

Small-business Savvy: Understanding Marketing vs. Branding

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Understanding what is marketing and what is branding is sometimes difficult.

Often the concept of branding is collapsed into having a good business name, a logo and a specific color pallet used when identifying the business

Marketing, on the other hand, often is equated to advertising only.

These perceptions are correct but incomplete. So let's go deeper. An example might be the best place to start.

I went grocery shopping last weekend. We needed ketchup. That's easy; I bought the kind we always buy. Next on the list was orange juice. Again an easy choice; I bought the one on sale. Then I picked up a new kind of snack food because it looked good as I walked by.

Let's analyze my consumer behavior. My first purchase was based on a brand and the second one was based on marketing. The last purchase is viewed by some as branding and others as marketing. I probably would say it was another marketing example.

So how can you tell the difference? And don't worry if at times you can't tell the difference because it does get messy.

Some authors say to consider if your behavior is driven by a push or a pull.

Pushing is marketing. It is an active process of getting the word out and the product in front of the consumer. We know "build it and they will come" doesn't work, so small-business owners develop tactics to reach out.

But marketing goes beyond using the brand concepts of a logo, color, packaging, etc. But what's missing is the relationship between your product and me, the consumer.

Branding, then, is a strategy that builds a relationship. When a consumer sees the brand, he or she attributes various values and characteristics to it. With the brand comes expectations of what will be delivered. When people start talking about your product as an advocate, you are on your way to establishing your brand.

Some writers say branding must precede marketing and others argue it only can come later. In reality, it's both. Knowing your company's values will guide your marketing. Yet it also sets the standards the customer can expect after the purchase.

And while we know some things about branding, we also know that developing a successful brand does not have a single path. For each customer, the path may differ as to what makes him

or her loyal to your product and/or company. Remember one caveat in this path: You must offer a good product or service that solves a real-world problem.

Finally, when thinking about branding and marketing, remember that marketing starts and stops. Branding is what carries on between marketing events. It's what I remember between various marketing events.

Small-business owners need to work on marketing and branding. Both can bring people in the door and, to a degree, bring them back multiple times.

But branding is what builds the loyal customer who becomes your spokesperson, your ambassador.

For more help, visit our website, <https://www.ag.ndsu.edu/smallbusiness>, and sign up for the monthly newsletter.

More information is available at your local Extension office, as well as at <http://powerofbusiness.net> and www.eXtension.org/entrepreneurship.

The Small Business Administration and its related organizations, such as the Small Business Development Centers and Service Corps of Retired Executives, along with many other state agencies, also can be valuable resources.

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