

A model for strategically building brands

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Abstract

This paper presents, then explains, a model to grow and sustain brands strategically. It adopts a more balanced perspective than existing models, since it builds on the asset of knowledgeable and committed staff whose values ideally align with the brand's values. The model encourages a multifunctional brand team progressing through the phases of strategy to tactics to implementation.

INTRODUCTION

Brand building has traditionally concentrated on finding untapped customer opportunities and then devising externally focused strategies — insufficient attention has been paid to staff as brand builders.¹ Furthermore, many organisations have primarily regarded corporate branding as a way of engendering greater customer trust through leveraging any goodwill inherent in favourable corporate associations. Yet a weakness of these externally focused orientations is the way staff are overlooked in the brand-building process. The values of a brand can be partially built through communication, as the classical approach to branding shows, but staff, or more precisely the organisation's culture, are also critical contributors to a brand's functional and emotional values. Staff have unique knowledge and skills which enable them to deliver the brand's functional claims, and when their personal values align with those of the brand, they are committed emotionally to delivering the brand.²

Organisations are awakening to the importance of staff as brand builders. Competing brands are becoming more similar as technological advances make it easier to understand and emulate a brand's functional advantage. The motivating brand differentiators are becoming more emotionally based, and it is through unique organisational cultures that the emotional bonds are being made.³

One often hears exhortations that brand marketing is a strategic activity and that the ultimate brand manager is the CEO. However, often reality does not bear this out.⁴ Brand marketing should be a strategic process that is visionary and integrates cross-functional activities in the value-adding process. Alas, focusing on short-term goals, striving for profit improvement rather than generating greater shareholder value and having corporate structures which do not facilitate cross-functional coordination are but a few reasons as to why brand marketing does not attract the senior management attention it needs.

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Brand equity improvements can be achieved by adopting a more balanced perspective, addressing both customer opportunities and any organisational culture strengths, in addition to a management approach which is far more strategically driven. Forecasts about future approaches to brand building⁵ stress the need for greater emphasis on understanding the values and aspiration of staff, finding ways to unleash their potential and aligning their values with the values inherent in the brand's promise — these methods not only result in more holistic brands, but enhance the quality of life for staff.⁶

This paper presents a model which provides a structure for brand building, yet enables management to apply creative flair within each stage of the process. It balances the traditional approach of being externally focused with the newly emerging concern of understanding the cultural assets of organisations⁷ and capitalising on the emotional and intellectual strengths of employees. The paper opens by providing an overview of the model, then explains each block of this model. Readers interested in more thoroughly understanding the model can do so by consulting the author's newly published text.⁸

A MODEL FOR STRENGTHENING BRAND EQUITY

Figure 1 models the strategic process for building and sustaining brands. This model starts with the senior management team developing a brand vision which they refine over time. It is an iterative process that forces managers continually to reconsider ways in which they can creatively capitalise on ideas developed at earlier stages in the

process. Furthermore, because of its iterative nature, it enables managers to appreciate where their assumptions were inappropriate and helps them reformulate their ideas.

The model encourages a holistic, company-wide perspective to be adopted, and is founded on the belief that brand planning should emanate from a multidisciplinary senior management team. As the management team work through the model, so the emphasis moves from strategy to tactics to implementation. Once a brand has been developed (or an existing brand fine tuned), instigating a performance monitor ensures that feedback is provided, from which further enhancements can be planned to sustain the brand. Each of the 'blocks' in the model will next be considered.

The brand vision

A powerful brand vision indicates the long-term, stretching intent for the brand which must excite staff, encourage their commitment and enable them to interpret how they can contribute to success. Kotter⁹ argues that there are three ways of managing. The first approach is to manage by authoritarian decree, but this gives rise to a fear culture and inhibits staff proposing innovations. The second approach is micro-management, specifying to staff exactly how they should work. This necessitates a notable investment in supervisory staff. The third way is visionary management which gains staff commitment through everyone believing in the future the firm wants to bring about and people being motivated to find more creative ways of solving problems. This model is based on visionary management.

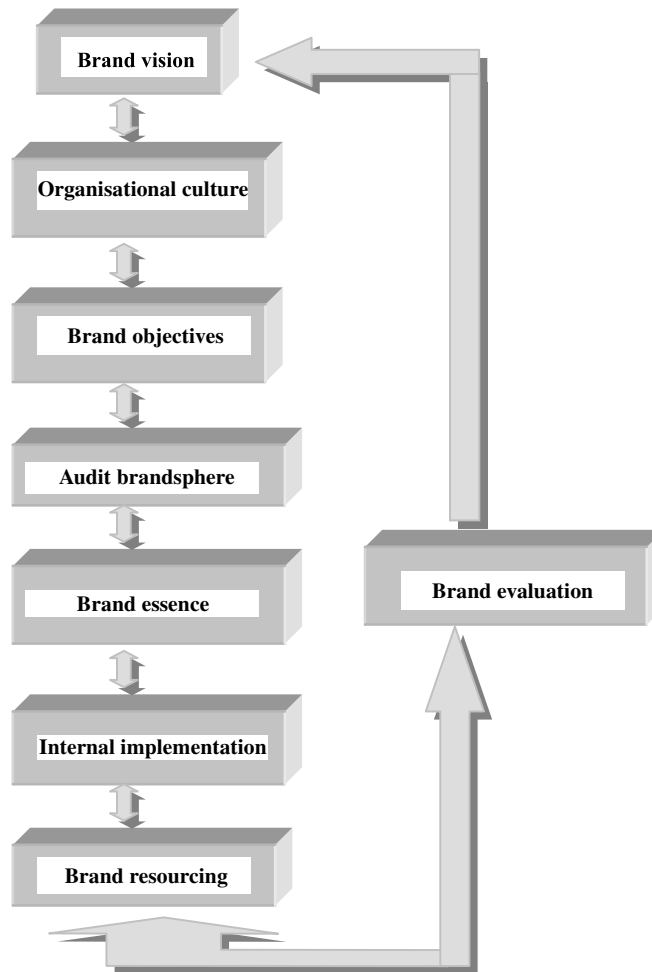


Figure 1 Process for building and sustaining brands

Brand visioning is typically a team-based activity and involves a process of amending drafts of previous visions as feedback is provided from staff. The process needs to be managed by the senior team, but benefits from involving staff¹⁰ since a challenging and richer array of ideas results.

There are three components of a brand vision, as Figure 2 indicates. The first component, the envisioned future, encourages managers to think about the type of brand environment they would like to bring about ten years

ahead. A ten-year horizon is chosen because incremental linear thinking cannot be used and managers need a new mindset. For example, Benetton have moved beyond their garments and are striving for a future in which there is a more harmonious society.

By employing a Delphi technique among the senior team, different assumptions can be surfaced about the future. Through subsequent workshops, the attractiveness of various perspectives can be harnessed into a consensus view.¹¹ The challenge is to

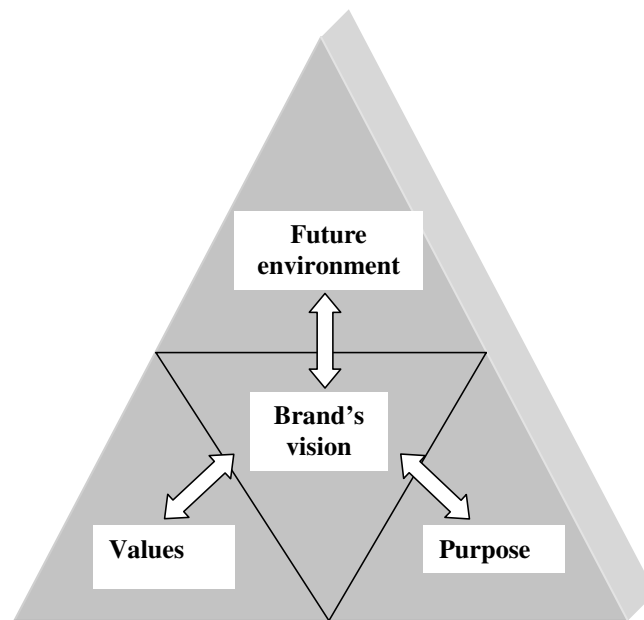


Figure 2 The three components of a brand's vision

recognise the barrier from managers having entrenched mental models that they are reticent to reassess.¹² In this situation, stimulus to change can be helped by drawing on Hamel and Prahalad's¹³ questions:

- are these managers' ideas based predominantly on information that has circulated within the firm, rather than externally generated information?
- has their thinking been based predominantly on current and anticipated contracts?

The second component, the brand purpose, considers how the world is going to be a better place as a consequence of the brand — and will this enthuse and guide staff? A particularly inspirational brand purpose is that of Federal National Mortgage Company, to strengthen the social

fabric of society by democratising home ownership. A brand purpose must go beyond statements about profitability. Making a profit is taken for granted, just as we must breathe air. The Body Shop and Ben & Jerry's are good examples of brands that think beyond just making money and seek to contribute to the world. Nike's purpose is a good example of inspiring staff and customers: to experience the emotion of competing, winning and crushing competitors.

One way of identifying the brand's purpose is to open a debate within the organisation, as Shell did.¹⁴ Another approach is the 'five whys' method.¹⁵ Among employees, a facilitator asks why it is important that the organisation markets its brand and, through repeatedly asking this question, a purpose can be unearthed.

The third component of the brand vision is the brand's values.¹⁶ Values

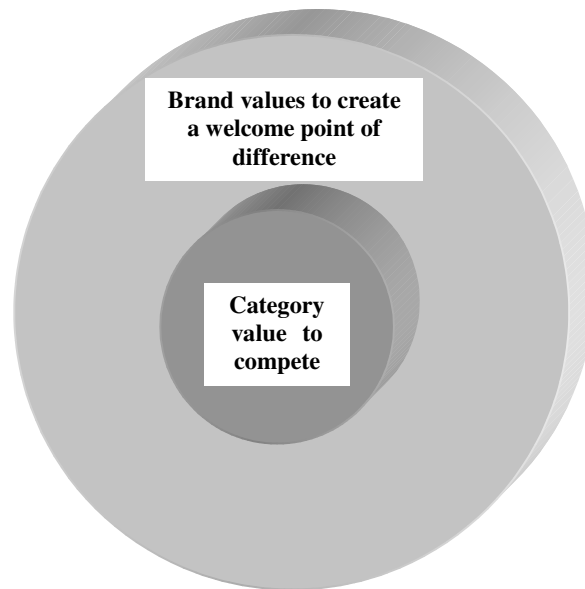


Figure 3 Concentric values

drive staff behaviour as they ‘walk the talk’, delivering the brand promise. For example, the Red Cross values of humanity, unity and independence motivate staff to go into disaster-stricken areas to help others. They provide the basis for brand differentiation. For example, a different greeting is given by the cabin crew of Virgin Atlantic compared with British Airways, as the first brand relates to fun and the second to being responsible.

Powerful brands are built on a low number of values, since staff find it difficult to remember a large number of values and become unsure about how they should act in particular situations, thereby leading to brand inconsistency. A low number of values also makes it easier for customers to recognise the unique benefits of the brand.¹⁷ Alas, regardless of the number of values, some managers espouse values yet act in a contrary manner, reducing staff loyalty.¹⁸ Exposing dif-

ferences between espoused and enacted values can help ensure greater consistency in brand delivery.¹⁹

As they make explicit their values, some organisations do not differentiate sufficiently between category values and brand values, as depicted in Figure 3.

In each market, a brand must have category values as an ‘entry price’ to compete in that market. To then attract and repeatedly serve customers, the brand must additionally have unique brand values. This may be one of the reasons why there are so few successful financial services brands. An examination of financial services advertisements shows many firms concentrating on generic category values, such as reliability, security and performance, yet few portray unique brand values.

There are a variety of ways to unearth values. Laddering²⁰ is one way, and is based on the theory

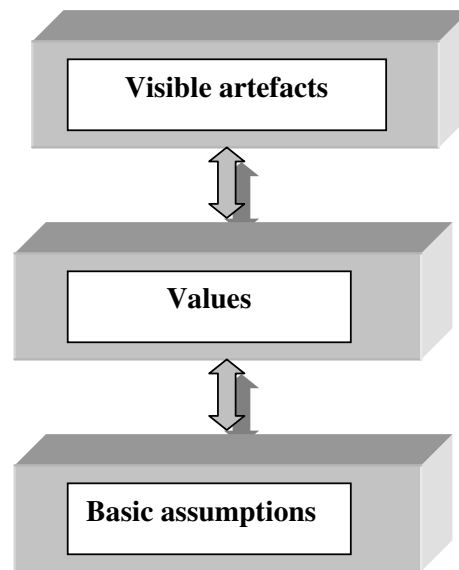


Figure 4 The three components of culture

that a brand's attributes have consequences for a person which in turn reinforce their personal values. It progresses through a facilitator asking an employee to state a key attribute of their firm's brand and, by probing why this is important, a value can be revealed. An alternative is the 'Mars group method'²¹ in which exemplars among staff work together in a group of five people on the challenge of recreating the best of their organisation on the planet Mars.

Organisational culture

An appropriate and welcome organisational culture can provide a brand with a competitive advantage. It is not so much *what* customers receive but rather *how* they receive it. As the functional characteristics of competing brands continue to become similar, organisational culture will become a more important brand discriminator, enabling points of welcome difference

to become apparent through staff-customer contact.

Organisational culture can be characterised using the three-component model proposed by Schein,²² as shown in Figure 4.

The most superficial level of culture supporting the brand is the visible artefacts level, for example, logo, staff uniform, brochures, etc. These artefacts should be the visible manifestations of the brand's values. For example, if a brand's value includes openness, yet there are no direct-dial telephone numbers for staff who work in small offices with closed doors, there is likely to be brand tension. This tension can be understood by investigating managers' basic assumptions — their mental models²³ which enable them to make sense of their business environment. Following through the example, there may be a dominant basic assumption among the senior team that only those brands with a heritage of tradition survive, and thus there still

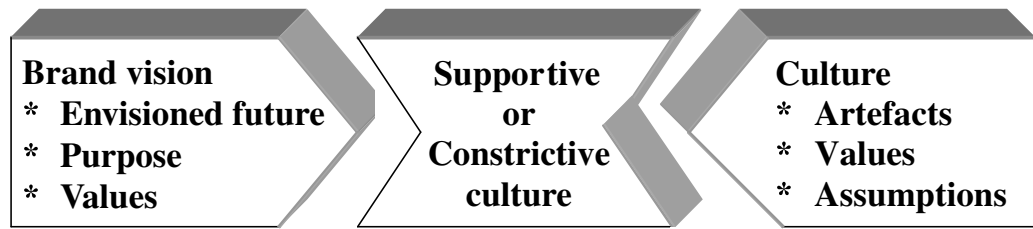


Figure 5 Force-field analysis of brand vision and culture

remains the legacy of offices with closed doors.

By undertaking an audit of the organisational culture and then evaluating this against the brand vision, as shown in Figure 5, the appropriateness of the current culture can be assessed and changes identified. One of the problems, though, is that the shared mental model (assumptions) of managers may engender resistance to change. A period of 'unlearning'²⁴ has been suggested, whereby the team is taken away from the office (leaving the incorrectly supporting artefacts) to work with consultants to recognise the weakness of old assumptions and formulate more appropriate assumptions.

Setting brand objectives

From the brand vision should emerge a sense of direction for the brand. To transform the brand vision into quantified objectives, it may be helpful to think of a two-stage process. A long-term brand objective is set, and then broken down into a series of shorter-term objectives. Together those should sum to the long-term brand objective. For example, British Airways set themselves the long-term brand objective of being the undisputed leader in world travel. They had a series of shorter-term objectives, including delighting

customers and having a global network plus a global outlook.

Partly because of organisational bureaucracy, employees' actions become deflected from the central objective and, while a lot of work is done, this makes few strides towards the goal. One way to focus attention on achieving the brand objectives is through catalytic mechanisms.²⁵ These are painful consequences which come into play when an activity is undertaken that does not support the long-term brand objective. For example, Granite Rock had the objective of providing outstanding service. After delivering crushed stones to road-building contractors, it presents rather novel invoices. On these are boldly printed a statement that if the customer is not satisfied, they should cross out the sum due and attach a cheque for a lower amount, with a brief note explaining their reason for dissatisfaction. Upon receipt of this information, it is rapidly routed to the appropriate managers so they can change matters.

Auditing the forces enhancing/impeding the brand

As Figure 6 shows, there are five key forces that can enhance or impede a brand. By auditing each of the forces separately, more powerful strategies can

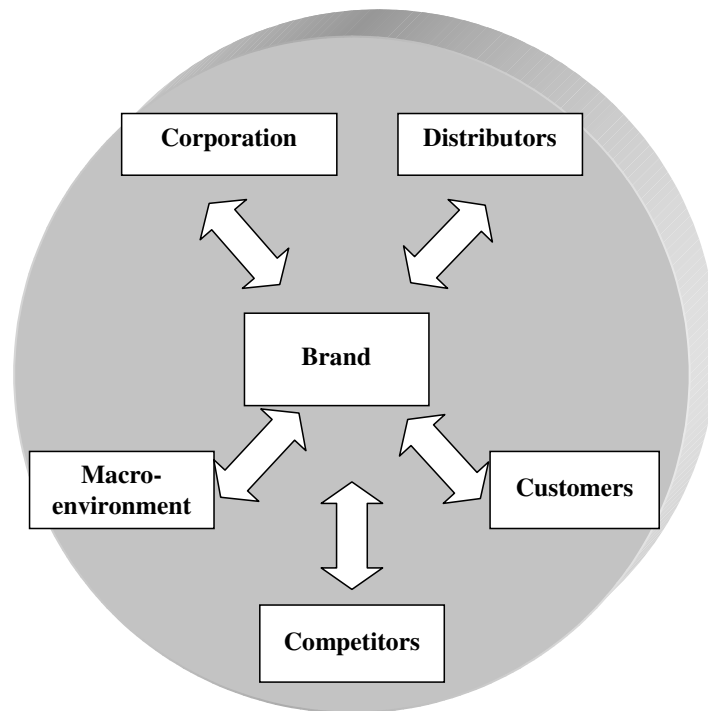


Figure 6 The five forces of the brandsphere

be devised which capitalise on the positive forces and circumvent the retarding forces.

Inside the *corporation* a variety of issues need addressing. Where brands are dependent on pan-company activities, are the diverse processes well coordinated to ensure effective use of resources and brand coherence? Sometimes staff are unsure of the brand's promise and their role,²⁶ thus an internal communication audit can help. In many instances this uncertainty about the brand promise can be attributed to the CEO and the senior management team being too distanced from staff.²⁷ It is rare to find a unified culture across a corporation,²⁸ and there is sense in evaluating the extent to which the culture varies across different parts of a corporation.

Among the brand's *distributors* it is wise to assess the extent to which there is alignment of goals, since this influences the extent to which distributors adapt the brand to suit their needs. By further evaluating the balance of power between the brand owner and distributors,^{29,30} appropriate actions to encourage greater brand consistency can be developed.

By understanding *customers'* decision-making processes, more effective approaches can be devised to support the brand.³¹ In a time-pressured society, by appreciating customers' situations, the need for the brand to facilitate rapid choice further helps develop brand strategies.

Defining the *competitive set* for a brand should be based on customers' rather than managers' perceptions,

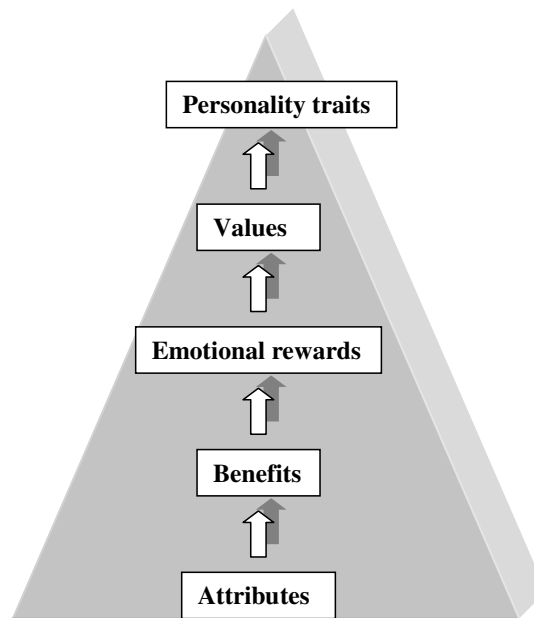


Figure 7 Brand pyramid summarising the nature of the brand promise

since there can be different perceptions between these two groups.³² Once defined, a strategic analysis of competing brands³³ provides a more informed approach to positioning the brand.

Finally the *macro-environment* needs monitoring to appreciate how future political, economic, social and technological changes may impact on the brand.

Brand essence

As the model in Figure 1 is followed, analysis becomes combined with creative insights to conceive the core of the brand, ideally summarised in a brief statement about a promise. For example, Hallmark is about caring shared. Creativity and thinking ‘out of the box’ are critical. For example, while the RAC car breakdown organisation used to conceive its brand in terms of providing breakdown services, this

was also claimed by the AA, which had a particularly powerful campaign positioning itself as the ‘fourth emergency service’. After much analysis the RAC reconceived itself around managing people’s journeys, and the brand was repositioned in terms of total mobility and journey management.

One way of deriving the nature of the brand promise is to use the brand pyramid, as shown in Figure 7.

From an understanding of the information resulting from the brand-planning process, the brand’s team needs first to identify the three critical functional advantages the brand should have over and beyond competitors. For each advantage separately, the team then works up a tree, considering what emotional reward could be associated with that particular advantage, what value would this emotional reward link into and finally what personality trait could tie in with this value. A value

might be identified in the brand pyramid which runs contrary to the values defined at the visioning and organisational culture stages. To have an integrated brand necessitates a reconsideration of these conflicting sources of tension, with changes to ensure harmony.

A strength of employing the brand pyramid is that it then stimulates ideas about creatively positioning the brand (from the lower levels of the pyramid) and developing the brand's personality (from the upper levels of the pyramid). Clearly more customer research is needed to define these characteristics better,^{34,35} but what this model provides is a basis to check continually for brand coherence.

Internal implementation

To implement the brand essence a suitable value delivery system is needed to support both the functional and the emotional aspects of the brand. By focusing first on the functional aspects of the brand, value chain analysis³⁶ enables a production flow process to be instigated, and for services brands, a services blueprint³⁷ captures the operational flow process. By referring back to the brand essence an appropriate balance can be struck between outsourcing some activities and keeping others in-house to strengthen the firm's core competencies.³⁸

The emotional values of the brand can be supported by recruiting staff according to the extent to which their personal values align with the brand's values.³⁹ A further way of engendering employee commitment is to encourage some degree of empowerment, which is increasingly common.⁴⁰ To decide upon the level of empowerment, considera-

tion must be given to the brand's values, the organisation's culture, the business strategy and the types of staff.^{41,42}

An outcome from the mechanistic and humanistic components of the value delivery system is that it engenders a unique relationship between customers and the brand. As thinking becomes more refined in the flow model of Figure 1, so eventually a genuine relationship of trust and respect should emerge, bonding customers to the brand. Alas, some organisations have become overly attached to the cost savings from IT. There still remains a need for some staff interaction with customers, even just having an empathetic telephone helpline team, otherwise the firm has erected barriers impeding bonding between consumers and its brands.⁴³

Brand resourcing

Brand resourcing can best be appreciated from the atomic model of the brand shown in Figure 8. Just as the marketing mix enables a marketing strategy to be enacted, so the atomic model enables the brand essence to be realised.

There are eight components that can be used to characterise the brand essence. Progressing in a clockwise manner, the first two components relate to brand naming. To what extent is the brand's name going to exhibit the name of the company owning it (sign of ownership) and to what extent will the brand have the freedom to bear its unique name (distinctive name)? The functional capability component summarises the functional advantages of the brand, for example, performance, reliability and aesthetics.^{44,45} Provision needs to be made for after-sales service

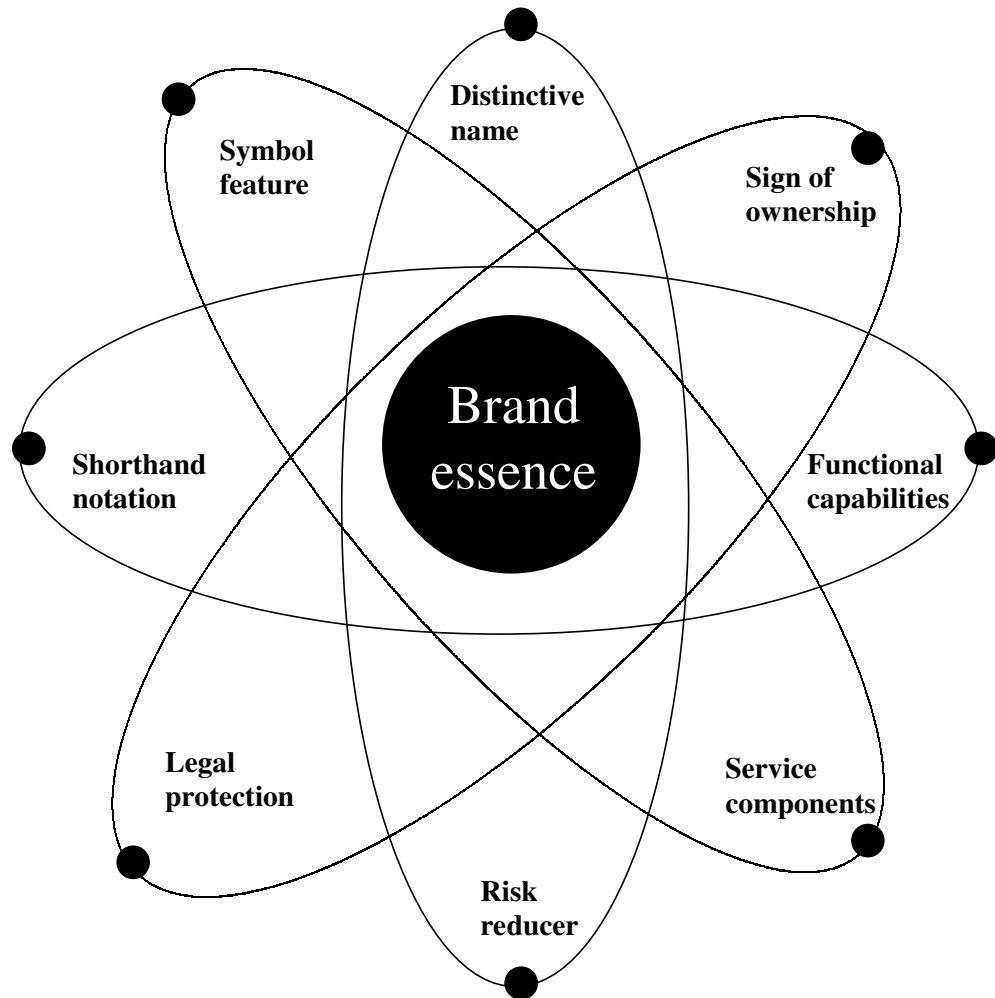


Figure 8 The automic model of the brand

through the service components. Engendering consumer confidence by allaying particular worries is the task which the risk reducer component addresses. Questions to be resolved here include the extent to which the brand should major on reducing performance risk, time risk, social risk or financial risk. The legal protection components focus on providing the brand with rights to prosecute counterfeiters. The shorthand notation component forces the brand's team to simplify the brand presentation so there is more emphasis on quality rather than

quantity of information.⁴⁶ Finally, the symbol feature component considers how the brand's values can be brought to life through associations with a personality or lifestyle.

Brand evaluation

By following the flow chart in Figure 1, there is a greater likelihood of developing an integrated brand which is respected by all stakeholders. Brands are complex multidimensional entities, and thus to use just one measure, such as sales, gives a superficial evaluation.

Instead, brand metrics⁴⁷ are needed that monitor the suitability of the internal supporting systems along with the external favourability of the brand's essence and the satisfaction generated by the eight components of the brand. The nature of the brand metric will be unique to the market within which the brand competes. Information from this evaluation can then be used to fine tune the brand, and ultimately grow the brand's equity.

CONCLUSIONS

This paper has presented a systematic model to help managers grow and sustain stronger brands. The model should not be seen as a strait jacket, taking away creative flair. Rather it represents a journey that the brand's team should follow, stopping at each stage to consider creatively unique ways of building the brand.

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