

1. WHAT IS A BRAND AND WHY DO BRANDS MATTER?

A clear definition of 'brand'

There are more than half a billion results if you type 'definition of brand' into Google Search. For those of you who have not quite the time to sift this cornucopia of wisdom for the perfect definition, let me give you the one that I like.

'A brand is the sum of the product and its reputation.'

Or, more colloquially, 'the thing and what people think about the thing'.

And for product, read service, organization or any entity. I'm going to call any of these things 'the product' from now on to keep matters simple. To me, the product is what people buy, in the broadest sense of that word. It's what you are offering, whatever that is.

The product and reputation are inextricably entwined. Make a bad product and your reputation will suffer. And the reputation you have will drive the kind of products you develop. If you are known for flame grilling, then you will look for more stuff to flame grill. If you are a retailer with a reputation for high-end glamorous fashion, you may expand into homewares, but at the blingier end of the design spectrum.

Once defined in this way, the discourse about brand rises above the unedifying debate that rages in the marketing industry about image advertising versus the measurability of digital. A CEO might be highly antipathetic to brand building if, to her, it is synonymous with spending vast sums on TV commercials. She will, however, care hugely about the company's reputation. And should be willing to invest to build it.