



Building “MegaBrands” in the New Retail Reality

BY BEN BALL WITH LEWIS A. BEREY

Brands and branding have never been more critical to manufacturers’ success. In the article “Consumer Solutions at Retail – Beyond Category Management” in this issue of Viewpoint, Ben Ball asserts that “brands that matter” are the number one requirement for manufacturers in this brave new retail world.

There are two key elements to the new retail reality. Number one, the old rules don’t apply and number two, there are new competitors on the field. The new competitors are, of course, the retailers who are working to capture a larger share of influence and profits by extending their franchise with consumers. That extension will include both a more influential role with consumers and a renewed emphasis on establishing Own Label brands. The latter is an obvious threat to manufacturers’ brands, but let’s talk about the former.

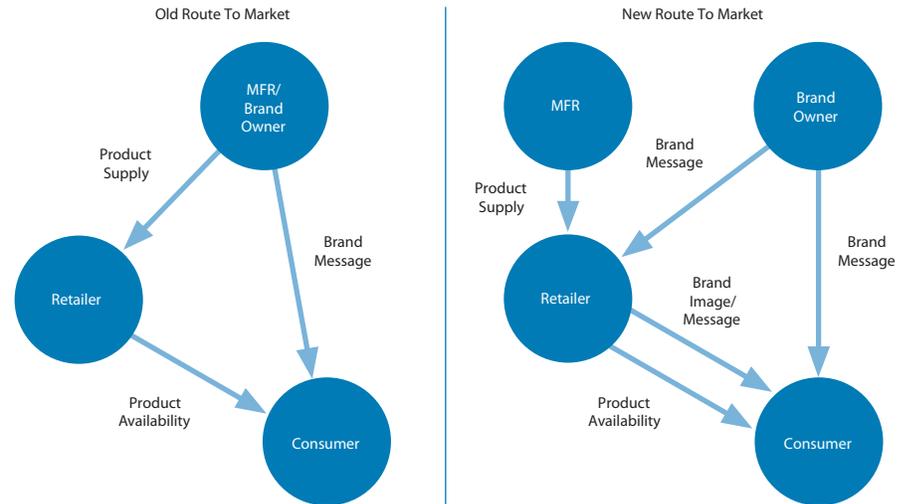
The fact is that the model for how products and brands get to consumers has changed forever. The old model called for the retailer to simply make brands available while manufacturers (“the marketers”) talked directly to consumers to create demand (Figure 1). The new model puts retailers squarely in the middle of brand messaging as well as brand presentation and availability, and some of those brands are theirs!

The Challenge

Manufacturers need a way to build brands in this new retail reality. They need to be able to leverage existing brand franchises with consumers and to build new brands as well. These brands need to be seen by retailers as meeting three key criteria:

1. meeting a unique, value-added consumer need,

Figure 1:
RETAIL’S NEW ROLE IN BRANDING



2. building on the retailers’ category strategy and image with consumers, and
3. building profitability.

To do that, you must have a firm grasp on both your brand image with consumers and its extendability. A “brand image map,” if you will, that fosters a clear vision of what the brand is and can be. If our definition of “brands that matter” is correct (brands for which the consumer will go to another outlet to shop the category if that brand is not available) then we are really talking about “MegaBrands.”

Building “MegaBrands”

Building Megabrands in the new retail

reality requires that all three elements of “The Looming Consumer Challenge” be met. DHC and New Product Insights, Inc. (see below) have teamed up to provide our clients with an end-to-end solution to this challenge (Figure 2).

Building “Megabrands” is at the heart of the New Product Insights, Inc., NPI Megabrand Model® (see next page). This model is used successfully by scores of CPG and other clients to map brand growth and create winning brand strategies.

The NPI Megabrand Model® is based on understanding essential category and brand benefits. Applying this approach truly leads to “brands that matter.”

DHC’s new Retail Impact Mapping™ process addresses the second issue –

About NPI

Lewis A. Berey heads New Product Insights (NPI), a 30-year old brand and new product consulting firm with 65 of the top 100 consumer advertisers as clients. Prior to leading NPI, Lewis held senior level sales and marketing positions at H.J. Heinz Company and General Mills, and in 1970 joined and later became President of Synergistic Communications Group, former parent corporation of NPI.

Thought Leadership in Demand Generation – by actually going into the retail environment with a panel of “expert consumers.” By applying this process, clients can assess the impact the retail environment might have on the brand proposition. They can also develop innovative ways to maximize category and brand equity building opportunities for retailers.

Becoming “The Collaborator of Choice” requires understanding that the customer relationship is much broader than just Demand Generation. In fact, this is only one of ten key Business Process Touchpoints addressed in the DHC Customer Development Model™. Major CPG manufacturers have already used this approach to increase the total impact and return generated by their brand offerings.

“MegaBrand Projects”

Addressing this “new retail reality” pre-

Figure 2:
BUILDING “MEGABRANDS” IN THE NEW RETAIL REALITY

Challenge	Solution
1. Build brands that matter	NPI Megabrand Model®
2. Thought leadership in Demand Generation	DHC Retail Impact Mapping™
3. Be “The Collaborator of Choice”	DHC Customer Development Model™

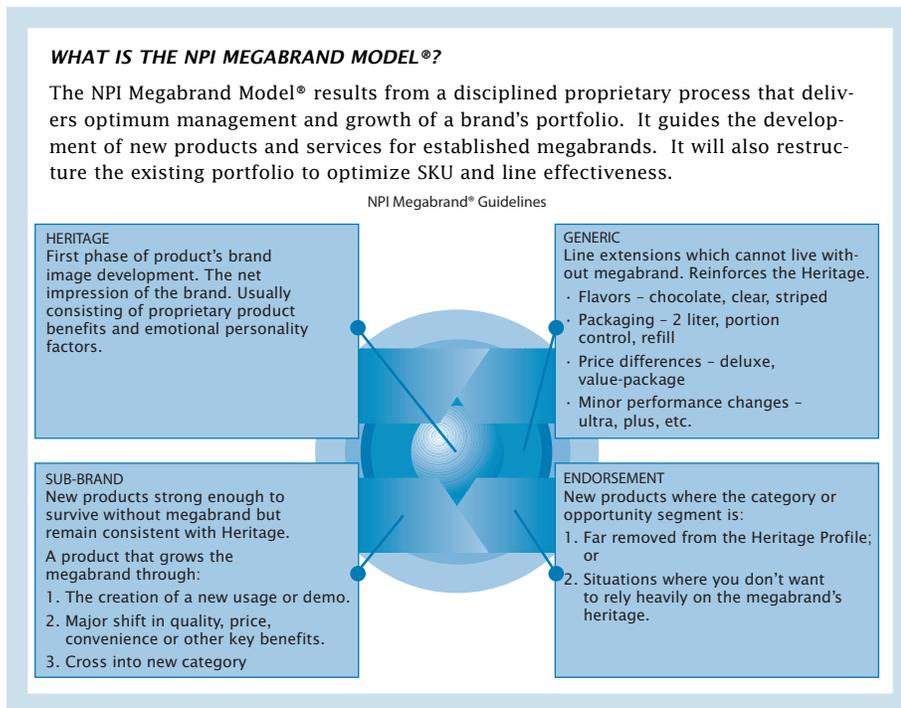
sents varied challenges for our clients. For some, the complete end-to-end solution is required. Others, however, may only need help with specific elements of the process.

Some of the specific outputs of a typical project are:

- NPI MegaBrand Model® Map and Strategy to guide consumer strategy/messaging
- Brand Mission Statement and Vision
- Retail Impact Map to guide retailer/ in-store strategy
- Category Strategy Assessment for Major Customers

- Retailer Alliances and Testing Facilitation
- New Product Launch Plans and “Selling Story”

If you would like to know more about how this integrated end-to-end solution to brand development in the new retail reality could work for you, please contact Ben Ball, Vice President of Dechert-Hampe & Company at 847.559.0490 or dhc-il@dechert-hampe.com, or Lewis Berey of NPI at 816.561.9191. 



Viewpoint Web Site of Interest



crmcommunity.com

CRMCommunity is a community oriented Web source for comprehensive, targeted information on evaluating, purchasing and implementing customer relationship management technology and solutions.

CRMCommunity:
Serves as a catalyst for exchanging CRM strategy, ideas and definitions. Provides interactive CRM peer exchange and networking. Promotes the effective adoption of CRM technology standards. The web site offers news, a library, discussion forums and a resource directory.