



## **Walking the Walk**

**MARCOM'S ROLE IN BUILDING,  
GROWING AND SUSTAINING  
BRANDS IN THE NEW MARKETPLACE**

**Alma Derricks & Lee Gaither**

**10.20.06**

## On the agenda



Introduction

Defining branding

▶ **BREAK I :: 930A**

The brand + marcom connection

Step-by-step brand building

Quantifying brand value

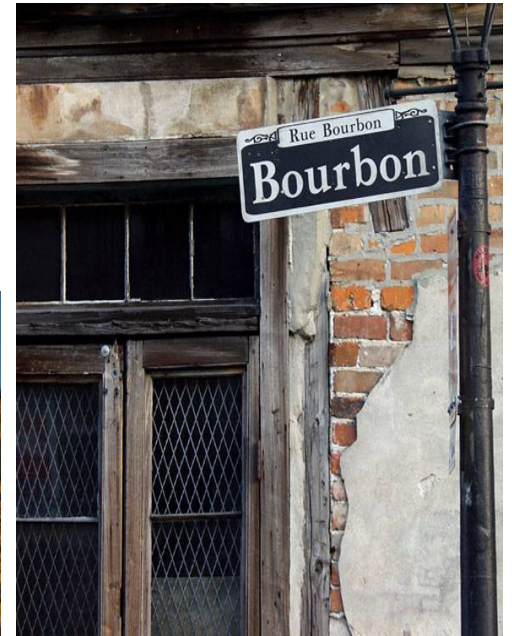
▶ **BREAK II :: 1030A**

Case study

Final Q&A

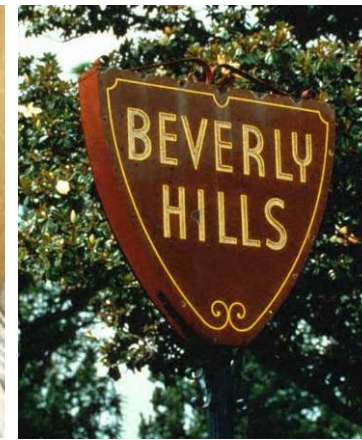
Final thoughts

▶ **WALK THE WALK! :: 1145A**

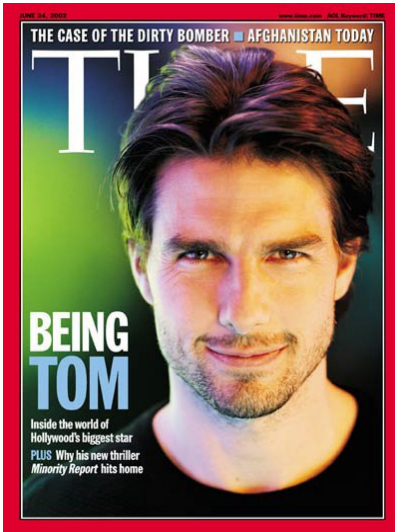


YAHOO!

WAFFLE HOUSE



WALMART







## brand

The sum of all the characteristics, tangible and intangible, that make the offer:

- ▶ unique
- ▶ differentiated
- ▶ focused
- ▶ relevant
- ▶ emotional



## **brand essence**

The distillation of a brand's intrinsic characteristics into a succinct core concept.

*Disney :: family magic*

*BMW :: Ultimate Driving Machine*

*Google :: search*

*Las Vegas :: no boundaries*



## **brand identity**

The outward manifestation of the essence of a corporate brand, product brand, service brand or branded environment.



## **brand positioning**

The specific niche in which the brand defines itself as occupying in the competitive environment. Positioning addresses differentiating brand attributes, user benefits and target segments, singly or in combination.



## **brand engagement**

The alignment of an organizations people and processes behind the brand to ensure services, products and their delivery consistently live up to the brand promise.













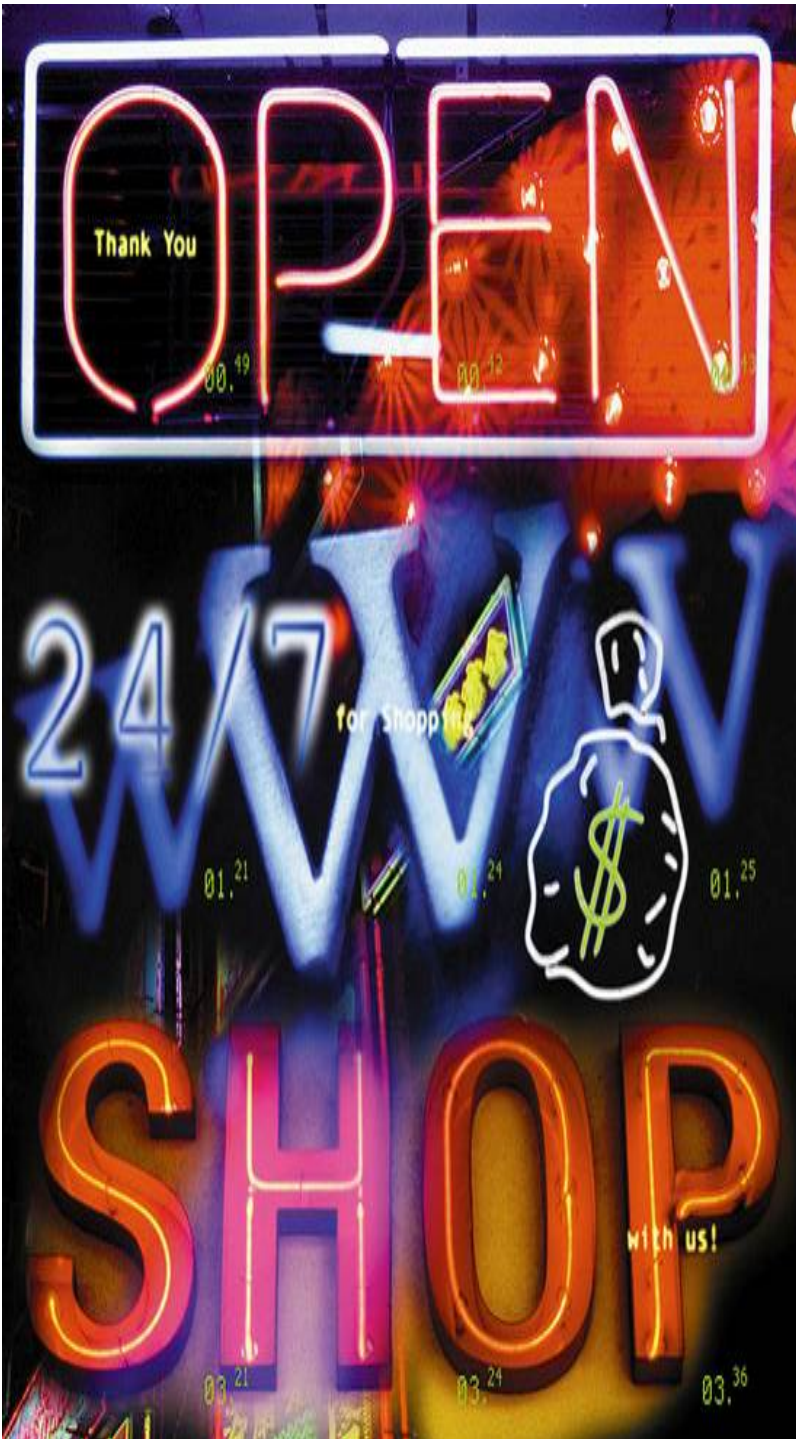
## Walking The Walk :: thinking = saying = doing

	product	company	consumer
inner	intend	think	expect
action	promise	say	hear
meaning	deliver	do	feel

Break







## Marketplace 2.0

### Dynamics

- one-way vs. two-way
- 24/7 & global

### Consumers

- high-expectations
- empowered

### Businesses

- broad & robust competition
- transparent

### Media

- fragmented
- diluted influence



## Building brands :: Step-by-step

- ▶ Commit to a bold business strategy
- ▶ Clearly define your target audience
  - demographics, psychographics, common sense
- ▶ Articulate a big idea
  - differentiated
  - credible
  - relevant
- ▶ Create a compelling message
- ▶ Select and prioritize key consumer touchpoints
- ▶ Measure and quantify results
- ▶ Repeat...



## **Branding = \$\$\$**

Stock market value - book value = “goodwill”

- brands account for over 33% of shareholder value

Intangible value drives business value

- influences choices of customers, employees, investors
- average corporate life span grows from 25 to 60 years
- strong brands routinely outperform the market (e.g. sales, irrational pricing & margins)

Brand competition drives innovation

- pressure to improve and evolve
- Increased social accountability

Branding focuses the organization

- efficient use of resources
- increased employee morale and focus



COMPANY	2002 BRAND VALUE (billions)	BRAND CONTRIBUTION TO MARKET CAP
<b>Coca-Cola</b>	<b>\$69.6</b>	<b>51%</b>
Microsoft	\$64.1	21%
IBM	\$51.2	39%
GE	\$41.3	14%
Intel	\$30.9	22%
<b>Nokia</b>	<b>\$30.0</b>	<b>51%</b>
<b>Disney</b>	<b>\$29.3</b>	<b>68%</b>
<b>McDonald's</b>	<b>\$26.4</b>	<b>71%</b>
Marlboro	\$24.2	20%
Mercedes-Benz	\$21.0	47%

Source: BusinessWeek, Interbrand.JP Morgan, 2002



## Branding by the numbers

- ▶ Establish preliminary baselines & metrics
  - identify what can you count, measure or rate
  - establish strict guidelines
  
- ▶ Look and listen
  - conduct formal surveys, focus groups
  - don't ignore informal feedback
  
- ▶ Take advantage of new technology
  - polling and surveys
  - email
  - automated tracking



**x Microsoft®**

Break





- America's oldest registered distillery - established 1866
- Distillery located in Lynchburg (pop. 361), Tennessee
- Unique distilling process - distilled whiskey is charcoal mellowed drop by drop before aging
- America's top-selling premium distilled spirit
- Most popular American spirit in the world
- Acquired by Brown-Forman in 1956



*“At Brown-Forman, our brand of business is as much about the past as the future.”*

- heritage
- tradition
- history
- quality
- lifelong customer relationships
- global reach
- entrepreneurial zeal
- long-term, 100 year perspective

## Case Study :: Questions

1. Carefully define your target audience
2. Articulate your big idea
3. Create a compelling message
4. Select and prioritize your key touchpoints
5. Describe the metrics you will use to measure branding effectiveness

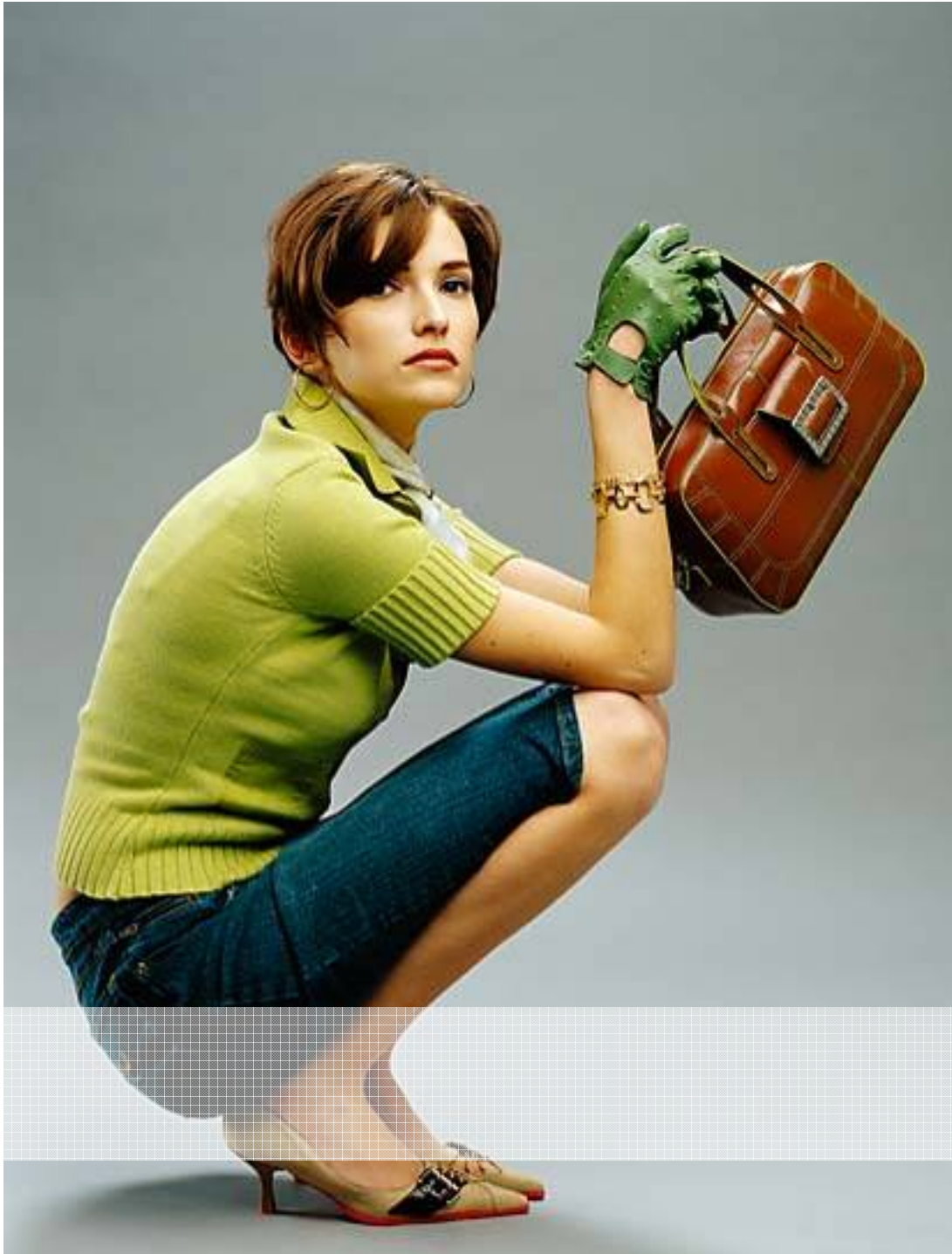




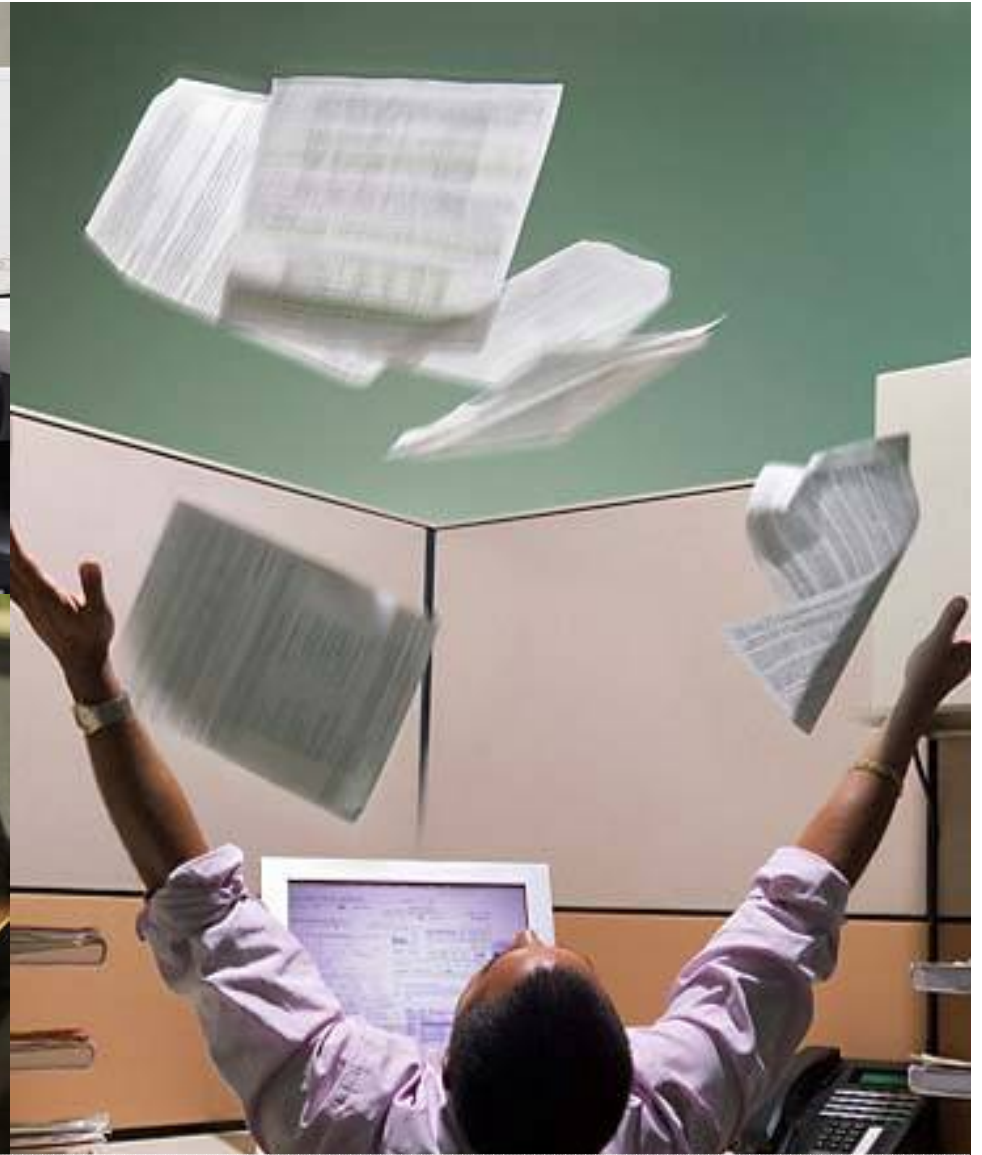
**soccer moms**



**seniors**



**models**



**office workers**



**golfers**

Q&A





## Walking The Walk

- #1 A brand is much more than a logo
- #2 An outside-in perspective is key
- #3 Coordinate business + brand strategy
- #4 The new marketplace is two-way
- #5 Marcom is all about reputation-building
- #6 Effective branding yields measurable results
- #7 Take advantage of new technology
- #8 Differentiate!
- #9 Activate!
- #10 Communicate!



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*Thank you!*

**[www.rev.la/WalkingTheWalk.htm](http://www.rev.la/WalkingTheWalk.htm)**