

10 branding insights and opportunities from Interbrand

Brands are not a passing phenomenon, nor are they something to be left to amateurs, or those who have newly jumped on the 'brandwagon', says Interbrand Sampson, in presenting its "10 Branding Insights & Opportunities".

These 10 Insights and Opportunities are what are occupying the minds of captains of industry, branders and marketers around the world, says Interbrand Sampson. "They are not unique to South Africa, nor China, the USA or indeed any country. But they do give the reader a distinct advantage over those who are only now beginning to wake up to the immense impact brands have on everyday life, and therefore on the potential for future business success."

INSIGHT 1: CLARITY

The most obvious insight to talk about, but so often the most difficult to achieve in brand strategy and positioning. In practice, clarity of vision, values and positioning overall are often given insufficient attention. The majority of corporate and brand visions are interchangeable, bland and viewed with cynicism. In an over-communicated world, lack of clarity will substantially reduce effectiveness and efficiency; and complex brand and sub-brand structures without a real audience rationale will reduce this still further. Clarity of strategy is also one of the leading criteria by which companies are judged.

Opportunity

Torture test your brand positioning. How different is it really from your competitors - not only your current competitors, but 'stretch' future competition and best in class? Can you capture your clear and distinct point of difference in a 'CEO test' - i.e. the two to three words or vivid phrase that will answer the 'so what is this brand really about' to all-coming audiences? Can you explain your strategy and brand structure in the same clear way?

INSIGHT 2: BRAND AS CENTRAL ORGANISING PRINCIPLE

There are still too many organisations and opinion formers that just look at brands as names, logos, advertising campaigns. The cosmetics rather than the substance. The world's most valuable brands (and whether consciously or not, the world's most successful economies) use their brand as the central organising principle for all products and services, corporate organisation, structure and behaviour, environments and communications. They are brandcentric.

In this way, organisations can stitch in their competitive advantage through everything they do. They also ensure that the thing that is going to generate long term sustainable value - their promise to and relationship with the customer - is constantly delivered and refreshed through everything the organisation does. The brand is the most effective and efficient discipline for organisational structures and investment.

There is every rational reason why the CEO needs to act as CBO (Chief Brand Officer) in any organisation. This should not be an area for procrastination, the CEO should 'just do it'.

Opportunity

Audit how your brand, or brands, really show up in all the operations and decision-making structures of the business. If there is a weakness, or lack of awareness in the organisation about the central importance of the brand as the central wealth creator, consider valuing the brand and analysing the value drivers to demonstrate where more value can be derived in an objective way. If brands have passed their 'sell by' date, take action.

INSIGHT 3: BRAND AS A TOTAL EXPERIENCE

The success of experience-based brands at building deeper customer relationships at the expense of solely product-based brands argues strongly for every brand to think about its total 'chain of experience' - from visual identity to advertising, product, packaging, PR, in-store environment - and increasingly round-the-clock presence and availability online. Technology will provide the opportunity to build an even greater sensory experience into brands through touch, smell and sound. Whatever emerges, distinctive value can and will need to be added at every stage of the experience, or at the very least, not lost.

Opportunity

Is your brand being brought to life as effectively as it might through the experience chain - whether real or virtual? How well are you controlling that experience - whether directly or indirectly? Are there any further areas of customer touch points that you could exploit? Or indeed, is your brand using all the senses to create the most powerful impacts? And are you measuring the effectiveness of all touch points? With the nationwide roll out of its Retail Convenience Centres, Sasol continues to reach out for new frontiers.

INSIGHT 4: MORE COMPELLING AND IMAGINATIVE EXPRESSIONS OF BRAND IDENTITY

Senior executives may not feel entirely comfortable in this area, but the ability to break through brand proliferation and communications clutter depends on imaginative and innovative creative expression. In the developed world, audiences are knowledgeable and savvy about marketing, and will increasingly 'edit out' communications that they find boring or irritating. Imagination will need to be applied not just to the creative message, but also the medium. Product placements in editorial and appropriate sponsorship of events, programmes and computer games will become more important. In particular, young people around the world have high expectations from brands, and are increasingly difficult to reach and satisfy.

Opportunity

Have a hard, critical look at whether the core visual and verbal identity elements of the brands are as compelling and engaging as they might be in a competitive world. Every opportunity to communicate counts, and every channel, from marque to distinctive corporate communications, from the office environment to the person answering the phone. What is your brand's central driving creative idea behind all these?

Having a chief executive from a marketing background can be a huge asset in today's highly competitive times.

INSIGHT 5: THE BRAND AS PLATFORM FOR INNOVATION

In the constant battle to stay ahead of current and future competitors, it is becoming increasingly difficult to get sustainable competitive advantage through product development alone. Using a distinctive brand platform as a starting point for innovation in all areas of operation and experience can release more distinctive results - as well as being more effective and cost efficient.

Opportunity

Use the brand platform as a springboard to look at growth categories for the future and in the context of consumer trends - and examine what your brand could distinctively bring. Also, it is important to look at wider areas like distribution and service development to deepen and extend a unique brand experience. Apple is pushing the envelope all the time.

INSIGHT 6: BRANDS NEED PROFOUND PROTECTION

It is estimated that 9% of the world trade is counterfeited. Although international law is increasingly being upheld, even in the previous counterfeiting capitals of the world, it is likely that while there are still brands to copy, there will be willing makers and buyers of copies. Brand owners must use the full weight of the law, quickly and publicly, to prevent value loss and degradation. Brand valuation, which can demonstrate how much economic loss might be attributed to passing off, is an effective way of supporting cases such as these.

Opportunity

This is as much of a minimisation of risk as an opportunity. However, are there any future visual, verbal, 'get up' or sonic elements that could and should be registered for your brand?

Legally 'ring-fencing' your brand should be a never ending process.

INSIGHT 7: UNDERSTANDING THE VALUE OF YOUR BRAND

Samsung is a great example of a company that transformed their fortunes by using their brand as new focus right across their business. A critical part of this was to use brand value as a core measure of people's performance, which both built momentum and created sustainable premium growth. Brand value is also crucial management information for mergers, acquisitions and divestments, which will continue in the future as markets shake out and consolidate. Few mergers currently deliver long-term shareholder value, largely because of over-emphasis on financials. Greater focus on brand in general and brand value in particular, would help mergers succeed - as well as generating real organic growth.

Opportunity

Do your people across the business fully understand the value of your brand as the most important and sustainable corporate asset? Does everyone understand how they could add more value - and are your reward and appraisal systems geared towards this? Could the value and value drivers of the brand be used for better management information for future profitable growth?

INSIGHT 8: EFFECTIVE AND EFFICIENT BRAND MONITORING AND MEASUREMENT

It can be tempting for organisations to 'do a brand programme', and not put in proper monitoring and measurement - and indeed support - systems to maintain them properly. This can waste investment and weaken competitive edge. The most successful organisations integrate these systems into their day to day operations and plans. They continually review and update them.

Opportunity

Is your brand a key part of the 'scorecard' by which your people are measured? Are you consistently reviewing all aspects of brand performance to look for areas to improve? Are you using all the techniques available through electronic communication to ensure maximum efficiency - and control by remote control? Using technology like BrandWizard® can give you this effortless control and cost efficiency in many areas of identity management.

INSIGHT 9: CSR AS CORE SOCIAL RESPONSIBILITY

In an all-seeing digital world, and in a sharper business environment where employees at all levels can be ambassadors or saboteurs for the company's reputation, there really will be no hiding places any more. Organisations will have no choice but to be transparent in their dealings and fulfil their promises, or to have transparency forced on them. On a more positive note, numerous studies have confirmed that investment in a company's employees and their good treatment, translates into significantly better customer satisfaction. Using a programme such as Brand Alive™ speeds the process. In turn customer satisfaction and loyalty are, and will be, the drivers of long-term sustainable brand value.

Corporate social responsibility (CSR) seems to be an overused buzz term in too many organisations today, and a whole new industry has grown up around it. Although good intentions may be there, all too often organisations look at CSR as an insurance policy, or a more sophisticated form of cause-related marketing, rather than as core to their operations. Sometimes the programme is exceedingly light-weight.

Opportunity

Are you reflecting and integrating people's quality of life needs and concerns into your brand vision and mission? Do you have enough safeguards to measure sustainable development impacts, and involve your people in the issue? And, are you thinking ahead to how to lead in the critical areas of ethical consumption?

INSIGHT 10: ALWAYS ACT LIKE A LEADER BRAND

From more than 3000 studies of brands around the world, leadership is the characteristic most closely correlated with the strongest long term value. What can be termed a 'leader brand' today is not a brand leader in the old fashioned sense, reflecting scale and muscle alone. Rather, it reflects a newer, restless and agenda-setting leadership across all areas of philosophy and operations, inside and out. Leader brands also need to take it upon themselves to explain the wider benefits of branding, and increasingly show sensitivity to local cultures, so that they continue to have licence to operate (and hopefully be welcomed) in even the most difficult parts of the world. Brands can be uniting influences, and powerful social and economic developers.

It is important for all brand owners and influencers to manage their brands well, and as a discernible force for good, and to ensure that they help people understand the benefits in a more informed way.

Brands will continue to succeed if they deserve it, and, since the future of brands is the future of sustainable business and fundamental to developments in society, it is important to us all to see that they do.

Opportunity

Whether brand leader in size and scale or not, are you setting the agenda in product, service, creative and value terms? And increasingly, in terms of leadership thinking? Are you contributing to the success of your country?

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