Beyond Stewardship to Brand Infusion

Karl D. Speak

About Karl D. Speak

Karl D. Speak is a global expert known for his pragmatic and unconventional approach to using brand as a leadership platform for gaining customer loyalty and employee engagement. Karl's innovative work on personal brand and internal brand building has been implemented in companies in 23 countries. His best selling book, *Be Your Own Brand,* is translated into 10 different languages and has sold over 50,000 copies.

Through Brand Tool Box, Karl has implemented his contemporary approach to brand management and internal brand building with a wide range of corporate clients. Clients such as BASF, Cargill, Cabela's, Honeywell, Target Corporation, American Express, EDMC, Federal Express, ING, IBM, US Bank, BMW, Mosaic, AT&T, Motorola, Securian, Skandia, Syngenta, Walgreens, The Scotts Company, The Wall Street Journal, 3M, Toro and SONY have benefited from Karl's consulting and internal brand-building programs.

Karl holds a Masters Degree in Economics from the University of Minnesota. Karl teaches in the MBA programs at University of Minnesota, University of St. Thomas, and has been guest lecturer at University of Westminster in London, Capella University, ESADE University in Madrid, among others.

About Brand Tool Box, Ltd.

Brand Tool Box, Ltd. is the global leader in developing and implementing internal brand-building programs. It is a unique professional services organization melding world-class brand expertise and organizational development best practices creating engaged employees that consistently deliver what's most important to customers.

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Brand Stewardship

By Karl D. Speak

Originally published in the Design Management Journal, Winter 1998

The necessity to build brand loyalty is rapidly becoming a new business truth. Now more than ever building brands has become a part of the routine business conversation, and

for good reason. Organizations across all categories are placing much more emphasis on the use of brands in their business strategies. The increased popularity of brands as a strategy seems to be driven, in part, by a desire to emulate the success of nouveau riche

companies, like Nike and 3M. It's popular to be a brand. good reason. Organizations across all categories are placing much more emphasis on the use of brands in their business

Additional interest in brand building is being driven by the turbulent changes taking place in the business structure of the global economy. Acquisition, divestiture, deregulation, and global consolidation appear to be the norm, not the exception, and all this restructuring means changing marketplace relationships. Brands can be defined as unique, proprietary marketplace relationships that provide long-term strategic value to the organization. These branded relationships are the core of the intangible assets of the new economy

For those newly created brands, the challenge is to move beyond the initial event of creating a new brand identity to a process that supports long-term brand building. Organizations with established brand equity have a different challenge: striking a healthy balance between meeting short-term business objectives and nurturing the long-term growth of the brand assets. In either case, the task is to develop and nurture a process that integrates brand building into the fabric of the organization's business activities.

This new-found charm around brands is good news for those

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individuals in organizations who have held that informal position of "brand steward" - the folks in corporate communications departments or corporate identity professionals who have had that frustrating job of preaching to the uninterested. That "lone voice in the woods" now has a chance to be heard. Organizations need leadership in moving from short-term brand management to the longer view of **brand stewardship**

Great brands, and brand loyalty, are the result of organizations acting as stewards of the brand relationship.

Stewardship

Most of us don't typically associate the concept of stewardship with the world of business. Stewardship, the active process of safeguarding, protecting, and/or building up valuable resources entrusted to our care, implies a sacred duty or higher obligation to a larger community. Stewardship principles and ideas are more commonly linked with the realms of religion and public service. In organized religion, stewardship is about learning to wisely use and apply our "time, talents and treasures" to better serve God and the universe. In the public service sphere, stewardship is usually part of a larger discussion about how to best use scarce resources to promote the well-being of the public or larger community.

What is Brand Stewardship?

While stewardship is most strongly associated with a devotion to the higher callings of God or country, the basic concept is critically important to the success of business and organizations today. Organizations that want to thrive in today's marketplace must, increasingly, concern themselves with the higher values that support the brand's promise and preserve the distinctive relationship with its markets.

The best application of stewardship principles in the business world comes from Peter Block's work in organizational development. Block defines stewardship as "the willingness to be accountable for the well-being of the larger organization by operating in service, rather than in control, of those around us." Block goes on to describe the core ethos of stewardship as choosing service over self-interest.

Businesses and other organizations that want to maintain strong, positive relationships with their targeted constituencies must continually protect, safeguard, and build up the value of their brand equities. Put another way, organizations are responsible for ensuring that their brands stand for value, service, quality and other attributes that matter most - over the long-term - to the people they serve.

Stewardship, in this context, clearly applies to the concept of brand building. Stated simply: Brand stewardship is the leadership and accountability for the long-term well-being of the organization's brand equities. It mediates the natural tension between the use of brand assets to contribute to the organization's on-going operating results and the long term preservation of the brand's equity, supporting future business growth.

At the core of brand stewardship is a clear understanding of brand and the beliefs they are built upon. Brand is a promise and a relationship that goes far beyond the purchasing decision or the delivery of product satisfaction; it includes an emotional payoff, a sense of security, pride and in some cases, self-definition. Brands are built on a belief system; and it is these beliefs that support the brand's promise and create value for the targeted consumer. Great brands understand and own the responsibility they have to their consumers and are rewarded with loyalty in return. Brand stewardship, therefore, involves a long-term approach to maintaining the brand promise and brand relationships that create and sustain brand equity. This, in turn, requires an ability to operate without self-interest and an understanding that the brand is bigger than any particular brand manager, at any given point in time.

There are three basic reasons why brand stewardship is so important today. First, the growing popularity of decentralized organizations has minimized most central control or influence over the use of corporate assets such as brand equity. This means brands are frequently left to drift. Second, the intense pressure on producing short-term financial results has clearly shifted the brand management focus to harvesting brand equity, not rebuilding it. Most companies do not recognize the damage done to their brands caused by not re-investing resources in maintaining or strengthening them. Finally, there is the "revolving door" rationale for focusing on brand stewardship. The high industry turnover rate among brand and product managers results in a lack of continuity in managing the brand. This continual changing of the guard means that there is often no consistent, long-term strategy for maintaining brand equity. Hence, the need for brand stewardship.

It is my belief that brand stewardship is best supported by a holistic brand management process that employs a disciplined approach to preserving and growing an organization's brands.

Initiating the Brand Stewardship Process

Integrating the brand stewardship discipline into the organization is challenging and takes time. The brand stewardship discipline challenges the organization to do business differently. This means a commitment to:

- Engage the executive leadership in articulating ing a vision and point of view on key market place relationships
- Inject a consistent brand building discipline throughout the entire marketing process
- Engage the entire organization in reinforcing the brand's promise in every action taken by the organization – internally and externally.

Stepping Up to the Challenges of the Inside Brand Manager

Implementing any new discipline or process requires the development and acceptance of a common language. An essential first step in the brand stewardship process, therefore, is to jump start a dialogue on brands and brand building in the organization. The conversation should begin with the executive team, move to the marketing and communications functions and, finally, seep into the grass roots. It takes a deliberate, concerted effort to get the brand conversation going, but it can be done.

Create an Open Brand Architecture

Brand management is not rocket science. For too long the process of building brands has been held up as a "science" that is understood by a self-appointed group of brand experts made up of advertising executives and marketing consultants. Building "branded" customer relationships is not tied to any specific marketing tactic, such as advertising and promotion. Brand management goes well beyond any brand communications program. In fact, brand management is the practical process of coordinating all the functions of the organization to produce a consistent brand experience. Brand equity is created when consumers actually experience – and prefer – the branded product or service.

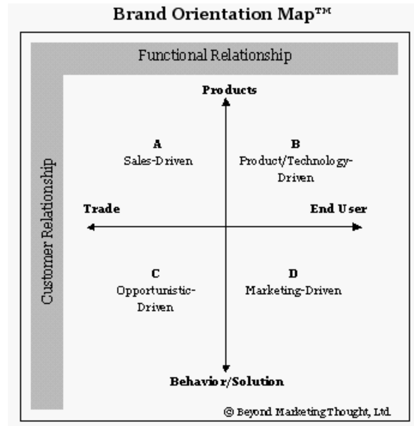
Even though brand management is a rather straightforward discipline, it still needs to be understood to be practiced. The understanding must be universal, practical and the learning must be actionable. Creating wide spread awareness and knowledge of brand management is an important step in the brand stewardship process.

- Understanding the organization's current orientation toward marketplace relationships
- Creating a common definition of the concept of brand
- Articulating the fundamental parameters that define the organization's branded relation ships

Brand Orientation – Describing the Organization's Viewpoint on Marketplace Relationships

To successfully implement the brand stewardship process, it is vital to understand the organization's point of view on marketplace relationships. So often is the case where corporate communicators or identity professionals become frustrated thinking that the organization "doesn't get it." Before that frustration turns into unhealthy stress the brand steward would do well by understanding the organization's inherent beliefs about marketplace relationships. Every organization has a point of view, stated or unstated, of how they use their resources to build marketplace relationships. This point of view has a major impact on how it embraces and uses brand management the brand orientation, therefore, gives the brand steward critical insight and perspective on the level of effort that will be required to implement a brand stewardship discipline.

Below is a graphic model that can be used to understand an organization's brand orientation. This model attempts to depict an organization's brand orientation by analyzing two fundamentally different marketing perspectives: 1) functional relationships; and, 2) customer relationships. In fact, it is possible to differentiate an organization's brand orientation by placing it into one of four brand orientation categories defined by these different marketing perspectives. The organization's perspective on either functional or



This model attempts to depict an organization's brand orientation by analyzing two fundamentally different marketing perspectives: 1) functional relationships; and, 2) customer relationships. In fact, it is possible to differentiate an organization's brand orientation by placing it into one of four brand orientation categories defined by these different marketing perspectives. The organization's perspective on either functional or customer relationships – and, ultimately, its brand orientation – does impact its marketing behaviors, investments and priorities.

The chart's vertical axis is a spectrum that plots an organization's **functional relationship**. Functional relationship describes how an organization views functional relationship with its marketplace. On the extremes, this spectrum suggests that organizations expect to gain advantage by defining their functional relationship with their markets based either upon a product relationship or behavior/solution relationship. Organizations which favor a product orientation believe that they will maintain a competitive advantage by continually delivering a superior product that satisfies a particular need. At the other end of the spectrum, we find organizations, which base their functional relationships on satisfying a broader-based customer need. They do this by satisfying a broader set of customer needs that are defined by a behavior, for example – "athletic performance" shoes as opposed to "running shoes" – a complete, rather than a partial solution.

The other perspective described by this model is the customer relationship. This spectrum differentiates organizations based on where they put more emphasis on satisfying the

the needs of their trade customers or end users. Organizations which favor their trade customers put more emphasis on the "push" side of the marketing lever. Those at the other end of the spectrum put more emphasis on a relationship with their end consumers, and believe they will have greater advantage with "pull' marketing strategies.

Taken together, these two marketing perspectives – functional relationships and customer relationships – help us better understand an organization's orientation toward marketplace relationships and, ultimately, its challenges in implementing the discipline of brand stewardship. Before describing each orientation, it is worth noting that one orientation is not better than another. An organization's orientation is nothing more than a basic approach to continually gaining competitive advantage.

The orientation can also provide some insight into how the organization approaches brand management.

The Four Marketing Orientations

The sales-driven organization (depicted in quadrant A) believes in the superiority of its product and views trade customers as its primary concern. Many organizations have this orientation. They generally believe in building brand equity primarily with their trade customers, mostly through sales activities and one-on-one relationships. An example would be 3M.

The product/technology-driven organization (depicted in quadrant B) relies on its product or technology abilities to create and sustain superior relationships with its end users. Its brand orientation is based upon a belief that its superior technology is so valued by end users that it can pull or dictate terms with its trade customers. Organizations with this type of brand orientation believe that their technical competence is their loudest brand voice and place less emphasis on the other dimensions of the brand relationship. Microsoft is a good example of a company with this type of brand orientation.

The opportunistically-driven brand orientation is depicted in the lower left side of the graph, or quadrant C. Organizations with this orientation believe that their competitive advantage is driven by being particularly responsive to the needs of their trade channels. Hence, they place a lot of stock in marketplace relationships with trade customers. Generally these organizations built their initial brand equity with a sales-driven orientation and used the success of a particular product to establish brand equity. This success was followed by expanding the product set based upon the opportunities dictated by their dependence on trade channels. Organizations here are vulnerable to distressing their brand equity by extending their brand recklessly in reaction to the wishes of their trade customers. Certainly, companies with this orientation can be very successful, but they must pay extra attention to their brand management practices. Coleman, the outdoor products company, is a typical example.

Finally, we come to the marketing-driven orientation, depicted in quadrant D. Organizations which subscribe to this brand orientation have developed a richer sense of brand equity. In most cases, this is due to competitive necessity. These organizations believe in the value of influencing end users and know that to cement and build the brand franchise they must have a functional relationship that goes beyond a product or set of products. To maintain an enduring relationship with end users, they know that their brand must relate to a very important behavior or solution. A prime example is Nike, which began as a sales-driven company and evolved to its current brand orientation.

What's the best brand orientation? It depends upon many factors. In reality the challenge is to create movement across each axis and evolve brand rela-

Creating a Common Definition of Brand

Brand is a marketing concept used with almost reckless abandon. Reading through a stack of reference materials on the subject is a very confusing experience to a person unfamiliar with the subject. Yet to create the common language needed to improve brand management and integrate the brand stewardship discipline, we must have a workable, shared definition of brand.

Through time there have been many different models developed to define the concept of brand. Unfortunately the result has been definitions that either attempt to perpetuate the "black-box science" referred to earlier in this article or they have been too complex or academic for any pragmatic use. Neither approach gives us the "working clothes" definition required to implement the discipline of brand stewardship. We need a definition that is simple to understand and use, yet robust enough to support this important organization discipline.

Following is a time-tested model that defines a brand in terms of 3 basic characteristics.

In many cases, a brand is first described by its functional output: What does the brand do for us? This is a called a brand competency. Consumers generally define a brand's competency in straightforward, general terms. This brand perception then becomes the basis for determining the comparative set of brands in making purchase decisions.

The second perceived brand characteristic is known as brand standards. These attributes describe the distinctive brand characteristics that describe how a brand delivers its competency. Brand standards play a very important role in creating brand preference in most product and service categories.

Brand style is also important, especially as the category matures. Sometimes referred to as the brand's personality, this perception defines the distinctive attributes that become the basis for how the brand communicates with its constituents.

This model has proven to be very useful in brand stewardship efforts because it is simple to use and understand. It is also very helpful in creating and promoting a common language around brand stewardship.

Defining Brand Relationships – Brand Stewardship Framework

For brand stewardship to effectively take hold in an organization there must be a solid framework to support the discipline. This framework defines the key milestones in the process that supports long term growth of brand equity. The framework supports the

brand stewardship process in the context of commonly accepted brand management techniques.

Unfortunately, most organizations don't execute each step on a regular basis, as a part of a robust brand management regimen. In general, we find that organizations execute these different brand management techniques sporadically and most often in a reactive manner, attempting to accomplish them in a compressed, unrealistic time frame. Organizations must proactively engage in each of these brand management activities, to ensure the growth of their brands.

Key pieces of the brand stewardship framework include:

Branding Identity Strategy – This is the process a mediator Special attention must be paid to striking the proper brand stewardship balance. Weighing the brand's contribution in the marketing mix against how the marketing mix is adding back value to the growth of the brand's equity.

Brand Equity Measurement – Brands exist in the minds of their targeted constituents. Without regular measurement of brand perceptions, however, using robust research techniques, it is very difficult to manage and grow brands. Outside-in thinking is an integral part of the brand management belief system. By this, I mean the discipline of seeing things through the eyes of your customers. It is important to realize that brands are defined by the perceptions of people outside the organization, and that to manage a brand, therefore one must aim to understand those perceptions.

Brand Stewardship Needs a Brand Steward

Who is the brand steward in an organization? In the best cases it is the CEO or a senior executive with respect and clout in the organization. Most often, however, organizations don't designate a specific individual to serve as a brand steward. The task is spread out among a number of different people who are responsible for different pieces of the brand relationship. Sales executives are responsible for the revenue producing portion of the brand relationship. Marketing executives are responsible for advertising, promotion and the product management aspects affecting the brand relationship. Corporate communications has responsibility for identity and broader brand communications. Unfortunately the interests of each of these groups are driven by short term oriented activities and motivated by different performance criteria. Just because an organization doesn't have a recognized brand steward, with the attendant respect and clout, doesn't mean that there aren't brand "believers" walking around. Unfortunately these "believers" do not have the clout and tools required to be brand stewards. It's often the case that the most ardent brand stewards reside in corporate functions such as the corporate communications department. Not being a part of the operating unit or business line makes their job very difficult. Corporate communicators, for example, lack the clout that comes from

It's often the case that the most ardent brand stewards reside in corporate functions such as the corporate communications department. Not being a part of the operating unit or business line makes their job very difficult. Corporate communicators, for example, lack the clout that comes from directly contributing to the top or bottom line. The only tools available to a self-appointed brand steward in corporate communications, therefore, are those of "influencing" and cajoling. These believers often feel that they are a "lone voice in the woods".

What makes a good brand steward? The attributes of an effective, successful brand steward are:

- Brand stewards really "get-it". They understand and believe in the concept of brand stewardship. It's also important that they clearly understand the brand management discipline.
- Brand proud. Brand stewards need to be "brand proud." This pride is usually based on their belief in the brand's promise, and a conviction that they share some of the same values as the brand itself. Moreover, they keep track of and add to the brand's mythology. The purpose of a brand mythology is to pass along stories that demonstrate and emphasize the brand's belief system. These stories dramatize the ethos of the brand by making heroes of individuals who dramatically demonstrate their understanding of and commitment to brand values in real-world situations.
- Respected. To be an effective brand steward, an individual must be highly respected in his or her organization. The necessary respect is generated based upon the steward's professional reputation and a track record that includes earning his/her stripes in a functional area that is prized by the organization's senior management team.
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senior management team.

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Starting the Brand Stewardship Process

It won't be easy to get the brand stewardship process established in an organization – but it's worth it. It will take time, perseverance, and desire. We have seen it happen in different organizations. Following are a few activities that can be very helpful in stating and maintaining the process:

- Educate the executive team – the support of the senior management team is mandatory. Most executives are lean when it comes to brand management knowledge and terminology. Get them in a room and make the idea real, practical and show how it will pay off for the organization.

- Create a brand board of directors – you will need help keeping the momentum going. Solicit key leaders throughout the different functions within your organization. Have them be your advocates and advisers.
- Continually communicate – use existing internal publications to tell the brand story. If you can't get sufficient editorial space, create a Brand Stewardship publication.
- Hold the brand accountable – incorporate a metric that can be used as a part of your organization's annual performance and evaluation process.
- Be a resource – become a reliable source of reference material on brand management techniques and subjects. Sponsor training activities, start a reference library. Send out periodic case studies and other currently published articles that can educate interested staff and executives.

Brand stewardship has a higher purpose. It's a commitment that allows individuals to make a lasting contribution and make a difference. Brand loyal customers depend upon brand stewards.

of aligning the business strategy with the branding identify system of the organization. The objective of any branding identity strategy is to establish the most advantageous marketplace relationships – in line with the business strategy. Simply stated, the branding identity strategy creates a branding nomenclature (naming) system that optimizes and coordinates the portfolio of brand names in line with the business strategy.

Brand Strategy – The focus of the brand strategy is to clearly articulate the dimensions of each brand identity. The articulation of the dimensions of each brand is the basis for consistent, integrated communications. This part of the framework, known as brand infrastructure, is a critical part of the brand stewardship effort. For each brand, the brand infrastructure should clearly define the following:

- Brand position – A unique, compelling state ment that sums up the brands' ultimate mar ket position, meeting all of the standard po sitioning criteria.
- Brand goal dimensions – A set of descriptors, using an accepted brand model (such as the one described above) that clearly defines the distinctive dimensions that will give the brand its advantage.
- Brand promise – A concise, inspiring state ment that reflects the brand's core value proposition to its consumers.

This is a statement to be used for internal audiences and becomes the mantra for "living the brand".

- Brand character – A translation of the brand dimensions in a set of descriptive imagery.

Brand Management Strategy – This is the annual strategy that focuses the on-going marketing activities of the organization on reinforcing the brand's intended promise. It is here where theory meets reality, where much of the contention in brand management exists. The brand steward's vision and guidance can provide real value at this juncture, acting as a mediator Special attention must be paid to striking the proper brand stewardship balance. Weighing the brand's contribution in the marketing mix against how the marketing mix is adding back value to the growth of the brand's equity.

Brand Equity Measurement - Brands exist in the minds of their targeted constituents. Without regular measurement of brand perceptions, however, using robust research techniques, it is very difficult to manage and grow brands. Outside-in thinking is an integral part of the brand management belief system. By this, I mean the discipline of seeing things through the eyes of your customers. It is important to realize that brands are defined by the perceptions of people outside the organization, and that to manage a brand, therefore one must aim to understand those perceptions.

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