how would you recommend brands leverage that relationship with the retailer? Actually, let me back up. Let me talk about this first.

One of the things I think is great about Natural is that we're able to build a community around our brand, and we're able to develop a community that can help us iterate, or help guide us to make the kinds of products people will continue to buy. Where I want to go with here, is that, if every retailer closed tomorrow, what would you do? Where would you sell your products? And the point being is that if you've got that indispensable brand within a community, your community is going to keep you alive. And then,



if you can leverage that community, they're going to tell you whether or not it needs more maple, or more chia, or more whatever it is, but they'll help guide you so that you can grow and thrive. Your thoughts?

Mitch: Yeah, I agree. It really is about listening, right? Asking great questions, listening, being observant, understanding. Just like you need to understand, as a brand owner, right, what your consumers are looking for and how to be relevant with them. It's really incumbent upon you to understand the same from the retailer, to be able to be empathetic, to be in their shoes, to understand how they win, and how your brand, your cause, your purpose, if you will, can tie into their efforts, whether it's marketing or otherwise. So that you're you're being as relevant for them as you are for the consumers that you're ultimately trying to please.

Dan: Thank you for sharing that. So then, okay, once you get this dialed in, how do you leverage that with the retailer? How do you leverage that to help get your product on a store shelf, or more importantly, my mission is to get your product on more store shelves and into the hands of more consumers?

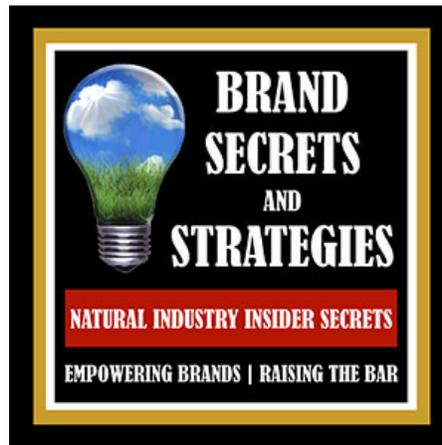
Mitch: Well, again, I think, as we've talked about before, it's really understanding, on a case by case basis, what are those retailers' goals? I mean, there's probably only a handful of them, but they might be different for different retailers based on the channel that they're in, for example, as well as their size and their competitive set. But understanding, what are they trying to... Are they trying to win on margin? Are they trying to be a low-cost retailer? Are they trying to increase their average transaction? And then, help design programs for them that kind of play into that.



So just like we talked about before, if they are looking to kind of drive up the average ring or the average transaction size, and you're able to make a market basket, and this is just one example, but a market basket pitch to them, that's one way that you're increasing your relevance. You're not going to every retailer with the same story, but you're tying in the story of your brand and how your brand helps them to their goals and their aspirations, which may not be the same as the one down the block.

Dan: Also, it gives you a huge point of differentiation. This is the thing I really wanted to focus on, as we started to wrap up and start to get into the more... beyond the meat of this, is one of the things that I've been able to do successfully is take these consumer user insights and bake them into my selling presentation. So that, when I'm working with a retailer, helping the retailer understand why this brand. What I'm getting at here, Mitch is that a lot of brands rely heavily on syndicated data, et cetera. That's historical. The challenge is a lot of the data that you're bringing to the retailer is not really going to help the retailer make the decisions that they need. The reason I say that is because it doesn't segment out using your term, the consumer, the way the consumer buys, necessarily.

I find this in every database. This is just not a flaw of the database, it's you need to understand your brand better than the syndicated data providers. But where I'm going with this, is that this is your opportunity to go back to, if you would, that story, to be able to tell a story about why your brand. This is, I believe every opportunity with the retailer is an opportunity to educate them about your brand, and more importantly, your consumer. So

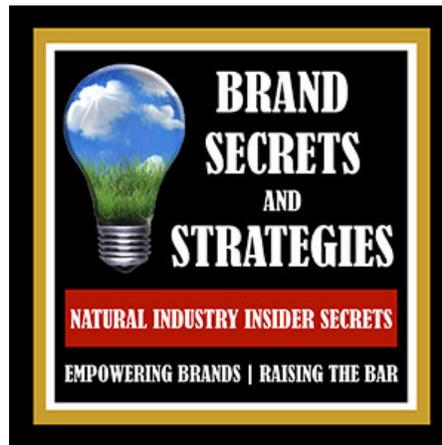


what strategies would you leverage or recommend that a brand use to leverage these insights with a retailer, and then ultimately their end consumer?

Mitch: Well, as we were saying in the previous discussion, I think, as a brand, you need to go one step beyond the consumer. Because at the end of the day, the consumer is a means to an end for the retailer. Yes, they are in business to satisfy consumers, but they also have a P&L to manage. So, as you talk to them about consumer trends, and consumer preference, and their purchase habits, if it's not obvious, and very often it isn't, you need to translate into how that's a win for the retailer. So are you bringing in perhaps a less... a price-sensitive consumer with your brand, who is, therefore, going to spend more money on other products at that retailer, for example, is one angle. It's really tying, again, tying in the...

Or making the connection, rather, between your brand and consumers that purchase your brand, to the retailer's objectives. And again, different retailers, based on their strategy, might be looking for different goals from your category. Unfortunately, it's not a one size fits all, just like consumers aren't a one size fits all. You have to understand how the consumer... What the retailer is looking for, what is their basis for competition, and how can your brand uniquely play to it? Using the consumer as the story, though.

Dan: Thank you for sharing that. This is why I'm not a huge fan of what I would call push-button category management or top-line canned reports. My point is this if you walk into a retailer and say, "Look, I've got a report." And you lay that in front of them, largely, very often, that's a huge waste of ink and paper. It's the



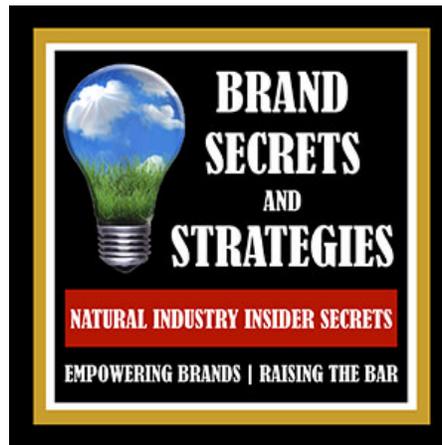
same template that every brand uses, whether you're selling motor oil, or baby food, or dog food, it doesn't matter.

Mitch: Okay, right.

Dan: Being able to go beyond that, to tell your story, and then being able to say why what happened happened. So in other words, "Sales are up for my brand, my contribution is greater than other brands. And this is why. This is how my brand appeals to that consumer." So you've got the facts, the fact-based selling, that's what category management is. And now you're leveraging that information and backing it up with the consumer piece that we're talking about. So when you say why what happened happen? Well, with a big brand, velocity might be changing, because you ran a big promotion, you had a big discount, et cetera. Well, that means that your product is a commodity in the sense that it is price-driven.

That's it, that's what got consumers to buy it. In my world, if you're able to say that my contribution, which is a different measure, that your dollars per point of distribution is higher than other brands, and the reason that is higher, and the reason that that is growing, is because my product caters to or aligns with that core consumer that spends more money in your store, that shops all the other organic products throughout the store, et cetera. But more importantly, that's, understanding that core consumer, that's what the retailers need to know. These are the insights that they don't get from your competition.

So if you can leverage these insights in your selling story, and then help the retailer drive profitable sales with them, this is how you go from being just another brand on a retail shelf to being a



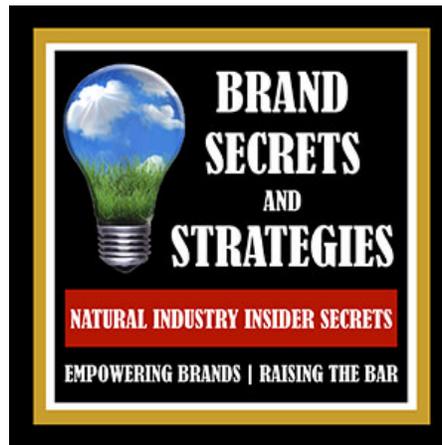
trusted, respected category leader. In my perspective, a category leader is any brand willing and able to step up and help their retail partner drive sustainable sales by leveraging the strength of their brand. Your thoughts?

Mitch: Right. You can think about a number of arguments that could be made. So one could be, for example, consumers of your brand are much more likely to shop at your retail outlet if you carry that brand. Or less likely, if you don't. They are more likely to spend more money, again, spend more money in your store, if you have that brand or purchase other brands, in perhaps, adjacent categories that they otherwise wouldn't. There needs to be something about... a story about that consumer and that consumer's willingness to visit that retailer, and to purchase more to be less price-sensitive, whatever that goal may be. But connecting the dots between that consumer behavior and what ultimately the retailer are looking to accomplish from a commercial perspective.

Dan: Exactly. In fact, going back into our world, back when we were at Unilever-

Mitch: Right.

Dan: ... running a soap category, without Dove is unheard of back then. You would never consider that. So having that brand be the anchor to help drive a lot of traffic in the store, to help that retailer remain relevant, was critically important. Then, because that was a super premium customer, you knew that that Dove customers would buy super premium or premium products around the store. Then, being able to tie that in. So we'd be selling Dove with Wisk, that was our main detergent at the time.



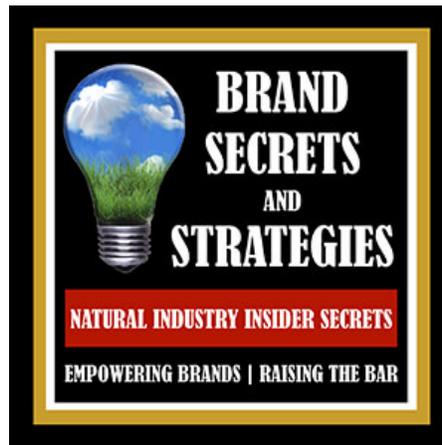
Like I said, back then, it was even bigger and more popular than Tide is. Being able to leverage those strategies, that's how we were to keep our trade marketing down or control that. More importantly, that's how we were able to drive sales, sustainable sales, throughout their store, and help the retailer become more relevant, help the retailer increase foot traffic, et cetera. Any thoughts around that?

Mitch: Yeah, and it goes back to something we talked about earlier, which is understanding your target consumer at a level much broader than just your product category. The more you know about them, and their lives, and perhaps even how they shop other categories that aren't necessarily yours, and you can bring that information to them, again, information is power.

Dan: Yes.

Mitch: If you have this brand, they are more likely to visit, and oh, by the way, when they are in your store, they are also more likely, based on our research, to buy these types of categories. That is information that is very powerful for you to have and can be very compelling to use with a retailer.

Dan: And no shade on mom, just because mom likes it... I'm just kidding. But the point is that, yeah, these are the foundational things that every brand needs to have. The cool thing about it is, to do this doesn't cost a ton of money, social listening, to spend the time, the investment of the time to have someone go in and listen. To spend the time to develop a social strategy, or a digital strategy, that helps you communicate with that core consumer base, that helps you leverage the power of your community to

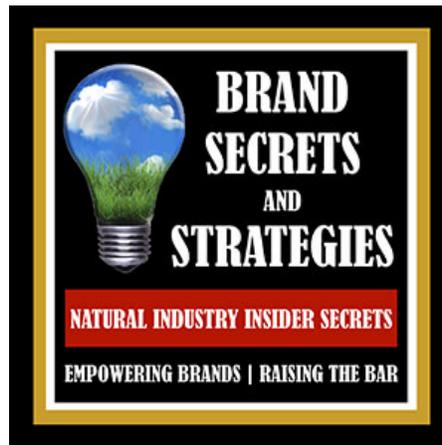


drive sales and retail. These are the foundational things that every brand needs to have.

The more effective you are at doing this, the more effective you're going to be at driving sales, and growth, and profits, et cetera, and the more relevant you're going to be, and the longer you're going to be around; months, years, decades, even longer. So thank you so much for sharing that. Can you please talk a little bit more about your book? And then, you've got the seven factors that changed branding forever, or what is something you want to leave behind? Why did you write this and why was it important for you to share this?

Mitch: The reason I wrote it is, I do think we have to get back to one of the key precepts of a brand, brand management and brands in particular, and that is differentiation. I think that, arguably, differentiation is the cornerstone of branding, meaningful differentiation. Not just differentiation, for differentiation's sake, but obviously a compelling point of... a meaningful point of difference. There has been a lot of research, longitudinal research even, that shows two things. One is that brands are less differentiated now than ever before. The sea of sameness, if you were, or what I call brand monotony, is more prevalent today than it ever has been in the past.

Secondly, there has been a tremendous amount of quantitative research that has linked differentiation to things like brand value and operating margins. So not only is it more prevalent than ever before, but it's also a leading contributor to negative financial performance. So that's really where the premise of the book is, how you identify, get back to and identify that meaningful point of

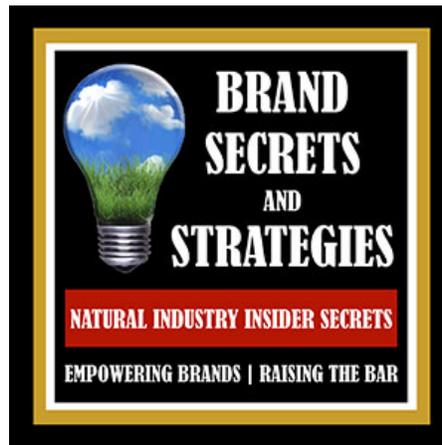


difference for your brand. And we talked about the ways that you can be meaningfully differentiated earlier.

And then really, the rest of the book is about how do you take that meaningful point of difference once you've identified it and reflected in every aspect of not just your marketing but your product and service itself; the offer, the experience, as well as your activation, whether it's digital or otherwise. That's really how the book is set up. So, how do you establish that meaningful point of difference and think about differentiation more broadly than we ever have in the past? And then, how do you reflect it very consistently through every aspect of the experience?

Dan: And thank you for giving me an opportunity to go through the book. I'm thoroughly enjoying reading. I haven't finished it yet. But the reason I got into this industry is because of that because I wanted to understand consumer behavior and what drove consumers to make this decision versus that decision. One of the things that I find is that, for example, big brands, when they innovate, they change a flavor, or they change a spice, or they change a packaging. In fact, I was doing a project for one brand where they took an item and they changed the label. Then, it went from a diet aid to a weight management aid, to being an energy product, and then to... In the end, there were five products, but it's really the same, the same exact item inside of it.

My point is that customers are wary of this. This is why brands are struggling like you say the monotony. The thing that's great about small brands is that we're developing brands that are designed to meet the needs of the consumer, some of the things like cricket proteins, and plant-based meats, and on, and on, and



on, so thank you for sharing that. How can people learn more about you and learn more about your book and actually go to get it, on Amazon, or wherever?

Mitch: Yeah, there's a number of different ways. So the name of my firm is Full Surge. That's F-U-L-L S-U-R-G-E dot com. When you go to the site, the book is on the site, information about the book. You can download two chapters for free. You can also order it on Amazon. I would also offer to your listeners, if they would like to, I can send them a link that enables them to download the book at no cost to them-

Dan: Oh, thank you.

Mitch: ... via Amazon. So just like you did, I can provide a link if they contact me directly. So my email is M-D-U-C-K-L-E-R, mduckler@fullsurge.com, so I offer... Or you can offer them to reach out to me and I'd be more than happy to send them a copy.

Dan: I appreciate it.

Mitch: For download.

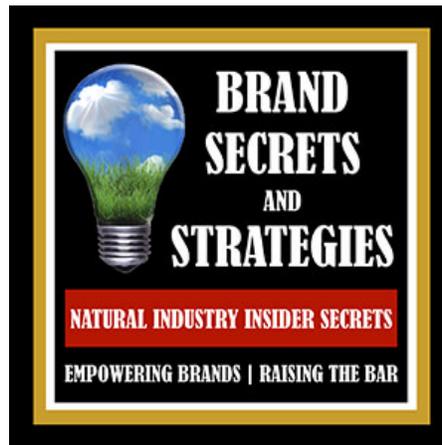
Dan: Thank you. Well, and I'll-

Mitch: You bet.

Dan: ... make sure I put a link in the show notes and on the podcast web page.

Mitch: Absolutely.

Dan: So, thank you so much for coming on. Thank you so much for reaching out to me and I really appreciate your time. This is a



great resource. It's a resource that I think all brands need to be paying attention to. Again, because this is the foundation that you build a brand on. If you build a healthy foundation, that's going to determine how long you're going to be around. And it's going to give you, to your point, that point of differentiation to help you compete head-to-head, toe-to-toe with the big brands. Any last parting thoughts?

Mitch: No. I think this was a great conversation. I really appreciate you having me on. I hope your listeners found it beneficial. I love... This is the stuff I love, as you could see.

Dan: Me too.

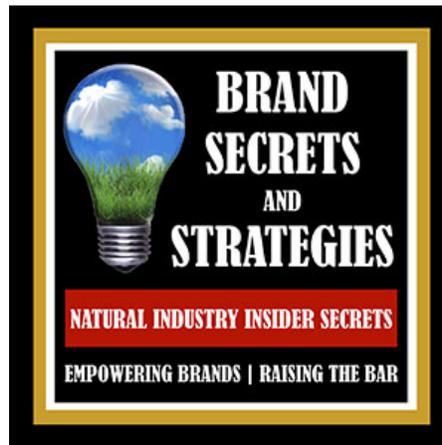
Mitch: I wrote a book on it, so it... I just, I love the conversation and thank you for having me on.

Dan: Well, I appreciate your time. Thank you, have a great day, look forward to our next conversation.

Mitch: You too. Likewise.

Dan: I want to thank Mitch for coming on today, and I really appreciate him reaching out to me. I'll be sure to put a link to Full Surge in the podcast and show notes and on the podcast web page. What a great conversation, things that every brand needs to know with real-life examples. This is why I do this podcast. This is exactly why to help you get your product and more shows into the hands of more shoppers.

The last part's most important. If you have a brand that transcends other brands, that's indispensable, that's how you become a value-added resource to retailers. More importantly,



this is how you get your product into more shoppers' hands. This week's free downloadable guide is actually my free course, Turnkey Sales Story Strategies. It's the perfect companion to Mitch's book, The Indispensable Brand. The reason for that is because any brand that has the discipline to go through the entire program, the entire course, is going to learn how to build a solid healthy foundation around your brand. So use the strategies that Mitch points out, that he highlights, and then overlay them with what I share with you in the Turnkey Sales Story Strategies course.

The point is this if you understand how to use syndicated data, how to use consumer data, if you understand how to understand where your shoppers are, et cetera, this is how you help your retailer drive sustainable sales in any category. This is how you become an indispensable brand and an indispensable partner to your retailers. You can get this and the links to Full Surge at [brandsecretsandstrategies.com/session153](http://brandsecretsandstrategies.com/session153). Thank you for listening and I look forward to seeing you in the next episode.

FullSurge [www.fullsurge.com](http://www.fullsurge.com)

Thanks again for joining us today. Make sure to stop over at [brandsecretsandstrategies.com](http://brandsecretsandstrategies.com) for the show notes along with more great brand building articles and resources. Check out my free course Turnkey Sales Story Strategies, your roadmap to success. You can find that on my website or at [TurnkeySalesStoryStrategies.com/growsales](http://TurnkeySalesStoryStrategies.com/growsales). Please subscribe to the podcast, leave a review, and recommend it to your friends and colleagues.



Sign up today on my website so you don't miss out on actionable insights and strategic solutions to grow your brand and save you valuable time and money.

I appreciate all the positive feedback. Keep your suggestions coming.

Until next time, this is Dan Lohman with Brand Secrets and Strategies where the focus is on empowering brands and raising the bar.