

Building Brand Asset Value Following a Merger: The Landmark Aviation Story

One of the key challenges following any acquisition and/or merger is bringing the new organization together with clarity and common purpose so progress toward the intended goal of building long term value starts sooner.

This was the challenge facing The Carlyle Group recently when they acquired Garrett Aviation and merged it with their existing holdings Piedmont Hawthorne and Associated Air Center. They envisioned the creation of a pure play business aviation services company and sought to leverage the well established franchises of Garrett, PH and AAC into one industry leading enterprise.

A different, more dynamic approach to branding helped the leaders define a compelling focus for the newly merged company, drive enduring change across the organization and express a meaningful promise to the marketplace.

This approach, “brand-led change”, is relevant to the private equity industry because it treats brand reputation as an often under-leveraged asset that has measurable value and competitive advantage in almost any situation.

The overall goal of brand-led change is to accelerate the growth of brand asset value for companies going through disruptive transitions, such as mergers, significant acquisitions, dynamic market change or new leadership.

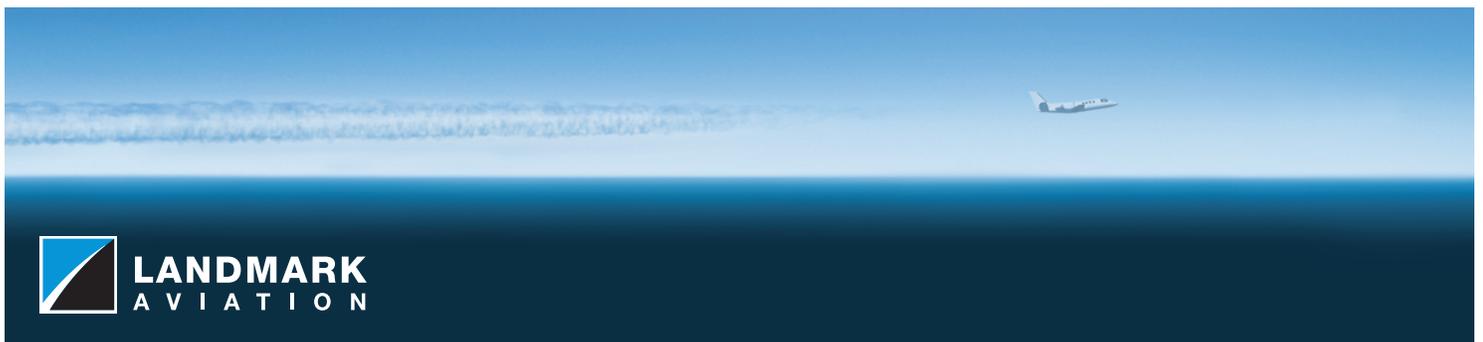
Successful branding, or re-branding in the case of Garrett Aviation and Piedmont Hawthorne, requires the following best practices. All of these are illustrated in the work we did with the leadership team at the newly re-branded Landmark Aviation and with the support of the The Carlyle Group advisors.

How to build brand asset value following a merger.

Brand-led change.

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- 1 Treat branding as a business issue, not a communications or marketing issue.**
Right from the start with Landmark (at the time Garrett/Piedmont Hawthorne/Associated or GPHA), we defined brand as the (desired) reputation of the company. That allowed us to focus appropriate attention on identifying and aligning the business issues and processes that shape reputation and made brand development a strategic priority.
- 2 Brand due diligence is required.**
An objective and thorough assessment of the current brand reputations of Garrett, Piedmont Hawthorne and Associated gave management the insight needed to make confident, informed decisions about re-branding the company.
- 3 Provide a compelling vision.**
People inside the organization want to know what the new, common purpose of the merged company is. Leadership also needed to foster a unified culture. So one of the first things we did was create a new vision: “We are dedicated to enhancing the ownership and operating experience for every customer.” Now, people knew what this newly merged company was all about.





- 4 Recognize that brands today must be true.**
A successful brand in any industry is based on substance and authenticity, not a façade of image and mere promises. A key part of the brand strategy development at Landmark was a deep understanding of the competencies, heritage and realistic potential of the people and services so that could be reflected honestly in the re-branding efforts.
- 5 Focus on the customer experience.**
Brands are shaped by experiences. The re-branding effort for Landmark Aviation is focused on setting the right expectations for an integrated, predictably high quality service experience for every customer. Every significant decision about the re-branding was informed by the customer perspective. The name choice of Landmark Aviation was validated by customer research that showed the name expressed something meaningful and reassuring about the new company.
- 6 Create a common brand culture.**
With three companies coming together under one name, Landmark is committed to creating a common brand culture. It takes more than internal communications to do this. That's why we designed a comprehensive "Living the Vision" learning program and rolled it out to all 2,400 employees at 35 locations.
- 7 Manage brand development as a continuous improvement process.**
The branding at Landmark is not a campaign or initiative. It's an on-going process that's aligned with all parts of the organization, including HR and customer satisfaction programs.
- 8 Don't underestimate the role of creative expression to drive change.**
The new core identity (name, symbol and graphics) for Landmark Aviation sends strong, emotionally engaging signals of change to employees and external audiences. It's important to express this new identity consistently across all communication touch points.
- 9 Put the appropriate measurement and metrics in place.**
The brand-led change process requires appropriate measurement. Internally, we have an employee survey in place to track progress of building a common brand culture. Externally, we have metrics for a brand scorecard linked to other actionable measurement like customer satisfaction and reference.
- 10 Commit to the time and effort required for successful brand development.**
Growing brand asset value takes time and resources. That's not news. What's different about brand-led change is that Landmark is committed to accelerating the process by a tighter focus, more leverage of brand assets and a commitment to a longer-term view.

What is brand?

Brand is not just a name, logo or symbol. Brand is the sum of the perceptions, associations and attributes that customers attach to a company (or product) as a result of the experiences — direct or indirect — they have with the company's products, services, people and communications.

What is branding?

Branding is the process of defining and managing the context for customers to perceive the added value and distinction for a company's offerings that leads to increased preference, loyalty and referral.

Conclusion

Speed to branding is a competitive advantage. Once the decision was made to re-brand GPHA as Landmark Aviation, we moved quickly to launch the new brand internally to employees. Then the announcement was made to external audiences. More marketing efforts and events followed. Today, the internal branding continues with training and communications to ensure we deliver the promises with the urgency and consistency that shapes the desired reputation.

Brand-led change done this way can make important contributions to any company's efforts to build long term value and enhanced growth opportunities.