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'Operationalizing' the Brand: Bringing It to Life Internally Strengthens Brand *and* Business

by Michael Dunn, and Scott Davis



Brand is slowly making an important shift away from its traditional position as part of the marketing function to becoming a key player in a company's overall business strategy.

Forward-thinking organizations recognize brand is not merely an adver-

tising campaign or catchy slogan, but the set of expectations and associations evoked from each experience with the company or its products. If everyone in the organization understands this, along with their individual role in

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'Operationalizing' the brand

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bringing the brand's promises to life, it's a sure way to market success. We call it brand operationalization—on organizational discipline that's proving its worth at a growing number of businesses.

The bottom-line impact

Itron, a Spokane-based company in the energy marketplace, provides a compelling example of how operationalizing brand can impact a company's bottom line. It sought to transform itself in the minds of customers from being just a meter-reading company to a provider of energy marketplace data and knowledge. Chief Executive Officer LeRoy Nusbaum recognized that Itron had to shift both the position of the brand and the way in which it was being managed to achieve this goal.

Itron's first step was to ensure all employees were fully educated on the new brand strategy and how their roles would help bring the new Itron brand to life. To reinforce its importance, profit sharing was tied to employees' ability to live the brand. And results were phenomenal. During the first year of the new brand focus, Nusbaum believes these efforts helped contribute to a huge jump in Itron's stock price—from \$3.70 to over \$32 a share—and an all-time high in employee morale.

Itron was successful in building a brand-driven business—a business in which employees at each organizational level understand and strive to uphold the brand's promises and what the brand strategies are trying to accomplish. But many companies still face the challenge of figuring out how to bring their brand to life through their people, systems, and processes in order to fuel long-term, sustainable growth. Accomplishing this hinges on success within five specific brand-driven areas.

Brand and business strategy alignment

Achieving total alignment between brand and business strategy is a crucial

starting point and the first step towards brand operationalization. Neither brand or business strategy can be developed in a vacuum; they must be inextricably linked if the company hopes to maximize its strategic decision-making and brand-building capacity.

Amazon.com is a great example of a company that achieved this alignment and assessed its business issues within the context of its brand. For example, when customer service costs became a concern, its team used a brand filter to examine the underlying issues. Rather than just doing a typical quick fix like cutting staff or call center facilities, the team analyzed the rising costs, evaluated the issue, and weighed possible solutions against Amazon's brand promises.

The result? The customer service department was completely overhauled and more self-service components were added in response to customer requests for more specificity with regard to order shipments, all without cutting staff or closing call centers. Taking these steps enabled Amazon to optimize its operations, lower costs, improve service, and strengthen brand relevance in the minds of its customers.

Commitment to brand building starts at the top

The second step is to establish a demonstrated clear and consistent level of commitment to brand, which is crucial in the successful operationalization of brand. In order to be effective, this charge must be led by the chief executive officer. He or she is responsible for instilling the belief and delivering the message that brand is the responsibility of the entire organization. Other members of the senior management team must in turn support that message.

The CEO of 3M, for example, leads the company's branding efforts, and is supported by a brand management committee comprised of high-level representatives from various facets of the organization who are focused on strategy and tackle the tough brand-building issues that may arise. This type of senior level team is often referred to as an Executive Brand Council (EBC). As a

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result, brand involvement throughout 3M is very high. This type of top-down involvement gives clear signs that brand building is a serious undertaking and serves to generate opportunities for all employees to get involved in the brand building process.

Kodak has also successfully implemented an EBC, comprised of the chief executive officer, chief operating officer, chief financial officer, chief marketing officer, business unit presidents, and external consultants. Paula Dumas, Kodak's vice president of industry marketing, says the council basically serves as a board of directors for the company's chief marketing officer. Any changes to policies tied to brand, or requests for new investments to support brand must go through the EBC for approval. Specific changes approved by the brand council are reflected in the company's annual operating plan.

A consistent impression is crucial

The CEOs of 3M and Kodak recognize that while they are key players in build-

and solutions with the right level of customer care and service to create a customer experience consistent with the company's brand promise. The company has combined technology leadership and a focus on providing complete solutions with its ongoing customer care and service to ensure it provides a highly satisfactory, loyalty-inducing relationship across all interactions with its customers. As GE Power Systems' regional leader Don Lucas put it: "Why would the customer want to go anywhere else?"

Be a brand-driven organization

The fourth step in transforming your company into a brand-driven organization is ensuring your organization is structured to support, sustain and develop a brand-based culture. That means every employee must understand the brand's promises and their individual role in bringing the brand to life within their functional areas and eventually develop a lasting connection to the brand.

It's often necessary for even well-established brands to refresh or realign their

the brand to life in their job. By providing such framework and tools for employees to use, as well as sharing insight and the rationale behind the brand, Nike was able to reinvigorate its workforce.

Measure your progress

Having a measure of progress in place is one way to know for sure if your brand-building efforts are paying. Implementing measures to gauge brand-building efforts is the fifth step toward operationalizing the brand.

When measuring the perception and performance of your brand, the focus should be on the activities that push the organization closer to achieving its business performance goals. A good set of brand metrics will enable your organization to develop the brand strategically, and should follow these basic underlying rules:

- Is it simple to use?
- Is it meaningful?
- Is it actionable?
- Is it repeatable?
- Is it touchpoint oriented?

The new era of brand

Adopting a brand-driven approach to business pays off by not just creating a stronger brand, but a stronger business. In today's increasingly competitive environment, having a strong brand is essential for businesses to set themselves apart from the competition and keep a competitive advantage. It's time for companies to take a hard look at their approach to brand management and ensure a structure is in place so that the brand promises are delivered upon consistently throughout the organization. ■

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ing a brand-based culture, it takes buy-in from every employee and consistent delivery of the company's brand promise across every point of interaction, or customer touchpoint, to ultimately achieve brand-driven success. This is the third step toward the operationalization of brand. It makes sense if you think about it. Each time customers see one of your ads or call your customer service department, they are forming an opinion about your brand based on that interaction.

GE's technology businesses are an excellent example of brand consistency across touchpoints as they continue to invest in integrating their technology

culture with their brand. Nike is a good example. After years of aggressive growth, Nike had hit a wall and realized it needed to realign its employees with its brand to help get its business back on track. To do this, the company developed a set of maxims that revolved around its core beliefs about the Nike brand and how it relates to the daily functions of the company's employees. These included such statements as "Simplify and go," and "The consumer decides."

A comprehensive rollout of this initiative was executed through a series of events, which included featuring local employees talking about how they bring