

The Value of a Strong Brand

By Dr. Jürgen Häusler

As products become more and more similar, as services become increasingly complex, as competition becomes tougher and markets become less manageable, brands come into play to solve some central problems for consumers. For companies and providers alike, a brand is the single most important tool for acquiring a unique company profile that sets them apart from others and, at the same time, makes them desirable. For consumers, brands provide a sense of orientation in the ever-expanding flood of products and suppliers, which has long made choice a struggle rather than a pleasure.

For all intents and purposes, the functional or qualitative aspects of products have become secondary to consumers making purchasing decisions. Consumers increasingly choose brands. And identify with brands.

In a nutshell: strong brands make themselves visible within the market, provide a competitive advantage in that they are already anchored in the minds of consumers during the act of purchasing, and, finally, serve as the basis for long-term customer loyalty.

Measurable success

The value of strong brands is well founded. And this value can be measured. In the current valuation of the “World’s Most Valuable Brands”, an astonishing amount of financial value is associated with brands. The world’s top three brands represent enormous capital value: the value of Coca-Cola is estimated at 69 billion US dollars, Microsoft follows at 65 billion dollars and IBM at 53 billion dollars. The BMW brand has an estimated value of 14 billion dollars.

For this reason, brands are not merely an “on-the-side” job for communication professionals. Instead, they play a crucial role in successful corporate strategy. A significant amount of money is invested in brands, and the value of communication measures is proven. Ongoing and focused brand management and continuous investment in the building up of a strong brand pay off.

Integrated communication makes brands strong

But how is brand value achieved? How do strong brands emerge? The answer is found in the “secret word”: integrated communication. Everyone talks about it, but few have mastered it. Professional brand management with efficient brand management tools lead to the development of a strong brand. Integrated communication means nothing other than placing the complete spectrum of corporate communication within the context of the brand.

Credibility on all levels

Corporate communication must be believable. Contradiction in communication results in loss of credibility. Integrated communication ensures clear and coordinated statements – in every situation, for every theme. An integrated communication strategy includes significantly more than just an advertising strategy with several related ad campaigns. It

includes all communication disciplines and brings together advertising, PR, sales promotion, sponsoring, as well as corporate, employee, and financial communication.

The brand personality as the clear line

One of the most important requirements for integrated communication is the definition of a distinct brand personality. This definition remains as the clear line over all communication measures and is the foundation for unmistakable and unchanging statements. Those who give their brands individual personalities and fill them with values will succeed in making the brands come alive and making them tangible for their target groups.

To make the core values of a brand come through consistently the central character traits of the brand must be established. This is because in communication, brands act like individuals: those lacking vision or clear goals do not come across as convincing. In other words: one who doesn't know what he wants to communicate communicates poorly.

Clear and specific identities with a framework

Successful brands have a strong and unmistakable identity. They are visually easy to recognize. The typical profile of a brand emerges through the systematic use of logo, colors, typeface, layout, images, and a characteristic design. The brand must always be able to convey the same values in every situation – from point-of-sale to stationery, from Internet to sponsoring.

An additional challenge emerges when a company must make a very large or complex range of products and/or services come to life. In this case, a more or less complicated branding structure is necessary to achieve clarity and transparency. In addition, the branding structure must be developed according to the rules of efficient business practices. In view of the necessary requirements for making a brand global, the right branding structures must be implemented in order to give the brand even a chance of succeeding. An umbrella brand strategy makes use of possible synergies among different areas of product offer. Often it is only after a drastic reassessment and revision of an out-of-hand brand portfolio that the critical mass – the right balance – can be achieved.

The key to success: centralized competence

In order to make efficient use of communication there cannot be a focus on single, unrelated “attractive” events. Instead, a broad range of enduring messages must be conveyed. The building up of successful brands therefore assumes centralized competence and the ability to put things into action. Communication must play a central role in corporate strategy; all communication activities should be combined within a single sphere. For internal implementation of integrated communication, clear processes and structures are needed. Up to now, not enough attention has been given to this organizational “backbone”.

The three “Golden Rules”

For the communication process and for the management of communication activities, there are three main rules to follow:

First: Focus. In practically no other field is the saying “less is more” more fitting. Concentrating on the essential, however, is notoriously difficult in an environment (such as communication) where everyone has something to say and individuals who think well of themselves seek to add original statements.

Second: Homogenize. Not only in the field of communication is it often difficult to maintain the things that have been deemed appropriate for extended periods of time in the various channels of communication. But this is the only way that a unified and clear message can emerge.

Third: Penetrate. In the end, it is not the brilliance of the creative idea (without which, of course, nothing is possible), but rather the enduring and recurrent implementation and enforcement despite daily challenges that counts.

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