

Establishing & Retaining a Strong Company Identity

by Gary Shawhan, Contributing Editor
The CHEMARK Consulting Group

A *Company's Identity* is a reflection of the way the company is viewed by its customers, competitors, and markets where it does business. At the heart of strong company identity is its vision for their business going-forward. With this vision in mind, refinements are guided by the changing dynamics of the markets being served and the company's current position and growth opportunities in them.

Key considerations in crafting a company's identity include:

Table 1: Creating a Strong Identity

- A defined set of business goals & objectives
- Business strategies that are recognizable within key industry and/or market specific
- Providing customers with competitive products, technical support, and customer service
- Creating, building, and supporting brand strength
- Elements of uniqueness that stand out from competitors serving a similar space
- leadership in addressing long-term industry goals or transitions occurring in the market.

The challenge of establishing and maintaining a positive company identity varies by organization type. Four representative types discussed in this article include: **(a)** *start-ups/entrepreneurial companies* as compared to **(b)** *large, multinational corporations or market leaders* and **(c)** *niche' players*. The same can be said for **(d)** *companies that need to reposition their identity* due to changes within the markets they serve.

(a) Entrepreneurs, Start-ups

Entrepreneurial companies and start-ups face the challenge of establishing an identity in the marketplace they have targeted. In performance-driven markets, entrepreneurial companies are most often formed with the goal of bringing their new, novel technology into an established market. A key objective for these companies is to find a viable commercial path forward which can build a strong company identity going forward.

The biggest challenge for entrepreneurial companies and start-ups is to achieve growth and commercial success in the marketplace on their own terms. Early in the commercial development process they want to be recognized for the uniqueness of their technology.

Often their best starting point is as a problem solver for an individual customer. Such opportunities are ones that have not been addressed adequately by companies that represent the existing suppliers.

Unfortunately, all too often, in pursuing individual problem-solving opportunities, the company's ability to establish its own identity is compromised. Licensing-out is one-way entrepreneurial companies entice a target account to move forward and commercialize the use of their technology. In this case, however, the product is sold under the customer's product brand. Licensing-out can also be accompanied by restrictions on the company's access to certain markets, end-use applications, or geographic regions for some period of time.

Entrepreneurial companies and start-ups need to find opportunities that allow them the ability to build their own identity. When faced with the choice of accepting certain business constraints, from a customer, the company needs to assess its impact on building their own identity.

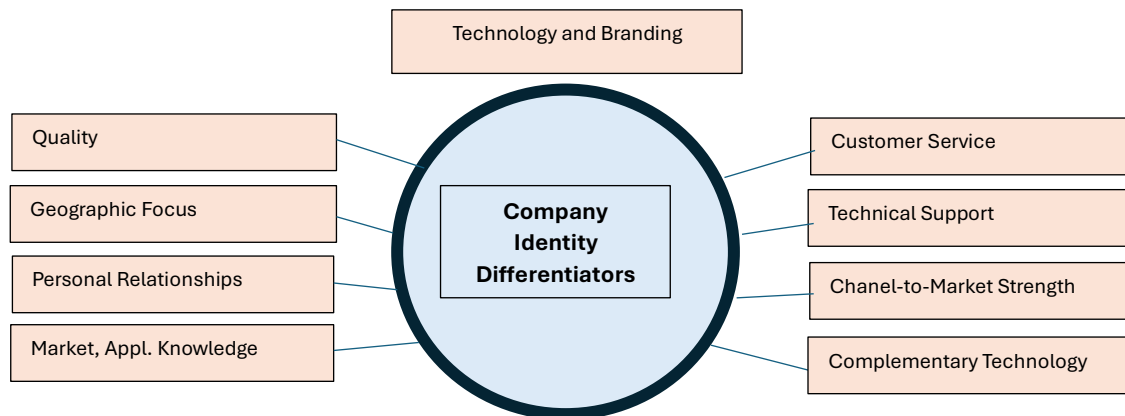
(b) Niche' Players

A niche' player is a company who has an established and highly-focused business position in a well-defined market space. They have attained and retain a strong company identity in their field of expertise.

Furthermore, the business position of a niche' player is defensible against the major players. This includes current market leaders and market challengers. Their business position also supports a high-level of profitability. *Having the identity of a niche' player is what many entrepreneurial companies or start-ups aspire to achieve.*

Company identity (for a niche player) is often based on the strength of its technology and effective product branding. What builds identity strength is the addition of other complimentary differentiators (**Figure 1**). The combination of several differentiating strategies set the company apart from its competitors and build its reputation.

Figure 1: Differentiators that Build Identity Strength



Entrepreneurial companies and start-ups who are faced with trying to establish and build their own company identity can consider incorporating one of more of the above differentiators in their business strategy.

(c) Multi-national Corporations/ Market Leaders & Challengers

Multi-national corporations can be challenged in different ways to build and strengthen their company identity. A large number of global organizations serve a number of different markets and divergent industries.

As a consequence, the task of developing a business strategy that maintains a strong identity for the organization is complex. In certain situations, the organization identity needs to be tailored to the market situation. The objective is to reinforce the organizations leadership role.

In other cases, major industry-driven transitions occur that require a change in the identity building strategy for the organization. Global issues that are game-changing in their impact on future growth demand a long-term commitment by the entire organization to alter its identity.

Table 2: Examples of Corporate Identity Building Strategies & Tactics

- Sustainability commitment- Long-term corporate leadership image that overlaps multiple industries and geographic regions.
- Expanded or full-line product offerings- Market or industry specific strategy to out-position the organization against key competitors or potential new entrants. This is often accomplished through strategic acquisitions.
- Establish regional centers of excellence- In market where transitions in technology present an on-going challenge for companies to keep pace, a center-of-excellence is employed. It creates a way to work cooperatively with current and new customers to solve difficult, next generation product opportunities.
- Distribution, warehouse, and manufacturing logistics- Multinational organizations can differentiate themselves through strategic positioning with logistics support to their customers.
- Establishing and managing brand strategies - Product that are sold into markets where the purchasing decision is made by the individual consumers require a unique set of market & region-specific tactics. Industrial and performance-driven markets demand a different branding strategy. This includes trade name recognition supported by product testing and specification approvals. Other avenues of industry visibility.

Identity Repositioning

Identity repositioning is a change in the way a company markets their products or how they represent their company to existing or perspective customers. Identity repositioning can be triggered by shifts in a key market area that alter the competitive landscape. It can also be driven by the emergence of a game-changing technology or an industry event.

Next generation market changes that directly impact the future of the company's existing business often require some level of identity repositioning. Examples of next generation market changes include: (1) Regulatory actions that restrict the use of certain materials; (2) the emergence of electric vehicles and the demand to next generation battery technology; (3) or supply chain disruptions such as those that occurred as a result of COVID 19.

A willingness to alter or reposition the company's identity in response to competitive challenges in the marketplace or disruptive events in industry is a characteristic of a successful company. It demonstrates the company long-term commitment to their customers and to being a major player or leader in the markets they serve.