

5 BRANDING MISTAKES

Owners of Nutraceutical Companies Must Avoid Making



PRESENTED BY:  **NutraScience**
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Believe it or not, most **nutraceutical companies** are little more than their brand. It's hard to patent your product and you're required by law to list the ingredients on the label. So everyone in the world, including your competitors, knows what's in it.

While your formula matters, most manufacturers have product development specialists that are pretty good at reverse engineering even the most exotic ingredient and flavor combinations. So no matter how clever you are, you might not be as far ahead of the pack as you think.

A good formula is essential, but not sufficient for real differentiation. It has to be partnered with a marketing strategy that hits the right people at the right time.

Think of the most successful products you want to emulate. Chances are there are plenty of similar products out there that do the same thing.

People don't buy health supplements because of what's inside the bottle. They buy them because they want to address a certain issue or issues.

Knowing who these people are, what issues they're trying to target, how your product presents a solution, and how you're going to reach these people is the essence of branding. With good branding you can make lots of other mistakes and still be okay.

So with that being said, here are **5 branding mistakes owners of nutraceutical companies must avoid making** so you don't give your company the sex appeal of Steve Urkel.

MISTAKE #1

You Haven't Taken the Time to Properly Identify Your Target Customer



Seniors want to buy health products for a lot of reasons. So do millennials. And gym rats. Even couch potatoes have a gnawing health concern they'd pay money to address.

You can develop a product for any of these people, but not all at once. Many new business owners create what Seth Godin calls a [Meatball Sundae](#). That's when you take two really delicious things, meatballs and ice cream, and put them together in ways that add up to less than the sum of their parts.

When it comes to branding, it's entirely possible to have several good ideas add up to absolutely nothing if they don't fit together. When I ask brand owners what customers they're trying to target I can usually tell when they're just making stuff up. It usually sounds something like this:

"We're going after working age women who are time poor and want to improve their health, but don't know how."

If you're at a cocktail party this answer is good enough to give people the impression you're not flying by the seat of your pants. However, there's an important, but subtle, difference between sounding relevant and being relevant.

"Working age women" is too vague to be useful. How do you advertise to them? What specific health problem are you trying to solve? Without these answers you have a solution in search of a problem.

Here's a better example of what you ought to aim for:

"We're developing a paleo weight-gain product for bodybuilders that eliminates excipients and fillers that's compatible with clean-eating principles."

Now we're talking. Bodybuilders are a well-defined group that hang out in the same place. So are paleo dieters. The removal of certain ingredients to specifically appeal to the intersection of these two groups gives you a clear value-add.



KEY TAKEAWAY...

Don't spend money developing your product until you've clearly figured out the market you're trying to reach and what differentiates your product from the rest!

MISTAKE #2

You're Too Insecure to Be Transparent



If making outrageous claims is the repellent that drives snake bit customers away, transparency is the catnip that entices them in, despite their better judgment.

There's a reason people continually try and buy something that's failed on its promise: they have a health concern they really want to solve! The allure of a soothing solution never goes away, even if you've burned through \$500 on weight loss pills from late-night infomercials.

If you're in start-up mode the ability to be transparent is a tool you should ignore at your own peril. The ability to appear personable is something large and established companies are incapable of doing...because they're large and established. They thrive on process. That's great, and if you ever get to their size, you'll probably do so by thriving on process as well.

But, the ability to *relate* ought to be one of your biggest advantages when starting out because you can't afford to do things that are too procedurally expensive for larger operations to emulate.

And believe me, if people find out you're not being transparent things get bad quickly. For example, USPlabs LLC was recently under fire when they became the subject of a U.S. Justice Department investigation that resulted in criminal charges filed against several of their executives. The indictment alleges, among other things, that they had been putting illegal synthetic ingredients into their dietary supplements.



EXTRA! EXTRA!

[Click to read](#) the indictment released by The United States Attorney's Office against USPlabs LLC and its corporate officers.

MISTAKE #3

You Overinvest in Claims & Underinvest in Answering Questions



A survey conducted by the Council for Responsible Nutrition found that over **50% of consumers are distrustful of supplements** in the category of products that make the most aggressive marketing claims: sports nutrition and weight loss.

The marketing SOP of these two are famous for being long on titillating before-and-after pictures and short on substantiated evidence for their effectiveness. You'd be wise to internalize a few take-home points from this data.

Remember, whoever you're marketing to probably has been disappointed in the past by products just like yours that failed to deliver on their promise.

They want to believe in what you're saying, but there's an understandable skepticism that you're just like all the rest. Most consumers are like scorned lovers: once bitten, twice shy.

With my own company I've invested heavily in systematically answering difficult questions and it has paid off in spades. My product pages go into a lot of detail about the ingredients that I use, their scientifically proven benefits, and I make extensive references to blog posts I've written that address questions that are important to my customers. You may want to incorporate a similar strategy into the way you market your products.

As an example, here's an email I recently got from a customer of mine:



There are three common denominators here:

- ✓ **People do a lot of research before buying a product**
- ✓ **They've had bad experiences in the past with unsubstantiated claims**
- ✓ **Customers gravitate towards people that seem helpful**

MISTAKE #4

You Don't Fully Understand the 80/20 Principle



When you start your business, your brain is usually an overflowing cup of growth hacks and product development ideas you're convinced will take the world by storm. Clearly, the world will be rotated 180 degrees with the killer ad copy on your sales page and that lucrative affiliate program of yours is going to rope in six-packed Instagrammers like Justin Bieber's next stadium tour.

Cue the stampede of rapid, starry-eyed raspberry ketone-lusting customers charging into GNC for your product now!

While I have complete faith in the authenticity of your ideas, you need to incubate them with an important truth in mind: most of them will amount to nothing. Not because they're bad or because they couldn't work in some parallel universe, but because business ideas are fragile, difficult to implement, and *execution is everything*. When it comes to marketing ideas think of your brain as a train station: there are always new ones coming in for pit-stops, but they leave right on schedule, regardless of whether or not you decide to hop on board. And when they're done...they're gone.

There are always going to be more routes to travel down than you could reasonably execute and you'll need to focus on the ones giving you the best results. Hammer, meet nail.

This idea is often referred to as the 80/20 principle. It states that for most outcomes a few inputs will produce most of the outputs.

Assuming money is a scarce resource, you need to begin your branding endeavors with the 80/20 principle in mind. Most of your ideas will not work, but hopefully at least one of them will work very well. When you recognize what those methods are don't waste time in trimming the fat and re-focusing on what's padding your bottom line.

If you examine businesses that have survived the market gauntlet, you'll see the same recurring pattern. Successful **nutrition supplement companies** have a concentrated source of profits they lean on to support the rest of their operations.

If you're a new brand owner, the trick is finding what this method is for you and refining it before you run out of money.

MISTAKE #5

You Think You Must Have a Presence on Every Social Media Channel



If honing in on what you do best is wise then the opposite must be true: over-extending yourself on things that aren't working has to be foolish.

A little insecurity is natural when you start a company and this often manifests itself as the pervasive feeling that you have to be doing something in every area you can because you'll be missing out on potential customers. This is colloquially known as FOMO:

FOMO

FEAR OF MISSING OUT

FOMO is the most common source of marketing anxiety and its omnipresence in

company boardrooms undoubtedly leads to precious marketing dollars getting flushed down the toilet every quarter.

The problem with FOMO is that it's the antithesis of the entrepreneurial mindset. Being an entrepreneur means finding underutilized resources and finding clever ways of giving them to people that no one else appreciates. FOMO is about anxiously throwing yourself onto the pile because everybody else is doing the same thing.

A commitment to being authentic and a commitment to focusing on what works means you must accept the idea that you can't be everything to everyone and it's OK to pass on the newest social media channel if you don't understand how to use it.

Define your circle of competence, master it, and selectively expand its reach when it makes sense.

The Best Marketing Is Comparative Advantage!

Uncertainty about how you should market your product probably indicates a deeper problem: you haven't figured out your comparative advantage. If you have something that's unique and important to people then branding is little more than figuring out the most straightforward way to tell people about yourself.

If you're packaging away Roloids before you go to bed at night to settle the indigestion that comes from figuring out your marketing, it might be a good idea to take a step back and think more deeply about your product itself. What's your core value proposition? Who's supposed to care about it and why?

These are simple questions, but they're devilishly difficult to answer. If you can nail them a lot of your other marketing endeavors can just "click." If you can't then your branding (and many other business responsibilities) will make you feel like you're running against the wind. (*Cue the Bob Seger music in the background!*).

But, of course this task is also what makes your work important. You're pinpointing why people should care about your company in the first place. And if you can't figure that out then why get in the game in the first place?

Now get to work!

About The Author



Jonathan Bechtel is the owner of Health Kismet, a bootstrapped nutrition company that manufactures and markets nutrient powders to aid digestion, cognition, and mood support since 2011. He studied nutritional biochemistry at The Ohio State University. He loves basketball, the Pacific NW, and everything involved in the natural products industry.