

Brand Building Must Change

Think of any well-known brand, like Apple or Coke or United Airlines. What comes to mind? Probably a host of things, including logos, taglines, symbols, and abstract meanings that you associate with these brands. The better-known a brand is, the more extensive is our knowledge, imagery and perceptions about the brand. All of these things, in combination, reflect the brand promise. When we buy a brand, we essentially buy the promise underlying the brand.

But what happens when a brand fails to deliver on its promise? If the brand fails one time and it is a brand we are loyal to, we may forgive it or may even overlook it as a one-time incident. But if a brand repeatedly fails to deliver on its promise, we end up dissatisfied and may even feel that we were cheated by the brand. The greater the promise, the higher the likelihood that we will feel disappointed with the brand if indeed it fails to deliver on its promise. For example, if a brand like Apple which has a very clear, distinct promise around innovation, style and functionality fails on any of these attributes, we are more likely to be disappointed than with another brand that has no clear positioning and does not perform well.

In some ways, the brand promise is closely tied to delivery of the promise and in the long run, consistent delivery is a critical element for building a sustainable brand promise along with advertising and communications. This is particularly true for companies that sell durable products and/or services. Put another way, building a brand in these industries goes way beyond marketing communication. The brand is the total experience the customer has – the experience is the brand.

For instance, among consumer packaged goods, such as perfumes, or soaps, or cosmetics, the brand promise is primarily built based on perceptions and imageries that are created through advertising and communications. The delivery of the promise is less important because in some cases what gets consumed is simply the appeal of the differentiated image and perceptions of the brand, and not a real functionality.

So as long as the company commits to a consistent and effective advertising and communication campaign, they are likely to build and keep reinforcing the brand promise and positioning. Denim is denim in most respects. The communication of the brand promise relative to style, image, and personality differentiates the material rather than the denim's functionality.

But for consumer durables and services, no matter how much the company spends on advertising and communications, if over time consumers feel that they are not getting the functionalities and attributes that were promised to them through taglines, advertising, and images, the brand promise will not sustain. When designing marketing campaigns for these products and services, a marketer needs to be keenly aware of this and needs to evaluate and monitor whether or not it is consistently delivering on its promise among its customers. The problem is that often brand management is viewed in isolation from brand delivery, the former being measured primarily through brand equity and advertising research, while the latter falls under the purview of customer satisfaction and CRM. This is a mistake.

So, as a brand manager for service-oriented and/or durable brands, there are a few things that are critical to remember:

- 1) **Ensure that your customer satisfaction measurement is closely tied to your brand equity research and ideally linked to one another.** So, if your brand's tagline is "fly the friendly skies" (as was United's a few years ago), your customer satisfaction tool should evaluate if your customers are getting a friendly experience at all touch-points (e.g. ticketing through baggage handling). There are a number of ways this can be achieved. First, it is possible to develop an integrated measurement system that captures overall brand perceptions and loyalty and then drills down to specific customer experience-attributes at all touch-points as well as perceptions-related attributes for advertising and communications. The benefit of this approach is that the back-end modeling can not only tell us whether or not the brand is being lived at all touch-points but can also reveal the effectiveness of the current brand promise in building overall loyalty and market share. It is highly critical to incorporate the various brand attributes in the customer touch-point surveys and ensure overall monitoring of the delivery of the brand promise.

2) **Ensure that you train all your customer-facing employees on the brand promise and use customer measurement to evaluate if your employees live the brand.**

How many times have you walked into the store that promises prompt and friendly service and it has taken you fifteen minutes to even locate someone who can help you? It is critical that you train, empower, and incent your employees not just to be service-oriented but to be clearly mindful of specific brand attributes that differentiate your brand from competitors. Wherever possible (e.g. retail stores, call-centers, account representatives, insurance agents, real estate agents, etc.), collect data at the employee level – measure if the employees, and their processes, are living the brand and exhibiting brand-consistent behavior and incent them accordingly. If it is not possible or is cost-prohibitive to implement this at an employee-level, consider using this approach at a unit level (e.g., store-level, district level, etc.).

3) **Create cross-functional teams to take action from your customer research and use customer experience feedback in developing your advertising and communications, and fine-tuning your brand positioning.**

While this is not a common practice, we have used brand-centric customer experience surveys to not only improve customer facing touch-points but also to inform advertising, particularly message development. For example, for a major financial services firm, we found that customers highly valued and appreciated the personalized sales relationship and the custom knowledge of their situation that the salespeople brought to the table. This was an important driver of customer loyalty and differentiated the company from its competitors. The client used this information to refine its communications – the overall position of leadership remained the same, but the message revolved around excellence in relationship-building, customizing and solution-orientation. So, your customer satisfaction and loyalty surveys, if designed properly, can provide you opportunities to better differentiate and position your brand.

In summary, we recommend that marketers who are involved in developing brands in durable products and service sectors should start considering customer loyalty and satisfaction programs as integral in their brand-building effort, and should use customer research as a valuable resource. This has not historically been the case but today's demands of brand building that encompasses the total customer experience argue for nothing less.

Hansa provides a full range of qualitative and quantitative research services. Our experienced research and consulting team, including PhD-level statisticians, uses innovative, data-driven methodologies tailored to our clients' research needs.

We pride ourselves on our ability to truly understand the voice of the customer and translate that voice into winning strategies for brand development, marketing communications, customer relationship enhancement, and product/service innovation.