



The Perils of Creating a New Brand Name

Insights from John Grace and Vicki Lesser

Most people today, especially those in marketing, understand the tremendous value of a great brand name. A distinctive name will get an audience's attention, help position and distinguish a company in the marketplace, take the company into the future, offer good ROI, and galvanize employees. Many do not, however, realize just how difficult creating a unique, "ownable" brand name has become.

Name styles seem to change every decade or so. Years ago, most companies preferred - and were able to own - generic, descriptive names like International Business Machines, American Airlines, and Radio Corporation of America. Now, the trend seems to be a desire for names that are arbitrary, i.e., they have nothing to do with the business, service or product they represent. Think Apple, Java, Yahoo and Uber. (Although if you dig into the etymology of these names, you often discover they actually do have meaning to the company founders, be it an emotional connection or a favorite fruit or drink.)

Is there a reason for this "arbitrary" trend? Is every generic, descriptive name out there already taken? Is every arbitrary or made-up name even taken? These are the critical questions that influence brand naming.

Why has it become so hard to create a brand name?

There are over 800,000 words in the English language and most of them are indeed trademarked and registered. Global registrations make the task even more difficult. Most common words and names are so close to existing marks that management teams and/or their attorneys do not want to take the risk to secure them.

Generic and descriptive names are much harder to own, limiting, and very easy to copy. Furthermore, they are not very distinctive. While an evolution to acronyms like IBM and RCA made such brands more current and memorable, it took many years and millions in marketing support to make that happen.

It's tough to come up with a name that is fresh and different. It is also more expensive. A fresh name typically means one that is unusual and unexpected. Who would have thought we'd be calling for an "Uber" or "Googling" a restaurant? However, the less descriptive a name is, the more a company must invest to communicate its meaning.

Most marketers want their brand names to have corresponding URL's, preferably ".coms," and if these have not been grabbed by people with similar identities, they're likely to be owned by cyber-squatters. Because there are few controls on domain name registrations, this has become a daunting task. The good news is that the Internet Corporation for Assigned Names and Numbers (ICANN) recently proposed a plan to dramatically change and simplify the process of creating and securing global brand names and eliminate cyber-squatting by others.

No matter where you register names, all names now have the potential to be global instantly because of the Internet. Whether intended for an international audience or not, names are becoming global. This places a burden on thinking through the implications of a global as well as local/regional name.

If you do anticipate being global, there are a greater number of variables to consider, e.g., what does the name mean in various languages and cultures, how will it be pronounced, etc.? Launching a name successfully globally means being culturally sensitive so anticipating and addressing cultural reaction is important. It is also time consuming and potentially expensive to get registrations in the countries in which you plan to do business.

10 things you must do to create a brand name today

1. When considering re-branding or naming a new business, product, or service, even if the goal is to create an arbitrary name, **make sure the criteria for name development is grounded in a sound brand strategy**. This is essential to have criteria to focus name development, as well as to evaluate brand name candidates. It will also prevent stakeholders not involved in the name development process from dismissing, for subjective reasons, names that are truly on strategy.
2. **Involve the ultimate decision-makers at the very beginning** of the name development process. If not, you will wind up fighting an uphill battle. Determine their business objectives for the new name. Get an idea of their preference for various name types. Gauge their comfort with risk.
3. Have a broad vision and really **try to anticipate where and how the name might be used in the future**. If there is the slightest possibility it will be used globally, invest in comprehensive global searches. While global linguistic and trademark searches can be costly, they will save millions in the long run. Also, consider involving people from key countries in the actual name generation process.
4. **Begin preliminary trademark and URL searches** as soon as you and/or your team embark on name development. Name development and screening should be an iterative process, as screening serves to expand and refine naming directions, as well as confirm a name's feasibility. Doing the searches early will also save a lot of time, money, and heartache in the end.
5. **Don't throw out a good idea because it appears to be taken**. Play with it, build on it, and see where that takes you. Often a root idea can lead to some very interesting naming directions and, ultimately, another great name. For example, Acela, the name of Amtrak's high-speed train, evolved from Accella.
6. **Keep an open mind**. Unique names sound, well, unique. Remember that preference for a name corresponds to the extent of one's exposure to the name. Google once sounded weird. Sometimes it is difficult for people to understand the power of a new idea and envision how it will work. Explore the name in various contexts. Try to imagine how the name will be used in the course of business.
7. **Don't fall in love with just one name**. If you come up with 500+ names and put them through all the recommended screenings and filters, you're going to end up with a small handful that might work - if you're lucky. Nowadays you need quantity as well as quality. That's just the way it is.
8. **Invest in a professional naming firm**. These people eat, sleep and breathe name development. What they learned from the last project will help you on this one. Especially when it comes to the creating and screening of names to be used internationally. It also helps to have an outside "non-stakeholder" evaluate names that have been generated internally.

9. The moment you have a name candidate that has passed all screening, **immediately apply for a trademark and try to buy the domain**. Again, this will save you a lot of time, money, and heartache. We've had a client lose a name because another company applied for an identical registration during a three month long internal deliberation.

10. Last, if you disregard all of the above suggestions and still fall in love with only one terrific, albeit unavailable, name, take the time to find out who owns the name and/or URL. If it's not Disney or Nike, **think about buying the name or negotiating for a particular way to use it**.

A good name is hard to create and obtain. And it's going to get even harder. Successful naming today is a challenge and requires a more rigorous process than ever before.

John K. Grace
President & Managing Partner
jgrace@brand-taxi.com