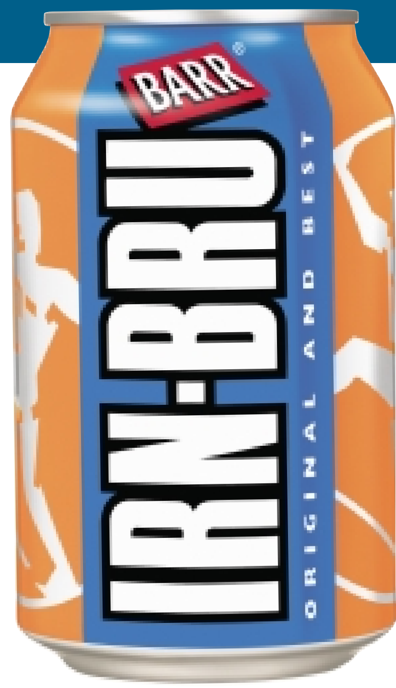
summer 2001
issue fourteen

BritishBrands

THE NEWSLETTER OF THE BRITISH BRANDS GROUP

Barr's Irn-Bru:
one hundred years young



The Leith Agency, *for Barr Soft Drinks*

2001 marks the hundredth birthday of Irn-Bru, 'Scotland's other national drink.' More than this, the year sees standard Irn-Bru in pole position as the biggest-selling grocery brand in Scotland – ahead of such international grocery giants as Walkers Crisps, Persil and Nescafé. There are very few countries in the world where the leading cola is outsold by another soft drink brand, but Scotland is one of them.

Clearly, the distinctive flavour of Irn-Bru appeals to the Scottish palate, but the scale of the brand's success is out of all proportion to the level of sales a non-mainstream soft drink flavour can normally expect. So how does Irn-Bru manage to punch so far above its weight?

Primarily the product itself is unique. There is literally nothing else like Irn-Bru. Nothing else tastes like it, or even looks like it. The recipe remains a closely guarded secret. For Scots of all ages, it is a reminder of their childhood; for those abroad, it is the taste of home.

But it is easy for brands with such a strong heritage to lose contemporary relevance. Latent brand affinity isn't always transferred into sales. The brand ends up very much loved but not very often purchased. Shrewd marketing has helped Irn-Bru avoid this fate.

By the middle of the nineties, Barr wished to grow the brand in England. Research showed that the 'Made in Scotland from Girders' campaign was extremely successful in Scotland, but this success didn't transfer to the English market. We had to re-create the advertising so that the English consumer, who had not grown up with the brand for the past 90 years, could also relate to it.

The key was to adopt the right personality for Irn-Bru. The Barr brand team began visiting schools to find out what teenagers were talking about, and in particular what made them laugh. This had advantages over traditional research methods. Whereas in a research group teenagers can easily turn surly and uncommunicative, in school they are expected to contribute their own ideas and opinions. Consequently, exploring strategic and creative marketing ideas in the classroom produced a notably more dynamic set of responses.

This kind of initiative helped to get under the skin of Irn-Bru. As a result a uniquely compelling personality for the brand has been developed over time.

Since Irn-Bru itself tastes like nothing else in the world, the marketing of the brand had to do justice to it. But in talking to its biggest fans, we realised that no two kids described Irn-Bru in the same way. The marketing of the brand would have to enhance, not deny, this indescribable character. The best description we found was 'likeable maverick' – a self-confident, unconventional and independent character who wouldn't think or behave in quite the same way as other people. As a character type this description of the brand has a great deal in common with the way our teenage audience itself likes to be perceived. And maverick is also a very apt description of what we sought to achieve in the marketing. Competing against brands with much bigger budgets, Irn-Bru has to shout to be heard. And the best way to do that is constantly to surprise people.

These insights have been used to inspire the creativity of Irn-Bru's marketing activity at all levels, from website design to carefully tailored sponsorships, to above-the-line advertising. The maverick tone of voice has proven flexible enough to produce award-winning advertising on radio, posters and TV. On TV, from the 'See What Irn-Bru Can Do For You' campaign to the current award-winning work, Irn-Bru's advertising has been consistently among the most popular and talked about with its teenage target audience.

Because Irn-Bru's marketing is based on genuine consumer insight, not nostalgia, it works just as well south of the border too. Scots have always loved Irn-Bru – now the gap is closing as English teenagers increasingly adopt a brand that speaks to them as well. Irn-Bru sales in England now account for almost a quarter of total volume. And Irn-Bru's brand image has improved dramatically in England wherever the campaign has been seen.

So long as marketing continues to keep the brand young, there is every reason to suppose that Irn-Bru can enjoy another hundred years of healthy growth.

Brand dates

3 October, The Scottish Brands Conference, Edinburgh
30 October, The Innov8 Conference, London
5 December 6pm, The Brands Lecture, London

For more information on these events, contact the British Brands Group on 07020 934250 or info@britishbrandsgroup.com

inside:

Chairman's Introduction

Andrew Redpath *Chairman, British Brands Group*

This edition of *British Brands* sees a new Government in place and a new team at the DTI. What do these changes mean, especially for brand manufacturing?

Soon after the election, the Government outlined its proposals to tackle the productivity gap, giving further insight into the future of business policy. The aim is to build a true enterprise culture in the UK, through such initiatives as reform of the competition regime, a tax regime favourable to enterprise and measures to help small businesses grow.

Reform of the competition regime so soon after its recent overhaul with the Competition Act in 2000 may seem premature, especially as the effects of these changes have yet to be assessed. Forthcoming reform is likely to cover the political independence of, and increased resources for, competition authorities, a stronger basis for the promotion of competition across the economy, and enhanced 'complex monopoly' powers to investigate sectoral markets. On the proven basis that competition provides the spur for innovation, and that a level competitive playing field reduces market distortions, these changes are to be welcomed in principle and we look forward to assessing the detail.

The apparent commitment of the new DTI to focus on productivity and enterprise is encouraging, especially so if it marks a shift away from the recent fixation with price comparisons. The latest such price comparison study, conducted jointly with the Swedish Government and published in May, compared prices of 133 items in the UK, Sweden, France, Germany and the US and contained two key findings:

1 Europe is generally cheaper than the US (the cheapest prices in the survey were found in Europe for 83% of items)
2 Price differences between countries within Europe are significantly greater than the difference in prices between Europe and the US.

From these findings we can draw some insightful conclusions. Firstly, it demonstrates that the supply side cannot be held accountable for high UK prices. In a single market with the free movement of goods, UK suppliers are well aware that they must be competitive in this larger market. Any failure to be so will result in retail customers buying in the cheapest European market and importing into the UK, with UK consumers enjoying the cheapest European price plus the cost of transport. The study however shows price differences that far exceed any transport cost, pointing to other factors at work in determining UK prices.

Secondly, the study demonstrates the limited impact parallel trade has on consumer prices. Were it influential, one would expect to see little price variation within Europe, where parallel trade has been unrestricted for the last nine years, and larger price variances between the US and Europe where parallel trade is restricted. The study found the opposite.

It therefore seems wholly perverse of the DTI to use the study to support its campaign to open the floodgates to parallel trade from outside Europe. There is no evidence that parallel trade has lowered or harmonised consumer prices. Policy makers must recognise that by continuing to attack prices they are missing key policy goals to encourage innovation, exports, jobs and the success of UK manufacturing.

As we go to press, the Director General of the Office of Fair Trading passed his recommendations on a code of practice to regulate relationships between the major grocery supermarkets and their suppliers, to the Secretary of State. The code was the main recommendation to arise from the Competition Commission's comprehensive investigation into supermarkets, an investigation that identified 25 anti-competitive practices in supermarkets' supplier relationship that needed to be addressed.

It is worth stressing that the code, once announced, is likely to provide the blueprint not only for other concentrated retail sectors in the UK for a decade or more to come, but also for other European countries seeking to address concerns over buyer power.

Any code of practice must be effective in both preventing abuse and providing redress and it is hoped that this code will fulfil these basic performance criteria. Initial suggestions that the code should not apply to large branded suppliers immediately raised doubts. Indeed some of the wording in early drafts appeared to legitimise the very abuses the Competition Commission wished to stop.

The code is one immediate opportunity for the new DTI team to demonstrate its new approach to competition issues. Certainly the BBG looks forward to working constructively with ministers and officials to encourage enterprise and vigorous, fair competition on the basis of innovation, quality, and added value to the consumer. This is home territory for brands and they have much to contribute.

Name your brand interest

If there are brand-related subjects that you would like to see addressed in *British Brands*, contact John Noble on 07020 934250 or jn@britishbrandsgroup.com

The Brands Conference

'Innov8 – Brands and the innovation imperative' is the title of this year's Brands Conference, in London on 30th October. The conference will explore how to innovate consumer understanding, consumer communication, the organisation, and delivery to consumers. Further details are available from the BBG on 07020 934250 or innov8@britishbrandsgroup.com

Your corporate social responsibility: your brand

Ian Hogg, *Hill and Knowlton*

Well-known brands and companies are soft targets for Corporate Social Responsibility (CSR) activists and NGOs. As Shell knows full well, it is often those companies that are actually doing something in the CSR arena that get hit, rather than companies that are doing very little to improve their social or environmental performance. Shell has produced accessible reports, using measurable, verifiable indicators. It provides platforms for opponents and is investing in renewables. Indeed it can be argued that Shell – a very powerful brand – is responding to its social and environmental impact and performance in the very widest sense. Yet it is still targeted while others are not.

'Soft targets' are typically companies with some of the following characteristics: they are global and therefore have a stake in both the globalisation debate generally and global issues such as climate change or labour practices down their supply chain; their products or processes may be risky in terms of the environment (petrochemicals); to society (tobacco); or to the local community (indigenous peoples). Combine these characteristics with the high profile of some brands and they are easy targets, especially if the brand is consumer-facing, as well-known brand names in the retail sector know well.

Some recent examples of brands exposed on the CSR front, although praised in other areas of their CSR activity, include: Wal-Mart for its links with operations in Burma and for being unresponsive to shareholder concern; several major retail brands for using child labour down their supply chain and; the entire pharmaceutical sector for taking the South African Government to court for violating drugs patent laws. Conversely, GlaxoSmithKline's initiative to cut prices to developing countries for anti-malarial and other drugs, was praised by Oxfam. Shell's statement that it will invest up to $1bn on renewable energy was cautiously welcomed.

So, what is the business case for CSR, and how does it strengthen the brand? Primarily, shareholder value and good CSR practices are not in conflict. Share price reflects intangible assets, which are tied up with reputation. Reputation will suffer if stakeholder interests are not taken into account. CSR is about building relationships with consumers and Government, attracting and retaining talented staff, managing risk and assuring reputation. Stakeholders have come to expect a great deal from companies, and CSR is about how companies manage their business processes to produce an overall positive impact on society. Stakeholders increasingly judge companies by what they can influence rather than by what they directly control – which stretches beyond their product line. In other words, effective CSR contributes to brand value.

With stakeholder engagement (fundamental to good CSR) comes an early warning system in terms of risks associated with products or processes, which allows genuine engagement by companies to solve problems and influence perception positively, which is of course crucial to brand success. Such companies are better aligned with their markets and consumers, generating greater trust among employees, customers and wider society. The company and the brand benefit.

However, the need still remains to convince shareholders of the value of CSR and that it can enhance shareholder value. Measurement of CSR is difficult and some corporate buy-in therefore remains hesitant. The question often asked is: are responsible companies more prosperous or are prosperous companies more responsible? The Holy Grail in the CSR arena is robust and generally accepted measures for sustainable development that are geared to corporate performance.

And the future?

CSR is not a management fad and it will become integral to all communication and business strategies. Stakeholder pressure will continue, spurred on by the anti-globalisation and environment debate, and such pressures from societies and markets will increase – but not Government regulation. The business case for CSR will become better quantified and increasingly accepted as part of the corporate balance sheet. CSR is already common currency on MBA and training school curricula, in boardrooms and the City; socially responsible investment will become mainstream but investors will seek higher quality, more relevant data from companies on CSR issues. Concomitantly, business will have to report more comprehensively. Stakeholder activism will focus increasingly on shareholders and investors.

Prospective employees will ask more of their companies – with the benchmark being CSR. CSR will be applied increasingly to problems in the Third World – such as AIDS – while in Europe there will be a greater focus on issues associated with social cohesion. Amid all this, the media and internet will further empower active individuals and groups.

CSR is not a business fad, it is not going away, and any emotional tie the consumer has towards a brand will be increasingly determined by the parent company's CSR.

The link between CSR, brand value and reputation is strong and will become better understood by the consumer. The media, NGOs and government will make sure of it.

Parallel trade

The European Court of Justice, in a recent Opinion, provided some encouraging signs to brand owners in their fight against parallel imports from outside Europe. The Opinion suggests that such trade must have the express consent of the trade mark owner and that 'consent' must be defined at a European, not a national, level.

Brand manners –
creating competitive advantage in a downturn

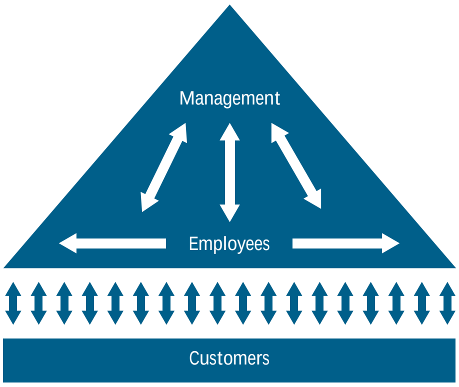
Hamish Pringle, *IPA*

History shows that during an economic downturn or recession, brands that invest ahead of the competition do better during the slow-down and recover much more quickly on the upturn. But what sort of investment should brands be making, particularly as we enter the new era of digital interactive communications?

In short, the investment that needs to be made is not simply a financial one of spending above the brand's 'par' share of voice (though that would be a very good start), but one which seeks to unify the internal and external brand.

How often has a company's handling of a customer's telephone response to an advertisement or direct mailing turned out to be a turn-off? How often has a customer interaction with staff, or 'moment of truth' in the retail environment, turned into a relationship killer rather than a loyalty builder?

No matter how good the work behind brand positioning, marketing and communication, a reputation can be ruined by a single poor interaction between a customer and a brand representative. The challenge now for all companies that rely on their brand assets is to ensure that the whole organisation, and in particular its customer-facing employees, actually 'live the brand'.



If a firm's employees cannot convey a brand's essence in everything they do on its behalf they could seriously damage their success in the marketplace. 'Brand manners' give top management a framework within which they can evaluate their customers' expectations of their brand, then set about creating a branded service culture to exceed those expectations consistently.

The new era of transparency, in which nearly all companies have a website and a call centre putting them in direct contact with their customers (and indeed all their other stakeholders), means that branding now has to work at political and ethical levels, not just rational and emotional ones.

Specifically, the internal values of a company have to reflect and support its external ones if the organisation is truly to 'live the brand'. It is essential to ensure that the millions of customer interactions are brand positive, not negative.

This means a big change in the approach to brand management by most British companies. The separation of powers between Corporate Communications Directors and Marketing Directors may no longer serve the best interests of the brand. Increasingly Chief Executives will have to be sufficiently marketing literate to be 'editor in chief' of the brand and ensure their board is focused on the core metrics which drive the revenues of the businesses. The CEO also needs to empower all employees to be effective ambassadors for the brand.

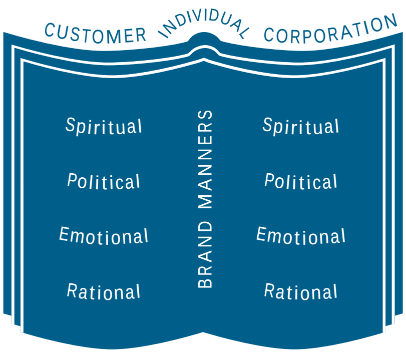
This straightforward philosophy forms the cornerstone of brand manners – a collective mindset and approach that has proven successful not only in improving customer service, employee satisfaction, and bottom-line business performance, but also in transforming entire organisations.

Brand manners can serve as a mechanism for unlocking hidden value and unleashing an organisation's full potential and are based on the insight that a more holistic approach can align every member of the internal organisation with the brand promise, deliver superior shareholder returns, and enhance each individual's job satisfaction.

Each of our experiences, as customers and employees, is an intensely personal event. It involves four different dimensions:

1 The rational experience–'what goes on'
2 The emotional experience–'how we feel'
3 The political experience–'why it is right for us'
4 The spiritual experience–'where it leads us'

Brands in the new millennium have functional and rational attributes, and they also have emotional and psychological imagery. Increasingly they need higher order values in terms of political attitudes and ethical codes or even spiritual attributes as customers ask questions about corporate governance and the role of the company or brand in society. The role of the brand manager is to 'create, convey and keep' these key elements of the brand promise.



The Brand Manners Book of Life

At the rational or functional level, these three ingredients of 'create, convey and keep' are about bringing the product or service benefits to life, demonstrating that they are real, and proving that the promise is being kept.

The emotional and psychological benefits of the brand need to be created, felt, and to generate trust.

The political dimension is about creating a win/win proposition for the buyer and the seller, demonstrating quality and providing appropriate comparisons to justify the purchase.

Finally, the spiritual level concerns the inherent worth of the brand promise in terms of its contribution to society and individuals, how that excites people and what resulting beliefs and degrees of trust it produces.

Effective management of these four dimensions of the brand can benefit both the customer and the employee enormously. However most executives, consultants and academics focus so heavily on the rational dimension that they crowd out any consideration of the other three.

Brand manners (continued)

Hamish Pringle, *IPA*

Designing a brand manners programme must take into account the rational improvements in the customer experience (which result in tangible results for shareholders) and the need to involve a wide range of people in the company – to win their trust and support, and exploit the opportunity to combine the business agenda and the personal agenda of the organisation's leaders.

This combination of tangible benefits, mobilization of the organisation, and political support can yield startling results. In addition, the spiritual dimension can help companies to clarify their role in terms of community involvement and encourage individual employees to work on their own self-development. When the four dimensions are taken together, they result in improved business performance by making the workplace a better place to be.

The net effect of good brand manners is that they create a platform on which the whole company can live the brand and achieve the goal of managing customer expectations, and then exceeding them, to create true satisfaction and even delight. Communicating the essence of the brand's manners to the market not only establishes its promise (which the company then must keep, or exceed), it also acts as a public target for all management and employees to live up to and beyond.

An example of a company that has made a very public virtue out of under-promising and over-delivering is the UK brand, Ronseal. The charm of this case is that success has been achieved on relatively small marketing communications budgets in a highly competitive marketplace dominated by a handful of multiple retailers with enormous power over distribution.

Case history: Ronseal 'Does exactly what it says on the tin'

Sheffield-based Ronseal Limited operates in the UK paints and decorative products business, specialising in the wood-care sector. The company has had a number of firsts in the market over the years, from wood dye in the 1930s to wood repair systems in the 1980s.

The company defines the brand positioning as follows: 'Ronseal is about simplifying techniques and processes to make the consumer job quicker and easier, with the guarantee of an excellent finish.'

However perhaps the strongest element in their marketing mix has been Ronseal's advertising. In essence, the campaign is composed of a similar series of presenter commercials wherein the product tin is shown to camera and the finished results pointed out.

There are no complex messages, just matter-of-fact sentences delivered in a matter-of-fact, even understated, manner. It says that the product is straightforward, no-nonsense, and that all that the consumer has to do is read the tin!

This reinforces the ease of use of their products and gives the customer the reassurance that they will obtain the desired decorative or protective result. Presented in this way, Ronseal achieves a motivating and persuasive selling proposition and its advertising contains a powerful call to action, without resorting to exaggerated claims. The brand's manners are all about underselling and over-delivering.

The results in the marketplace have been significant. Dedication to product innovation and commitment to marketing communications has led to a 35% share in the wood-care market, a third better than Ronseal's nearest competitor. In 1998 Ronseal had a 60% market share in varnish and was still growing ahead of general market statistics.

The advertising campaign has in effect become central to the Ronseal company philosophy, and their claim of 'doing exactly what it says on the tin' does not just relate to the product itself but also to the total service offered. Paul Barrow summarises the company's policy: 'Ronseal is committed to living up to its claim through substantial investment in people, equipment, technology and training.'

In a downturn, developing brand manners and investing in them ahead of 'par' share of voice is as near as it gets to a guaranteed recovery ahead of the competition. Key to success is ensuring that, like Ronseal, the internal culture of the company and employees' values absolutely reflect and underpin the external brand presentation to customers, wholesalers, retailers and all other stakeholders.

Brand Manners: How to Create the Self-Confident Organization to Live the Brand, *by Hamish Pringle and William Gordon, was published by John Wiley & Sons in January 2001. See* www.brandmanners.com *for more information.*

Dilution
– disharmony in Europe

Charles Gielen, *NautaDutilh*

Trade marks with a reputation are often the victim of a phenomenon known as 'dilution'. Dilution can be described as a reduction in the ability of a well-known trade mark to identify and distinguish goods or services, regardless of a likelihood of confusion, mistake or deception.

In 1996 the Benelux Trade mark Act (BTA) was harmonised with European trade mark law. Since then the exact scope of protection against dilution in the European Union (EU) has been unclear. Under the old BTA, wide protection was afforded to well-known marks. For instance, the owner of *Monopoly* for board games was able to take action against the use of *Anti-Monopoly* for an anti-capitalist board game.

Similarly, it was possible to take action against the use of trade marks for goods or services dissimilar to those for which the well-known trade mark was registered, provided such use could be deemed to harm the repute of the trade mark or to take unfair advantage of its 'fame'. For instance the owner of *Claeryn*, a well-known mark in the Netherlands for 'jenever' (Dutch gin), was able to take action against *Klarein* for a detergent on the ground that the consumer might associate his favourite drink with the taste of soap, harming the reputation of the jenever trade mark.

City analysts call for more information

The 5th survey of City analysts undertaken by Brand Finance found that 76% of analysts would like to receive more information on brand values. LVMH was considered to have the best product brands and GlaxoSmithKline was considered one of the best companies at providing information on marketing performance and plans.

100th Anniversaries

This summer sees the 100th anniversary of the Milka chocolate trade mark.

The European legislature has acknowledged that brands with a reputation deserve protection against dilution and has provided for this in the Harmonisation Directive. However this particular provision has given rise to many questions and uncertainties. The problem is as follows.

Pursuant to the Directive, a trade mark owner can only oppose the use of a similar trade mark for similar goods and services if likelihood of confusion is established. This is the case if there is a risk of direct confusion (ie the consumer buys product A under the impression that he is buying product B) or if there is a risk of indirect confusion (ie the public is under the impression that the companies from which the different goods originate are somehow associated with each other). Dilution, however, occurs independently of the occurrence of the likelihood of confusion.

On the other hand, association with a well-known trade mark may be sufficient for dilution to be deemed present. On many occasions, owners of well-known brands in the Benelux have argued that protection against dilution is covered by the provision of protection against confusion, but to no avail. One of the arguments put forward was that the relevant provision in the Harmonisation Directive refers to 'likelihood of confusion which includes likelihood of association'. Most recently in the Adidas/Marca case, the European Court of Justice (ECJ) ruled that association as such cannot result in trade mark infringement. This means, strictly speaking, that European trade mark law may not provide protection against dilution in the case of the use of a trade mark for similar goods or services.

European trade mark law does provide protection against the use of a mark for dissimilar goods or services. In such cases, the similarity between the trade marks does not depend on the risk of confusion. Infringement may occur if a trade mark is similar to a well-known trade mark to such an extent that use of this mark would take unfair advantage of, or be detrimental to, the reputation or distinctive character of the well-known mark. This type of protection does not require a risk of confusion and as such does provide protection against dilution. European trade mark law would therefore seem to provide for protection in the case of trade marks used for dissimilar goods and services, but not for those used for similar goods and services.

This inconsistency has led to uncertainty as to the extent to which trade marks with a reputation are protected in the EU. In Sweden and Denmark, the courts have solved the problem by simply holding that the protection that is provided against the use for dissimilar goods and services also applies to use for similar goods and services. On the other hand, courts in the UK have ruled that a risk of confusion is also required in the case of the use of a trade mark for dissimilar goods and services, meaning that no protection against dilution is provided at all.

Despite the fact that European trade mark law is harmonised, the various Member States each provide different levels of protection against dilution.

The uncertainties relating to protection against dilution have led the highest German court, the Bundesgerichtshof, to put some questions to the ECJ. First, it has asked whether protection against use for dissimilar goods and services in the case of trade marks with a reputation is also applicable if the trade mark is used for similar goods and services. Second, it has asked if the national Member States are free to provide protection against dilution in national law, such as the German Unfair Competition Act. The ECJ now has to decide how European trade mark law will provide protection against dilution. It goes without saying that the answers it gives will be of great importance for the owners of trade marks with a reputation.

Innovative products
to fulfil the promise of great brands

Alastair MacGregor, *Innovia Technology*

At long last brands are taking their place on corporate balance sheets. This recognises their central role in creating shareholder value. Strong brands are a key to the competitive advantage of companies from Jaguar and Shell to Boeing and Coca-Cola. Brands also give customers confidence as they explore a world of new products.

Yet the world is an uncertain place for brand managers. Customers can all too easily be dazzled by the latest market debutantes. Well-established products are left behind in a matter of months by a blur of change. Buying decisions are increasingly sophisticated, informed by a clamour of eager internet buying guides and product comparators.

So what does it take to keep brands fresh, successful and relevant, at the forefront of customers' minds? Vital to success is an ability to spot links between core brand values and positive customer experiences. Those experiences are brought to life in innovative products, animated by technology.

Core brand values are typically expressed in terms of a small number of words: an up-market hi-fi brand might define its core value as 'individuality and soul.' It is often left to engineers and designers to interpret and express those values in products. Yet, if those values are really to count in the battle for customer attention, it is important to understand what the words mean in the context of the brand, how they differentiate you from your competitors, and how they should be made manifest in the products.

Positive customer experiences are the fulfilment of brand promises. To maximise the impact you make on customers, it is important to explore the full richness of the context in which the product is used, focusing particularly on benefits which customers experience. Recognise that some customers may not perceive the product the way you do. The Sun Microsystems chairman, Scott McNealy, recently rattled the automotive industry with his remark that cars are 'nothing more than Java browsers with tyres'! One technique which is particularly valuable for this exploration is benefit mapping – a process which explores the spectrum of rational and emotional benefits a product delivers. Figure 1 is an example benefit map for a hair-care product.

Innovative products deliver appropriately-identified benefits using the best technology – from any source. Often technologies that have most power to break the paradigm come from outside the existing industry structure and supplier base. Speedo demonstrated this effectively at the Sydney Olympics with its Fastskin costume inspired by shark skin.

To identify a broad range of suitable opportunities for developing your brand, you build coherent and credible links between each of these components. This is shown as three processes in Figure 2, which is for a fictitious car marque with core brand values of 'luxury and power.' Each component acts as a starting point to build appropriately aligned links to the other two. Sometimes it is important to run one process in successive iterations, in order to refine the link and make it more compelling. Working through all three processes helps to overcome limiting assumptions about the best way forward and to move beyond gaps in understanding.

The customer-initiated process links experiences that are important to customers to core brand values and then shows how they can be realised through technology – in this case, active noise cancellation pampers the customer, helping to lower stress levels.

The brand-initiated process shows how core brand values can be embodied in customer experiences that can be realised through technology – in this case, side-looking radar can help customers experience the power core brand value through safer overtaking.

The technology-initiated process explores how enabling technologies can help create customer experiences that reinforce core brand values – in this case, optically variable pigments can be used to express the power core brand value.

Taken together, this process generates a portfolio of opportunities for taking the brand forward that need to be prioritised using objective criteria. Typical examples of criteria include the degree to which you are better able to exploit the opportunity than your competitor, ability to protect technology used in the product through patents, strength of positive response in market tests, cost and risk.

To implement this approach in a company, the different facets of the whole process need to be reflected in the team responsible for its success. Key contributors will typically be drawn from research and development, manufacturing, strategy, and marketing, sales and brand management. Full benefit from the team's buy-in and insight requires collaboration from conception to implementation.

No one knows the future, least of all in a time of fast-paced change. But fusing brand, customer experience and product will give you the best return on your assets today and the insights needed for continued success in years to come.

Figure 1

Customer-initiated process		Brand-initiated process		Technology-initiated process	
Process	Example	Process	Example	Process	Example
Customer experience	Over-stressed lifestyle	Core brand value	Power	Enabling technology	Optically variable pigment
Contact point with product	Increasing time in traffic jams	Experience embodying value	Effortless overtaking	What it does	Changes colour with angle
Contact point with brand	Luxury leads to refreshment	Contact point with brand	Assess traffic situation	Customer experience	Better defined car styling
Leverage features	Great music experience	Leverage features	Alert driver to blind spot	Brand value	Power
Realise with technology	Active noise cancellation	Realise with technology	Side-looking microwave radar	Connection to brand value	Emphasises muscularity

Figure 2: Examples of ways to link brand, customer experience and product

Successful brands from powerful visions

Professor Leslie de Chernatony, *Centre for Research in Brand Marketing, Birmingham University Business School*

It is becoming apparent that, in many categories, there are more similarities than dissimilarities between competing brands. In an era where technological advances enable consumers to benefit from enhanced functional strengths, this also enables competitors to analyse a leading brand's characteristics, then emulate the formulation.

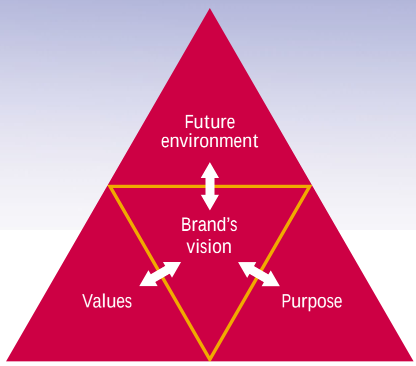
Increasingly, the basis for sustainable brand differentiation will centre more on the intangible benefits associated with the emotional and experiential benefits. These can be communicated through creative advertising but, when there is an incongruence between the brand promise and the brand experience, consumers become dismissive of a brand and, aided by the internet, many rapidly see through the externally communicated brand veneer.

One of the biggest challenges for senior managers is adopting a pan-company perspective on branding, such that all employees not only understand their brand's promise, but are also committed to delivering it. Some might argue that this can be resolved through good internal communication. Helpful though this is, it is but part of the process for successful branding. The nature of humankind is that after being told something people forget, when shown how to do something they understand, but when involved in the process they become more committed.

Successful brands thrive when senior management resists the temptation of 'micro-management', ie being overtly prescriptive about exactly how tasks should be undertaken. Rather, by being open, participative and visionary, staff become enthused about their brand and respect the confidence entrusted in them. This becomes particularly apparent when the brand vision catches their imagination.

A powerful brand vision consists of three components as the diagram shows.

Those brands that thrive, typically have a stretching vision about the type of environment they would like to bring about. By deliberately having a long-term horizon, of the order of ten years, incremental projections are discouraged. Visionary strategists think in terms of bringing about welcome change and do not shackle themselves with the current operational constraints. Adopting a long-term horizon makes executives aware of the discontinuities they and their team are going to face in bringing about their futuristic environment.



The three components of a brand's vision

Some organisations start this process by bringing the senior team together and thinking deliberately about the problems and uncertainties consumers face, then envision the opposite environment. Others start the process by drawing on the work of other futurologists, using some of their scenarios to stimulate ideas about an exciting new world for the brand. Yet another approach successfully employed is to use a Delphi technique, inviting senior managers to make explicit desired future environments, then circulating responses and, through an interactive process, gain consensus.

There is no 'correct' view about the envisioned brand environment. It is the process of bringing together senior managers, surfacing, debating and arriving at a consensus that is critical. In an organisation where the culture encourages debate, the senior team's envisioned future can then act as a stimulus for a company-wide debate about a future everyone wants to bring about.

The second component of a powerful brand vision is the brand's purpose. This is more than increasing shareholder wealth and making profit, as these are taken-for-granted essentials. Rather it is about how the world will be a better place as a consequence of the brand. For example Nike's purpose is to help people experience the emotion of competing and winning. One way of surfacing a brand's purpose is through encouraging the brand's senior team to interact in a workshop, with a facilitator posing the opening question, 'why is the brand important?'. As replies emerge, so this probing continues until the senior managers feel confident that the purpose relates to a change which brings about a better world, excites staff and provides a clear sense of direction.

The third component is the brand's values. As consumers buy brands because their values align with the brand, and staff choose to work for specific organisations because their values and the firm's values align, both consumers' and employees' perspectives need to be considered. A period of soul searching can be beneficial, since as the team start to consider what their firm stands for, what they and their colleagues stand for and what values consumers particularly appreciate, so they can make explicit assumptions about core values. Furthermore, by then getting senior managers to consider their own values, those espoused by their firm and those important to consumers, any inconsistencies can be used to help align values better, encouraging a more integrated brand.

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British Brands Group

The British Brands Group represents the interests of brand manufacturers in the UK. Membership comprises companies of all sizes across a wide range of product sectors.

The role of the Group is to encourage recognition of the values and benefits of brands to consumers, society and the economy and to represent the interests of brand manufacturers on issues which affect their ability to operate in a framework of fair competition.

The Group is the UK representative of AIM, the European Brands Association based in Brussels.