

## **Tell Your Story with Licensing**

*By Jonathan Paisner*

Branding is storytelling. Brand licensing is a storytelling tool to evolve your narrative beyond where it is today. The key to storytelling: know your audience(s). When done well, licensing will dimensionalize your brand, deepen relationships with key consumers, increase your value to retailers and enable your organization to create more powerful statements in the marketplace. A licensing program that considers the perspectives of all who connect with your brand will help you build 360° of support. Consider, for the purposes of example, four broad groups : (1) customers, (2) partners, (3) retailers, and (4) investors.

Customers (and/or consumers) need to quickly understand the value that your brand brings to some new product or service. Too many companies equate licensing with promotional merchandising, thinking people will simply line up to buy stuff with corporate logos. There's nothing wrong with a nice premium hat or golf shirt – but does it enhance the experience with your brand, either for trade customer or for the consumer? If not, why bother? If you are Caterpillar, you must make consumers believe that you have created workboots that befit a leading manufacturer of construction and earth-moving equipment. That these boots are actually manufactured and distributed by a third party is irrelevant to consumers. “Temporary suspension of disbelief” is what they call it in the movies – and that is precisely what you are looking for in telling this new piece of your story. The Caterpillar boots have personalized a mighty and previously unapproachable brand, saying, in effect, “Put the power of our equipment on your feet.” That's good storytelling.

Jack Daniels recently licensed its brand to Heinz for the creation of a new “grilling sauce.” For Jack Daniels, certainly this allowed for the advertising of their liquor brand in previously forbidden venues. Yet perhaps this was also part of a strategy to evolve their story beyond that of the notorious renegade. For Heinz this becomes a vehicle to expand their product line and gain important retail real estate. And while Heinz may be the 400-pound gorilla in the condiment world, the cloak of another brand – particularly one which instantly paints a very compelling picture - may allow them to expand their market position in a less conspicuous fashion. As you look to develop new licensing partnerships, a clear understanding of what your brand and your story bring to the table relative to the world of any new partner is vital. Millions of people may watch your television program or drive your car or own your stock. But what does your story bring to a potential licensee? Understanding their market and their objectives will help foster the kind of collaborative relationship you need to build a new and unique line of products. Outside of the food licensing arena, which has several such examples, consider Jeep's line of camping equipment, or the new line of Disney Paints from Behr, or even the new Lifetime Magazine developed by Hearst and Lifetime Television. Each of these brands adds a new chapter to their story while providing a platform for their licensee to develop a compelling and differentiated new product. The better understanding you have of the objectives and market dynamics for both yourself and your partner, the greater the opportunity you will create for a mutually powerful story.

Retailers certainly love a good story, too. Good stories attract attention and help things jump off shelves. Licensing will likely open you up to entirely new retail channels. Yet if you leave your story in the hands of your licensee, this new branded product will simply not be able to convey the full impact of your brand. Perhaps you are Weber (the barbecue company) and let's say you have identified gardening as a category that can further dimensionalize your brand to your key demographic. This kind of initiative certainly seems quite reasonable – but does require a great story. If a retailer's first introduction to the new Weber line of garden tools comes in a sales sheet handed to them by your licensee, then your story never really had much of a chance. Prepare the retail market for your entry. Bring retailers into the process and speak to them directly about your story, face to face, or through trade press and events. And be as creative in the retail strategy as you were with the product strategy. Maybe a specialty retailer can add yet another dimension to your story. Maybe an alliance with Smith & Hawken brings greater value to your brand than a display next to the grills at Sears. Or maybe Sears loves the idea and sees the opportunity to strengthen the presence of Weber in their stores and becomes a more important retailer for all Weber products. The more of the story a retailer knows, the better partner they can become in helping you to tell it.

And finally, you've got your investors. Many brand licensing efforts begin for the wrong reasons, and easy money in the eyes of senior management is probably at the top of that list. As the vast majority of corporate brands will not, at least in the short term, bring in the kind of dollars that will make you an instant celebrity in the board room, a program engineered to evolve the story of your brand is more likely to achieve its goals. A few years back, A&E Television Networks was looking to expand the Biography brand into radio. The result was a syndicated short-form series that is now available in nearly 75% of the top radio markets. Financial returns continue to be relatively small, but measured in terms of media exposure and the newfound ability to cross-promote and cross-merchandise the television programming, the radio series has been a hands down success. Developing an extension that adds new facets to your brand and resonates across several groups of stakeholders will ultimately will deliver positive returns across your entire portfolio.

As you continue to seek ways to reach beyond the confines of today's product portfolio to enhance, enrich and dimensionalize your story, licensing and other strategic alliances can be invaluable tools. Of course, like anything else, these are tools that must be used wisely. While licensing can bring the same kind of punch to your marketing efforts that special effects can bring to a Hollywood blockbuster, a failure to understand your audience(s), can ultimately lead to an experience that just leaves your brand feeling a bit hollow – much like your typical special effects extravaganza built on a thin plot-line. Understanding the perspectives of each of your stakeholders, both internally and externally, and building a story in ways that resonate across a diverse range of stakeholders will enhance your storytelling power and its impact on your brand.

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