

It Takes a Village to Build a Brand

by William Arruda

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The corporate world is starting to realize that business is a very human endeavor.

In the last year alone, dozens of books were released focusing on the people side of business. Books like *Customer Experience Management*, *CEO Capital*, *The Partnering Imperative* and *The Value Profit Chain: Treat Employees Like Customers and Customers Like Employees*.

Innovative business leaders are waking up to the fact that successful brands are built by *people*. By creative employees, not robots. By loyal customers, not CRM systems. By committed partnerships, not relationships du jour. By visionary leaders, not those with a short-term focus.

Your brand is only as strong as the sum of your relationships with the members of your brand community. "Brand community" is the collective term for all of your human brand assets: your leaders, employees, business partners, customers and shareholders.

These brand assets are more valuable than your infrastructure, your office and even your products. The companies that succeed in today's competitive marketplace—those that stand out, are able to charge a premium for their services and are able to extend into new business areas—are the ones that proactively harness the emotional connections with all members of their brand communities.

You need only look at the companies that consistently show up on *Business Week's* Top 100 Brands, *Fortune's* Best Places to Work and *Fortune's* Most Admired Companies to see the connection between people and the brand. IBM, FedEx, Intel and Harley-Davidson are just a few that show up on all three lists.

Brand managers who focus their energy on the inanimate components of branding are working with only half the brand equation, and not the most important half. The non-human components of your brand are important for building a strong brand foundation, one that communicates the rational brand attributes of your organization, but they do less to build the emotional experience than the activities of your human brand assets.

Nick Graham, the self-titled Chief Underpants Officer (CUO!) of Joe Boxer, says: "The brand is the amusement park, the product is the souvenir."

The amusement park represents the experience. The experience is what turns satisfied customers into evangelists and helps keep your intellectual capital inside your organization.

Focusing on your human brand assets enables you to create *experiences* and build that all-important emotional connection with your brand constituencies. Whether you are selling soft drinks to tweens, face lotion to metrosexuals or software infrastructure to senior IT executives—it is not just about the product; it is about the people.

Even for organizations whose physical brand assets are critical to customer experience, it's the human interactions that count.

Take the hotel industry, for example. Having a posh lobby and a perfectly appointed room is important to building customer satisfaction and creating an emotional link. But a concierge who goes out of her way to get you a booking at a popular restaurant or a front-desk manager who acknowledges that you have just arrived from a long and tiring trip will go a lot further toward building loyalty and evangelism.

Conversely, a bad experience with room service, or an unapologetic desk clerk who explains that your room is not ready, will create a negative brand experience from which it will be difficult to recover. That's true even if there is a down comforter on the bed and Bulgari soap in the bathroom.

I am not advocating against efforts focused on building a strong brand foundation. This is critical to even being considered by a potential employee or customer. The brand foundation must be in place to support higher-order brand-building activities—those that build emotional connections with your constituencies.

Marketing has an increasingly important role in today's businesses. It is a big job. That's why it is even more important to enlist the support of your entire brand community in building your brand.

Once your brand is clear in the minds *and* hearts of these constituencies, they become your brand evangelists and go off steadfastly in support of your mission. Their credibility is enormous. Their power is tremendous. Their value is immense.

Branding in the new millennium is truly about making the most of the people who surround your brand. Remember, it takes a village—your entire brand community—to build a brand. The companies that get that right are guaranteed to be out in front.

The qualities of a highly committed brand community include the following:

Leaders. Senior executives who are focused on building lasting brands sacrifice short-term gains for long-term brand value. Meg Whitman responded to a reduction in revenue at eBay, Germany, with an increased marketing spend. Meanwhile, many other leaders were cutting marketing budgets to gain short-term profits.

Employees. Committed employees stay at your company longer, work harder and deliver on-brand work every day. In addition, they build your brand outside the walls of your organization. Adobe has an annual employee turnover rate of just 3% in an industry with a 12% average. And if you ever meet an Adobe employee, you will see how enthusiastic they are about the brand.

Partners. Long-term alliances deliver on your brand promise for you, thereby supporting and extending your message. Cisco is *BusinessWeek's* 17th strongest brand, *Fortune's* 24th best place to work, and one of *Fortune's* Most Admired Companies, too. Cisco always receives high marks in customer satisfaction. The customer satisfaction component of their partner program holds partners accountable for ensuring high customer satisfaction levels through the same annual survey process that it uses to measure its own customer satisfaction.

Customers. Loyal customers are less expensive to market to, less expensive to service, easier to sell additional services to, and will proactively convince members of their community of the benefits of your brand. BMW is the world's 19th strongest brand and has customer loyalty that's 14 percentage points above the industry average. Its loyal customers spend 15% more on average than new customers at their dealerships.

Shareholders. Shareholders provide the financial backing and will stay with you through the long haul when they are connected to your vision. Amazon.com shareholders embrace the long-term strategy of Jeff Bezos, Amazon.com CEO. He has been honest and inclusive with these constituencies, telling them of his plan to delay short-term profits in order to build the largest and strongest Internet retail brand.