American Marketing Association-Toronto Chapter
Roundtable- June 13, 2001

"WHO'S IN CHARGE OF THE BRAND AND JUST WHAT DO WE MEAN BY 'BRAND'?"

Introduction:
On June 13, 2001, the AMA assembled a cross-section of industry leaders (see last page) to discuss the current definition of "the brand" and how it affects all who are accountable for its identity in the marketplace.

Using a roundtable discussion format, participants covered a wide range of topics, most of which are summarized in this document. The content of this discussion has been distilled into the following key categories:

1. Just what do we mean by "brand" in today's marketplace?
2. Who's in charge of the brand and why do we need to hold someone accountable for it?

Each category states a general issue/problem. A set of standardized subheadings explores each problem/issue in greater depth. The subheadings ask why solving the problem is important, what overall themes emerged, what key insights within each theme emerged, and finally what further discussion/debate is linked to these insights.

1. Just what do we mean by "the brand" in today's marketplace?

The general consensus reached in this discussion is that the brand means the business. The business is not a reflection of a mission statement made in a vacuum, the business is a reflection of everyone affecting its performance in the marketplace: employees, alliances, suppliers and consumers. The brand effectively represents the culture of all who touch the business.

The brand is not a singular thing. There are multiple touch points in the entire chain of creation to purchasing consumption.

A brand is either an individual product or a group of products or an individual service or a group of services, or a corporate brand name. Each creates different dynamics on how a business manages the brand.

Why solving this problem is important

Corporate management is viewing the brand increasingly as a financial measurement, as a financial asset of the organization. Intangible assets are becoming more important in the fortune 500 as a measurement to help to make strategic choices.

By improving the brand halo, the culture surrounding the brand, and how relevant it is to the consumer, it increases its ability to cut through a very crowded marketplace.

Overall themes that emerged

A) *As customers are overwhelmed with brand choices, the most consistent and clear brand message reaches the consumer. Ownership of the brand is necessary to make a product or service look the same to the customer from any point of view.*

Key Insights:

- Consumers don't have the time to go over all the different aspects of your brand or to read all the communications. The brand itself has to capture all this information and be the shorthand for consumers.
- An organization has to distill their business before effectively communicating their brand. Redefining what the business represents, auditing the different interpretations of its mission and streamlining how convergent services fit into the business itself boils down the core message of the brand.
- Organizations must be selective about the businesses they want to conduct under one brand and explore other brand avenues for businesses that don't fit under one brand umbrella or they will be at a disadvantage in an open, competitive marketplace.
- A well-defined corporate brand really is about a corporation's culture. Cultures galvanize and align people.
- Management structures must keep in mind that what binds people is culture and shared partnerships. The key lies in understanding how networks often work together to form total cultures.

B) Measurements of how successfully an organization leverages brands and the impact of brands, and how brands are embedded into the organizations, must be determined internally before rendering the brand strategy.

Key Insights:

- The corporate office is interested in long-term growth and shareholder equity. Businesses have stopped short at the intermediary measures of brand health: the awareness, the trial rates and the repurchase rates. There needs to be an attempt to link the measures to something of interest at the corporate office. A key part of the strategy needs to be linking of intermediary measures with the long-term financial measures of the organization.
- Measurements must be flexible to avoid corporate office standardizing them as the sole outcome of financial achievement

- Viewing a brand in linear terms of brand valuation or advertising awareness does not foster real education of what the brand stands for. A business needs indicators to help organizations understand their brand. The indicators must be monitored front and centre for everyone in the organization to evaluate the performance of their brand.

- An internal organization's knowledge of the brand and the activities that support it are the key measurements to determining meaningful results of the brand's effectiveness.

C) *Emotional connections are fundamental to executing the brand's intentions. Intangible assets are becoming increasingly important to strategic choices*.

Key Insights:

- The critical question is how does a business avoid over-promising and under-delivering when people's decisions are based on the emotion, the experience and the interaction?

- There is an emotional component that must be built into the brand's message in order to excite and motivate the buyer. The emotional component can't be generic, it must be specific and target exactly what it is that the brand is trying to achieve.

- It is advantageous to ensure that the emotional component is thoroughly internalized by each employee in an organization. Employees have to understand how their customers experience the brand in order to make it work.

- There are elements of creating an emotional response in the brand equation that can't be built into the brand's message; the consumer's emotional response while experiencing or coming into contact with the brand.

- The emotional component often arises over time: a business can try to define, distill and obtain as many clues as possible based on the organization's strengths, but ultimately, it's only over time that a business will truly understand exactly what its customers have bought from them.

D) All partnerships and strategic alliances must be consistent with what the business stands for and how that business wants to be represented.

Key Insights:

- Partnering with businesses that have similar goals speaks volumes on each sides determination to fulfill their customers' needs; together, the organizations can provide a total solution for their customers. It's fundamental that each company retain their identity in the alliance and that there is not one predominant brand.

- Players in the alliance must determine why they are going into the alliance and how they are going to benefit from it in order to remain true to brand strength.

- If an alliance does not strengthen the relevance or resonance of the brand then over time it may disintegrate and dilute the brand.

What further discussion is linked to these insights?

The consumer is the missing link in defining the brand, this is the person who retains the value of the brand. In order to find the inspiration as to what the business stands for, a business has to listen to how their customers articulate it.

The danger of over-branding is imminent if we consider the brand as the be-all to consumers. Consumers don't always want to look for brands. Consumers want to look for solutions and sometimes those solutions may be crossovers with non-branded products; the brand is not necessarily a destination. A brand means as much as an organization's customer or consumer wants it to mean in their lives.

2. Who's in charge of the brand and why do we need to hold someone accountable for it?

Traditionally, we have asked the Marketing and Communications department to define the brand in the marketplace, and make strategic choices as to how the brand will be communicated within it. Ultimately, this has led to a Marketing and Communications department that has defined the business, its vision and the logistical choices as to how the business operates and ensuring everyone that embodies the brand has operated surrounding these choices.

If there are lots of people in charge of the brand, how is activity integrated so it will all look the same from the customer's perspective? If the brand is a reflection of the business, shouldn't executive level be accountable for all guiding principles and alignment of the organization behind the brand?

Why solving this problem is important?
Without the power to align an organization's resources around its business goals, any individual or department runs the risk of failing to perform. An organization's fiscal responsibility and its ability to keep the business competitive, rely on the people that make the decisions for its direction and as well as its operation. As a brand's success is ultimately linked to its financial performance, it's imperative that the accountability of the brand emerge from those who are responsible for its performance.

Overall themes that emerged

A) Sponsorship and active participation at the executive level give credence to the brand as a business.

Key Insights:

- Demonstration and reinforcement of the vision should come from the CEO of an organization. There must be a brand champion, a role-model that promotes buy-in on the brand from employees in order for the organization to understand how it works. The CEO's responsibility is to become the evangelist and storyteller of the brand.

- Cooperation among the CEO, the senior executive team, the businesses within the organization and the cross-functional teams, make a brand successful in the market.

B) Actively aligning the company's day-to-day operation in accordance with the business' culture and vision ensures that the brand promise is met from top to bottom.

Key Insights:

- Operationalizing the brand through alignment of people, processes, technology, and systems results in delivery on the brand promise.
- All departments should lay claim to the brand and understand their responsibility with respect to how their role promotes the brand.

What further discussion is linked to these insights?

Organizations have a list of job descriptions that describe the contribution each employee plays toward the overall operation of executing their service or product. But do most employees understand the role they play in contributing toward their brand's performance? The AMA roundtable audience members and panelists constructed the following opinions about key roles within an organization and how they contribute to brand performance:

- The role of CMO requires taking over the organizational relationship between the CEO and the CMO and ensures that all the touch points are aligned.
- The VP of Sale's role is to teach the sales force the meaning of the brand in cohesive terms.
- Product Development provides the solution to a consumer need and is ultimately accountable to the consumer. Developed products must fit into the corporate mission.
- The Call Centre may be the only contact the customer has with the brand so it cannot be considered an after-thought. The Call Centre may be evaluated on how well they represent the brand.
- Marketing Services ensure the correct communications channels are used to represent the brand, all suppliers are aligned internally to the brand and that a measurement is formed as to what the brand success look like.
- The Agency representative's role is to live the client's organization internally at the agency and communicate externally with an agglomeration of perspectives.

Our thanks go to our panelists (and the audience) for their contributions.

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The AMA Toronto Chapter is a not-for-profit association founded in 1937. The AMA is the world's largest and most comprehensive professional society of marketers, comprising 50,000 members in 92 countries and 500 chapters. ama-tor@netcom.ca

The Glasgow Group speed up organizational change and competitiveness. Innovative approaches draw on group intellect, what's already working, and demystify how people and organizations transform themselves.
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