



Branding – 25 years of learning in 25 minutes

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The logo for CONCERT features a stylized orange and brown graphic on the left that resembles a curved arrow or a musical note. To its right, the word "CONCERT" is written in a bold, blue, sans-serif font with a trademark symbol (TM) at the end. The entire logo is enclosed within a thin, light blue rectangular border.

Brand

=

The Bond with
your customer

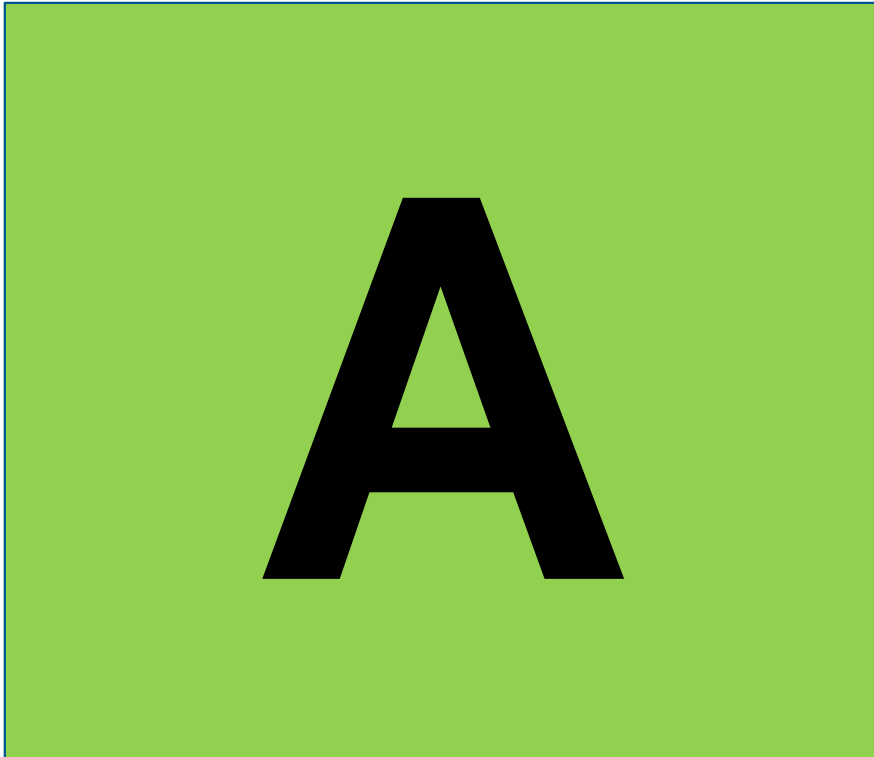
Your
Brand

=

A promissory note
to your customer

Buy from me, I promise to deliver to you...

Brands are more about revenue than design



Origins of brand

- One source dates branding to 13th Century Italy armour
- Some armourers made good quality, heavy duty battle armour and some made inferior copies
- No law of Copyright
- Law against impersonation
- Armour was branded so that knights could distinguish between armourers even when two pieces of armour looked the same


















The armourer branded the finished armour



“My brand is the mark of my reputation”



1965 to Date		Years*
Robert H. Bean		1967 to date
Geoffrey T. Blake		1971 to date
Fletcher S. Carter (Hollisware only)		1965-1973
Chester A. Dow		1965-1977
George F. Gillman		1978 to date
James F. Harvey		1965 to date
John A. Karambelas		1977 to 1980
Henry W. Kruschwitz		1965-1973
Robert H. Lapham		1965 to date
Gayden F. Marshall		1965-1968
Daniel S. Morrill		1965-1980
Danny C. Rogers		1969 to date
Roger R. Rowell		1965 to date
Reynolds F. Senior		1965-1973
George R. Woundy		1965 to date

*Years in which personal signature mark was used.

Branding drives revenue

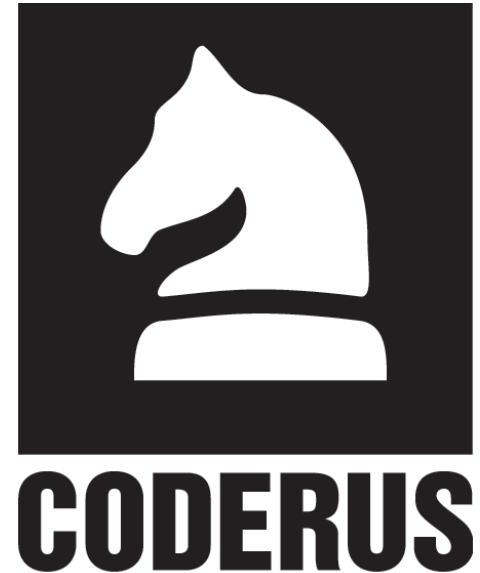
- Branding
 - draws customers to find you (to look for your brand)
 - allows people to recommend you
- One tech VC said he especially valued branding because

“It opens the jaws of the sales pipeline”

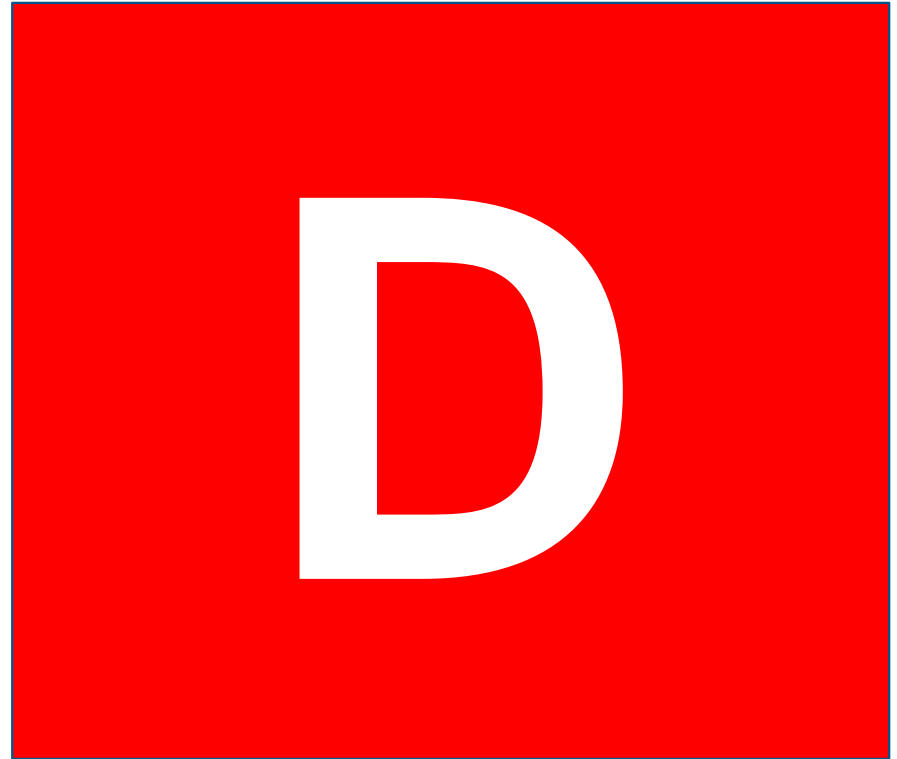
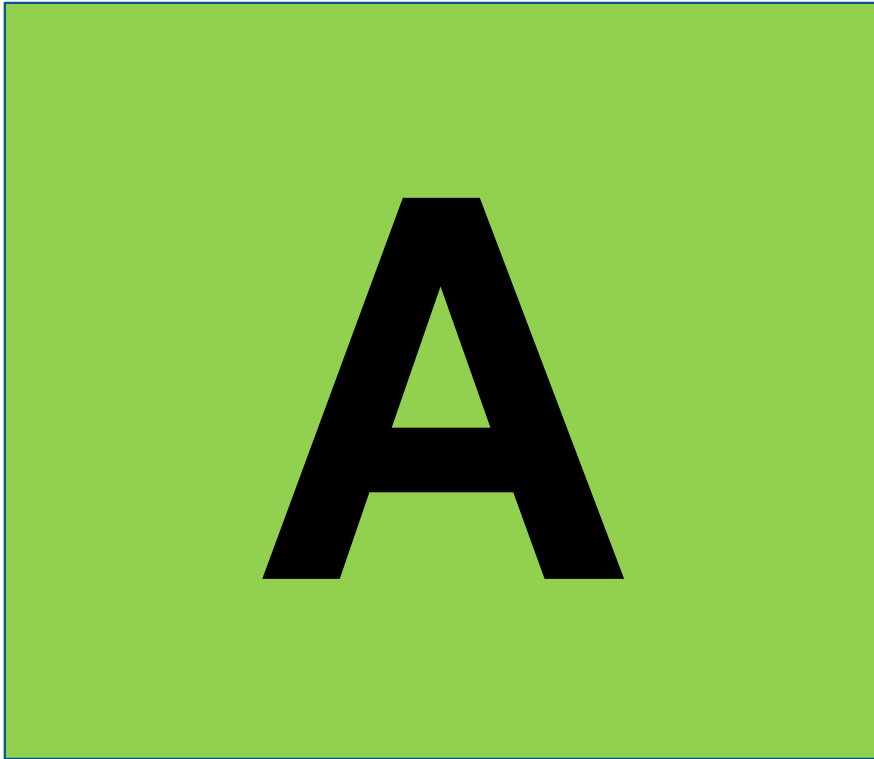


Brand is a revenue issue

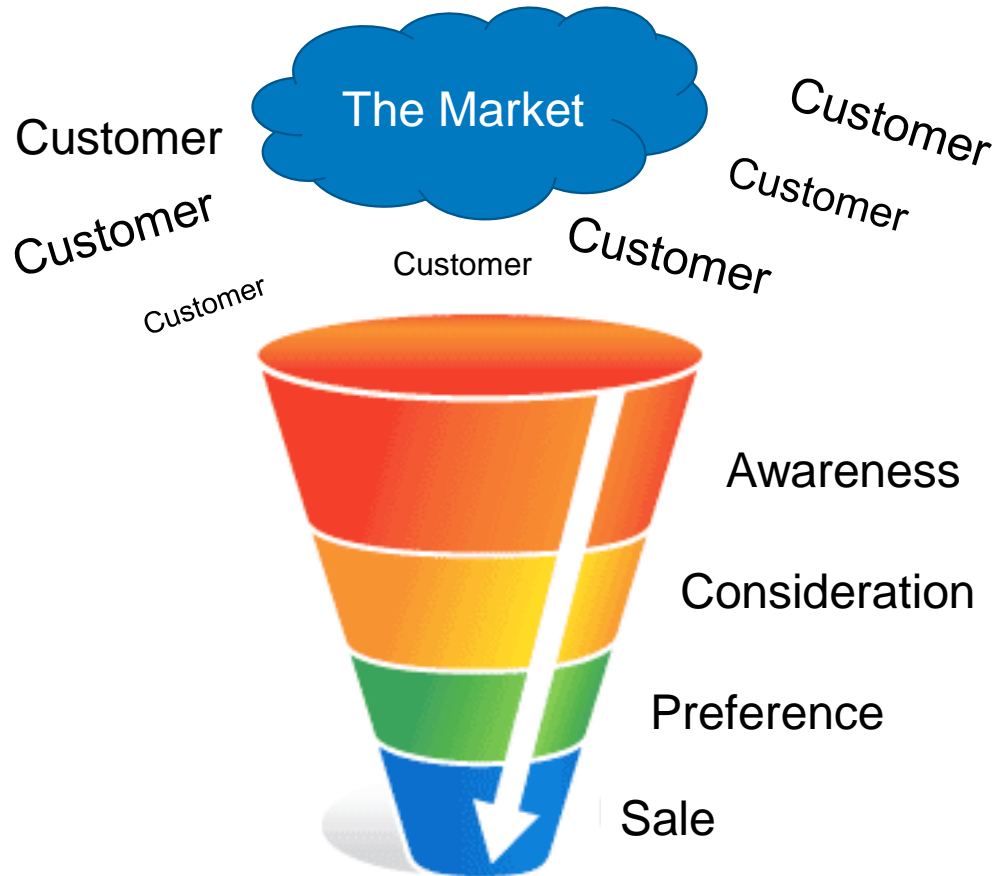
- Brand is a promise that the reputation of the company or organisation – skills, quality, know-how, behaviour – will be delivered to the customer
- Creative design of a logo, images or a colour palette are important
- Using the design to embed meaning is very useful
 - Coderus
 - Innovation Martlesham
- But the aesthetics are **LESS IMPORTANT** than the brand promise



Branding reduces costs



Purchase funnel



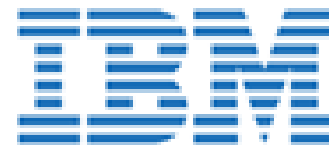
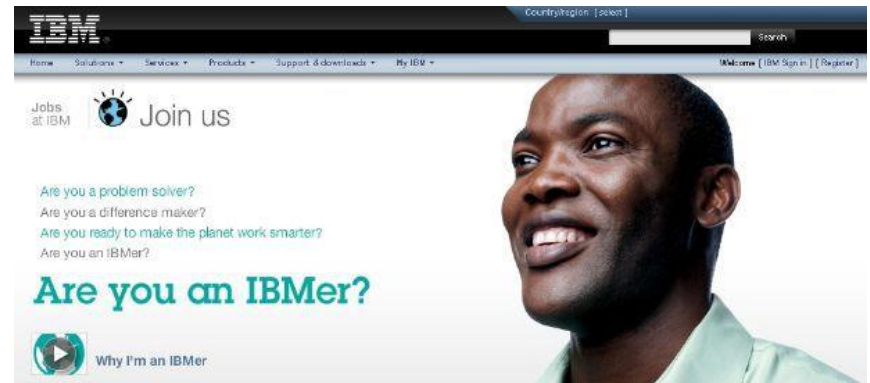
Brand consistency through sales funnel = higher conversion rates = reduce cost

- When customers are buying a product or service, why buy from company A and not B when they are functionally the same?



Brand and Cost Reduction

- Start with company brand values
- Have a clear branding strategy
- Do things once and consistently
- It helps build company culture which reduces ambiguity ... saves time and cost
- Companies who have a consistent brand identity can make every opportunity work at many levels ... saving more cost



Smarter Planet



Be true to your brand everywhere



Google



Answer [www. 7427466391.com](http://www.7427466391.com)

Brand and Customer Loyalty

- Acquiring new customers can cost five times more than satisfying and retaining current customers (E.C. Murphy and M.A. Murphy)
- Brand loyalty is important even where customers make irregular purchases
- Objective is to add “value” into the relationship for existing customers and ...
- remain in mind or “front of mind” for previous customers when they come to make their next purchasing decision
- Objective: you want your customers to mentally “pencil you in” for the next purchase

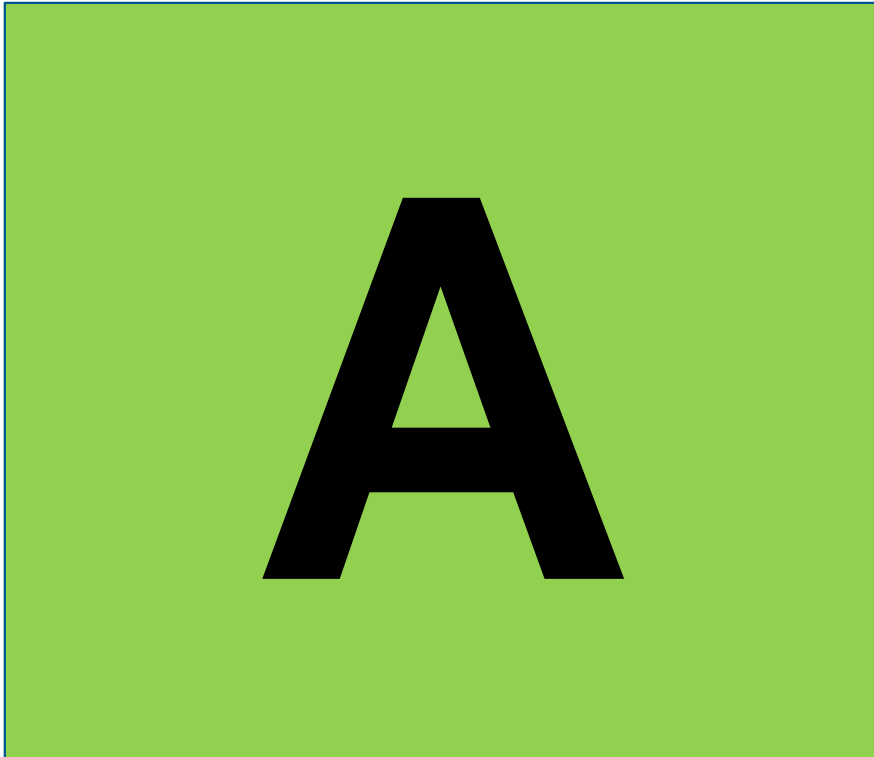


C'mon Nick, branding increases my costs













































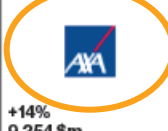

- Money spent on “branded materials”, pop-up stands, adverts... are all costs
- These are just supporting costs for future revenues just like hiring a sales person or running a sales campaign
- Sadly...



Brand drives valuation



Most Valuable Global Brands in 2015

01  +43% 170,276 \$m	02  +12% 120,314 \$m	03  -4% 78,423 \$m	04  +11% 67,670 \$m	05  -10% 65,095 \$m	26  +8% 18,768 \$m	27  +4% 16,541 \$m	28  +8% 15,267 \$m	29  +2% 14,723 \$m	30 ZARA +16% 14,031 \$m
06  +16% 49,048 \$m	07  0% 45,297 \$m	08  -7% 42,267 \$m	09  -6% 39,809 \$m	10  +29% 37,948 \$m	31  +7% 13,943 \$m	32  -3% 13,940 \$m	33  +10% 13,749 \$m	34  -6% 12,637 \$m	35  -9% 12,545 \$m
11  +9% 37,212 \$m	12  +7% 36,711 \$m	13  +13% 36,514 \$m	14  +4% 35,415 \$m	15  -3% 29,854 \$m	36  +7% 12,257 \$m	37  -11% 11,656 \$m	38  +6% 11,578 \$m	39  +8% 11,293 \$m	40  -4% 11,278 \$m
16  +5% 27,283 \$m	17  +16% 23,070 \$m	18  -3% 23,056 \$m	19  +6% 22,975 \$m	20 LOUIS VUITTON -1% 22,250 \$m	41  +22% 10,944 \$m	42  +9% 10,800 \$m	43 L'ORÉAL +6% 10,798 \$m	44  +5% 10,328 \$m	45  +12% 9,784 \$m
21  +5% 22,222 \$m	22  -3% 22,218 \$m	23  +54% 22,029 \$m	24  +3% 19,622 \$m	25  -3% 18,922 \$m	46  +9% 9,526 \$m	47  -8% 9,400 \$m	48  +14% 9,254 \$m	49  +19% 9,082 \$m	50 GUCCI -14% 8,882 \$m

Source: Interbrand Best Global Brands 2015 report

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What drives valuation?

1. Free cash flow – revenues, profit and cash
2. The promise of future free cash flow
3. Strategic fit with acquirer

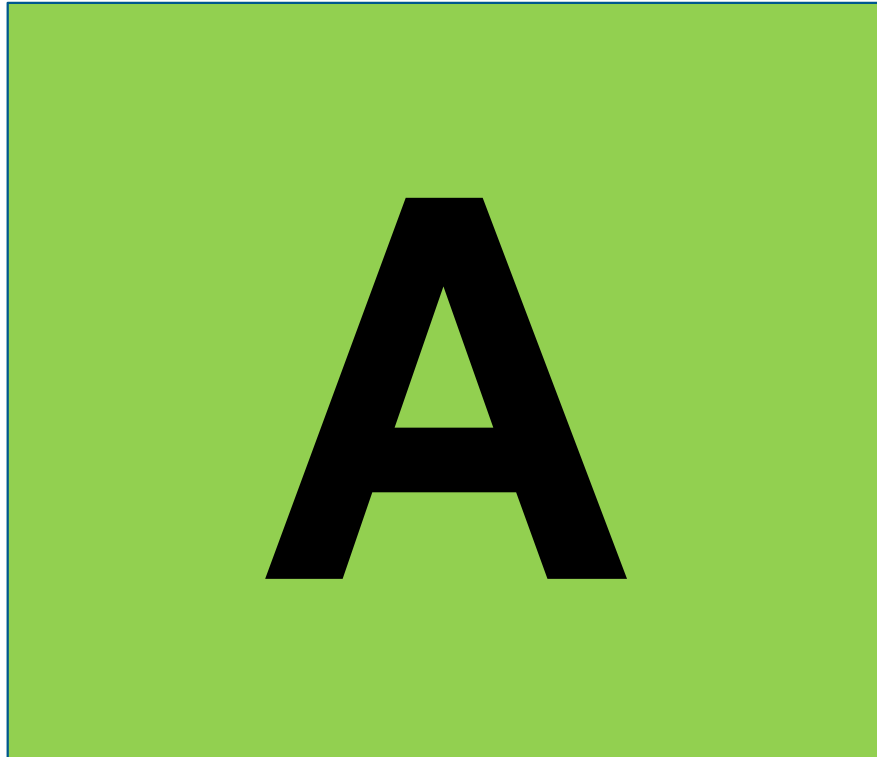


x1 revenue (2003)



x3.5 revenue (2003)

Company brand is more important for tech companies than FMCG



FMCG

The image is a collage representing Unilever's FMCG brands. At the top left, there is a can of Lynx Apollo Dry. Next to it is a Lipton Ice Tea logo. In the center, the text 'MADE BY YOU' is written in large, blue, sans-serif capital letters. To the right of this text is the Unilever logo, which consists of a blue 'U' filled with intricate floral patterns, with the word 'Unilever' written in a blue script font below it. At the bottom of the collage, a horizontal row of logos includes: a red ribbon logo, Dove, Pepsi, Lipton, FLORA, OMO, LYNX, CLEAR, a red heart logo, and BENEJERRE. On the left side, there is a portrait of a smiling woman with long dark hair. On the right side, there is a portrait of a smiling man with short dark hair. The background features several blue geometric shapes, including triangles and squares.

Company brand is more important for tech than FMCG

	FMCG Sector	Tech Sectors	Tech Implications
Market Life	Mature markets evolve very slowly . Successful brands may last for decades or centuries	Fast pace of change renders technology product brands obsolete quickly. Customer expectations change rapidly with technology evolution	Important to <u>brand the company</u> not the solution, as only the company will survive in the medium or long term
Product Life	Long product life durations. Soap and toothpaste are essentially the same today as 100 years ago	Very short product life. Products migrate through adoption curves and are continuously replaced with new innovation. Technology maturity is an oxymoron	Product brand messages need to <u>change</u> with progress through the adoption curve
Procurement Cycle	Decisions are made quickly , sometimes on impulse, by lone consumers based on few criteria	Decisions made by groups (committees) over longer evaluation cycles are based on many criteria and negotiation	Brand can be used to <u>influence, prioritise or trump</u> other decision making criteria as well as defend price premiums
Product Sophistication	Simple products easily understood by consumers.	Complex products, sometimes with intangible benefits requiring expert explanation or sector experience to understand	Brands can be used as extensions to benefit statements and provide competitive advantages over lists of features or functionality

Conclusions

- Brand is a promissory note
- Brands are more about revenue than design
- Brand reduces costs
- Brand drives valuation
- Company brand is more important for tech companies than FMCG
- To deliver the maximum commercial impact – brand values need to be authentic and deliverable without fail

Free brand health check



- Innovation Martlesham Mentors
- Health check format
 - Discussion – 30 minutes
 - Review of your key documents and customer facing material
 - Feedback presentation – 30 minutes



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GROWING COMPANY VALUE