

Naming Names

Why a good business plan can help you name your company

A good business plan defines your product or service, your customers, your competition and your business category. It outlines goals for short- and long-term growth and identifies attributes that will allow your business to be competitive and successful. Elements in your business plan form the framework for a brand strategy and lead to critical issues to consider when determining a name:

1. Visualize your customers. What do they look like? What are their ages, genders, lifestyles and locations? If your product or service is targeted to a specific demographic or type of customer, your company name should be customer-driven.

A good example of this is a high-end clothing store specializing in smaller sizes for women, appropriately called La Petite. According to Dave Batt, president of marketing consulting firm Everest Communications Inc. in Geneva, Illinois, "The more targeted your product or service is to a specific demographic, the more specific your name should be to appeal to that target."

2. What makes your company competitive or unique? These characteristics define the fundamental nature of your business. Is your company's emphasis on service or speed? Is your promise all-purpose and value, or rare and one-of-a-kind? You need to find the words that define the nature of your business. Classic examples include ServiceMaster, In-N-Out Burgers and Value-Rite. If your company has a specific emphasis on an attribute, you should highlight that attribute in your brand name. If not, consider issue three.

3. Understand your business category. Are you specialized, or are you selling a commodity? Do you have a breakthrough concept that makes your product or service unique, or are you in a highly competitive category where success is measured by market share?

Meals-on-Wheels, the catering company specializing in home delivery of precooked meals, is a good example of a breakthrough concept. A good example of a name in a commodity category is Melissa's Catering. The name clearly identifies the business and adds an element covered by question four.

4. Are you vital to the company's day-to-day activities and functions? This tends to be the case for service companies. That's why you often see a name or a list of last names for lawyers, doctors, insurance agents and financial planners. Batt defines it in simpler terms: "When the person is the product, it makes sense to name the company that way."

Your own name can also bring an added dimension to a commodity product or service. That's why Melissa's Catering is an effective name. If Melissa establishes herself as a

prominent feature of personalized service in her business, she provides the competitive edge.

The bottom line is, you need to know yourself and your role in your business. In the end, stay true to the heart of your business as defined by your business plan. Remember that if you sell your company in the future, you sell the name as well.

Ultimately, your most important consideration is defined by Batt: "In time, the name will be less important than what you make of it through hard work, dedication and customer satisfaction." It's at that point that you'll know you've not only successfully named your company, but also given birth to a brand.

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