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Cross Channel Branding

Five years ago, you were likely to be asked, "What's your Internet strategy?" Today's question is, "What's your channel strategy?"

If within 30 seconds you can summon up a reasonably sound answer to this question, forget about reading the remainder of this article. If you can't, reading on might be worth the effort.

One of today's realities is that new communications media are hitting the market every year. I don't need to name the plethora of choices already on consumers' plates -- the Internet, the personal digital assistant (PDA), WebTV, the wireless application protocol (WAP) phone -- all of which appeared within the last decade.

The problem is that consumers haven't yet found a way to increase the number of hours in the day. So the likelihood is that as more media channels land on the plate, the consumer has less time to deal with them. And, consequently, facilitating their use is becoming more complicated for professional communicators and brand builders.

Ten years ago, a media, or point-of-contact, plan was rather simple to comprehend and construct. If human interaction was required, only two media channels were available: face-to-face or phone contact. In addition, of course, there were the monologic, one-way media: not as few in number but just as simple to quickly comprehend.

Well, the world has changed. Outdoor media channels are no longer confined to posters and billboards. They can include everything from mobile phones, PDAs, WAP, iMode, and short message service (SMS) as well as billboards. Dialogic, two-way interaction is no longer limited to face-to-face visits or phone calls: It encompasses almost every personal communication tool.

So given this complex communications fact, my question is: Have you optimized all your consumer touch points, or are your touch points relying on haphazard coincidence? In other words, what's your channel strategy?
Just as airlines deploy "yield management" to optimize the value of every seat, your channel management strategy should be built on yield-management principles. There is one "but" to this parallel. Optimized channel management reflects two principles: cost-effectiveness and branding. By "branding" I don't mean a company's ability to vociferate its name as many times as possible; I mean a company's ability to create the strongest possible relationship with the consumer while exposing its identity.

And that's the tricky bit. You might claim that any interaction

between the consumer and the brand would be a fine way to create brand loyalty. This may be possible for some brands and for some consumers but certainly not for all brands and all consumers. And this is where your channel strategy justifies itself.

Let me give you an example from Charles Schwab, arguably the world's largest discount broker. It has been a pioneer in managing and optimizing consumer touch points. When other companies were closing down their branch offices in favour of online trading, Schwab established storefronts. And the results were amazing: 80 percent of all new accounts were opened face to face, in Charles Schwab offices. Having

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established that contact, 70 percent of these new customers were comfortable with having their accounts managed via the Internet -- from their very next contact with the company.

You see, it was important for these customers to make initial contact with the company via a real face. Human interaction with a real person in a real store established requisite consumer trust. This trust, developed early on, then enabled Internet transactions to take place right away; the trust made the convenience and cost- and time-effectiveness of the online medium mutually beneficial to the consumer and Charles Schwab.

This isn't the solution for every company. Company-consumer communication is a dynamic process that demands change according to target group, time, mutual objectives, and a host of other variables. Some target markets might do anything to avoid human contact; others crave it; others still need a mixture of communication channels.

And, for any group, preferences established at one point in time are likely to change with altering circumstances and with consumers' increasing knowledge of alternative media channels. I remember when I used to prefer dealing with a real person when checking on my bank details. For me, those days are long gone.

The benefits of online communication are clear: It enables companies to track consumer behaviour cost- and time-effectively. Not surprisingly, face-to-face dialogue is more cost and time-consuming and is harder to track than interaction generated online. Tracking communications established via the screen achieves great cost savings.

But the moral of this story is that establishing consumer touch points isn't just about cost. Personal interaction is a splendid channel for establishing loyalty and building brands simultaneously.

So why haven't you created a channel strategy yet? It might channel more consumers to your brand than you could ever imagine.

About Martin Lindstrom

Martin Lindstrom is recognized as one of the world's primary branding gurus by The Chartered Institute of Marketing. He's next book BRAND sense – can be pre-ordered at Amazon. Lindstrom is the author of several best-selling branding books including BRANDchild with Patricia B. Seybold (Customer.com), Clicks, Bricks & Brands with Don Peppers & Martha Rogers (1to1 Marketing) and Brand Building on the Internet. He's an advisor to Fortune 100 brands including Microsoft, Reuters, Pepsi, Yellow Pages, Nokia, Disney and Mars. More information on BRAND sense can be found at BRANDsense.com or MartinLindstrom.com

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