

Brands disrupting the playing fields



By Danette Breitenbach

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Not every brand is an Amazon that can disrupt its category, but every brand can learn lessons from disruption brands; lessons that can be applied to any market.



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"We need to think about how we can change things to the advantage of our brands and that is disruption," says Nigel Hollis, chief global analyst, Kantar MillwardBrown. He was speaking at the recent BrandZ Top 30 Most Valuable South African Brands launch in South Africa.



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Grow differentiation excessively

"Many brands want to grow, but they are trapped in their category, making incremental gains one year, only to lose those gains the following year. Therefore, we need to think differently about our brands and categories and what the point of leverage is that will give us more than a marginal growth one year to be lost the next," he says.

Brands need to grow their differentiation excessively, so they stand out in their category and are noticed by others outside of their category. "Disruptors are seen as hugely different to their competitors and they change the way a category works," he says.

There are three reasons why a brand needs to be different:

- 1. It allows people to choose in a sea of choice.
- 2. It gives the brand pricing power. You cannot command a premium if you not seen as different.
- 3. If a consumer can easily vocalise why they bought a brand, then they are more satisfied with their choice. It is up to marketers to give them an easy rational why they bought a product.

Amazon changed the electrical goods category 24 years ago. Amazon is perceived to be different to others in its category and it is a brand that creates value for consumers. Hence its success he says.

"However, while differentiation is essential for growth, real winners do not think about that; instead they think about how they can disrupt and change things to be in favour of their brand," he says.



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Make your brand more purposeful

He gives the example of Lululemon, a yoga women's apparel brand. From 2015 to 2017 its growth slowed. It needed to reach new buyers and an audience wider than yoga. "Their challenge was to make themselves more purposeful.

They used their first advert to do this by reframing what yoga stands for by reaching out to people other than yoga practitioners, but with a similar mindset. The advertisement led to their sales increasing 20% year on year," he says.

"This stems from a deep understanding of who their target audience is and the similarities between them and their potential target audience. We need to be disruptive and to find something to shake up the category. While communication is a quick way to do this, you must amplify it to reach consumers not yet in your target market."

He gives three areas brands should think about:

- Know what needs to change. What is the real opportunity?
- Invest to make a difference.
- There is no point doing something if no one knows about it. Reach the people you need to.
- · Learn fast to achieve greater returns.

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Wasters in Financial Journalism from Wits.

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