



TrueBrand

Brand-led Change

BDCI 2005
Shenzhen
October 26, 2005



Branding in China

“The next great phase of business development will center on a very different skill: **brand building.**”

- Fortune Magazine, June 2005

Brand-Led Change

- A powerful approach to brand development
- Allows design to be a competitive advantage

Introducing TrueBrand

- Full service brand consultancy based in San Francisco
- Founded in 2002 by experienced and accomplished partners:
 - Martin Brandt: formerly proBRAND
 - Vince Carra: formerly Luxon Carra, Landor
- Responsible for global brand development of many leading companies in technology, transportation, financial services and other market segments

**We help our clients build brands
people can believe in.**



Redefining Northwest Airlines



- **Challenge**

- Re-position the world's 4th largest airline for the future
- Cost control

- **Our Approach**

- Build on existing equity
- Express new attributes

- **Results**

- Strong statement of confidence
- Cost effectiveness
- Phased approach

Brands Today Must Be *True*

True (tr̄oo): consistent with fact or reality, not false. Something real, genuine or authentic. Faithful, loyal, as to a cause. In proper alignment, sincerely felt or expressed. From Middle English: trewe, meaning firm or trustworthy.

“The way we’re going to compete is to earn a great brand reputation one customer at a time... You can’t have a great brand unless it’s true.”

- Craig Merrigan, VP Strategy, Lenovo

Successful Brands



Internal



External

Successful Brands



Internal



External

NOKIA



SONY



Successful Brands are Aligned



Mis-alignment is Typical



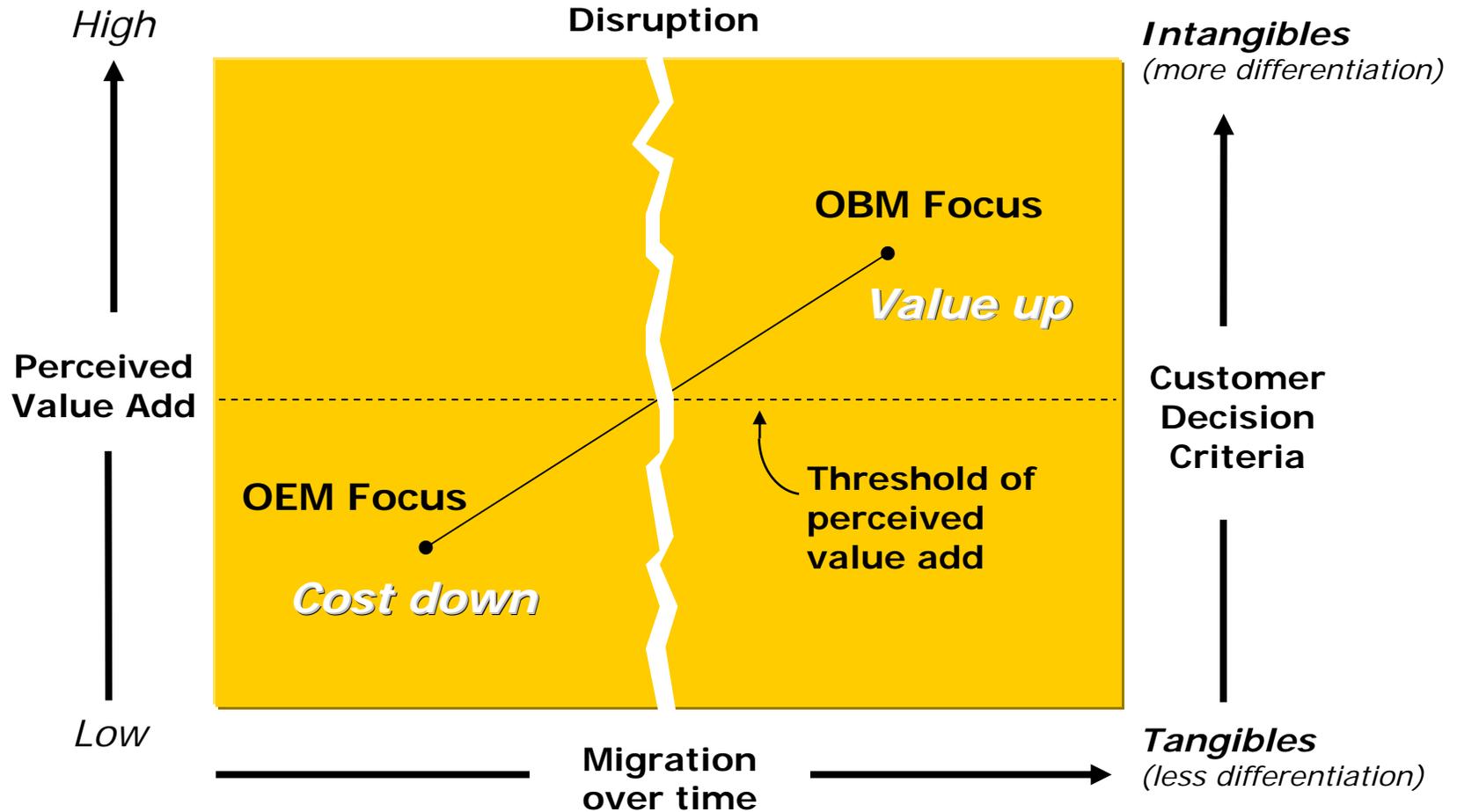
Real-time Alignment is the Objective



The Idea Behind Brand-Led Change

Desired brand reputation...
is the **unifying focus**...
to drive change...
and bring resources into **alignment**
with brand promises...

Migration from OEM to OBM



How Brand-led Change Works

- Brand = **EXPERIENCE**
品牌 = 客户经验



Dell gets it

- Michael Dell's vision: give people a better way to buy computers...
- Dell customer brand experience:
"The sum total of all the interactions that a customer has with our products, people and processes."

3M gets it

- Managing the “Total Brand Experience”

“The TBE is not just about communications, but about the day-to-day interaction that people throughout the company have with customers.”

- “It is essential that we consciously manage the experience.”

Logitech - A Big Shift

Product Focus



Key
Consumer
Insights



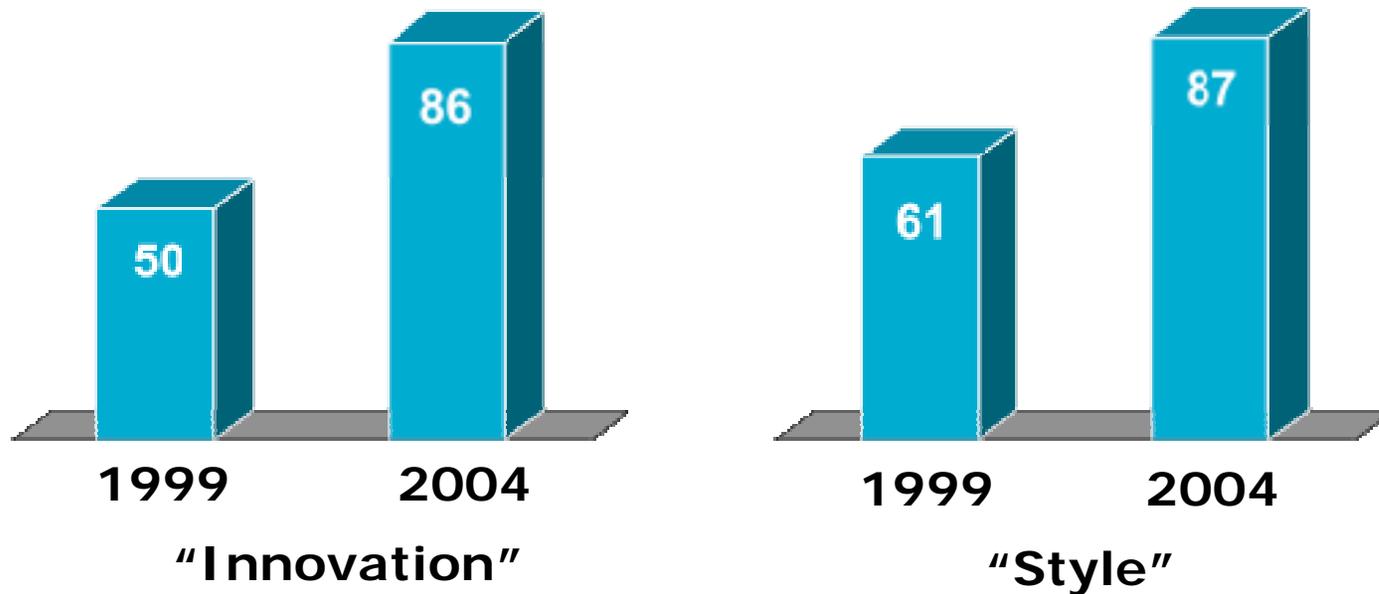
Experience Focus

- No Discipline
- Identity ≠ Image

- Surprising Innovation
- Style/Design
- Control

A Different Experience

- Put a brand foundation in place – 1999
- Focus on “surprising innovation” and “style” pays off
- Revenue up 30%



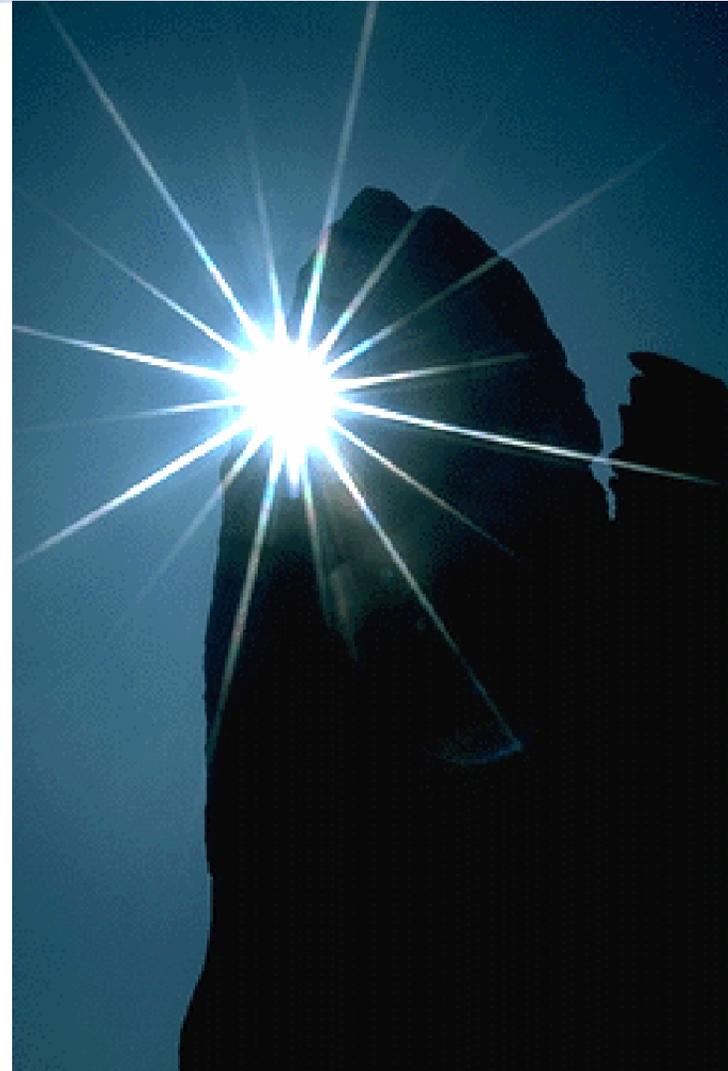
Key Ideas

- Brand = **EXPERIENCE**
品牌 = 客户经验
- Create and manage the **CONTEXT**
创造并经营 品牌情境

About Vision

“Vision without action
is a daydream.

Action without vision is
a nightmare.”



Making a Good Vision Statement

- Internal declarations of purpose
- Reflect what the company stands for and believes in deeply
- Trigger emotional reactions
- Inspire desired brand behaviors
- Consistently communicated and constantly reinforced
- Shorter is typically better

Where's the Passion and Purpose?

Company A Vision Statement

To be the premier provider of products and services in the information age for professional publishing solutions, business publishing solutions, document solutions, and digital imaging solutions in the company's addressed market segments.

Company B Vision Statement

To democratize technology, harness the power of the computer for the individual, and change the world.

Vision: Defines the Context

- Creating purpose for a new company

Before

To be the leading business aviation services provider in the world.

After

Dedication to improving the business aircraft ownership and operating experience for every customer.

IBM: Redefining Values

- Dedication to every client's success
- Innovation that matters – for our company and for the world
- Trust and personal responsibility in all relationships
- Respect for the individual
- Pursuit of excellence
- The best customer service

“An organic system needs to adapt.”

- Sam Palmisano, CEO

The Plantronics Story

- We sell headsets to call centers



Challenge: Prepare for Growth

- Expand into new markets
- Become customer-driven, marketing-led
- Create more widespread recognition
- Create important and sustainable differentiation

“Develop one Plantronics brand worldwide.”

Why is Branding Important?

- Huge Opportunity
 - 14 million interested U.S. workers (not using a headset)
 - 26 million U.S. workers on the phone 3+ hours/day
 - Mobile market emerging
- Very Low Awareness
 - 3% unaided brand awareness
 - 58% cannot name ANY brand
- Category is leaderless with no compelling brand
 - Plantronics is uniquely positioned to create and brand the category

Plantronics Brand Perceptions

Today

- Industry leader
- Limited consumer awareness
- High quality, durable products
- Excellent product support
- Friendly customer service
- Conservative
- Old fashioned

Tomorrow

- Keep what is good
- Add more appealing, emotional attributes
- Focus more on Plantronics brand experience than on product functionality
- Be more reflective of our culture

The Plantronics Vision

Headsets
for
Everyone



Plantronics Core Values: Shaping the Culture

Passion

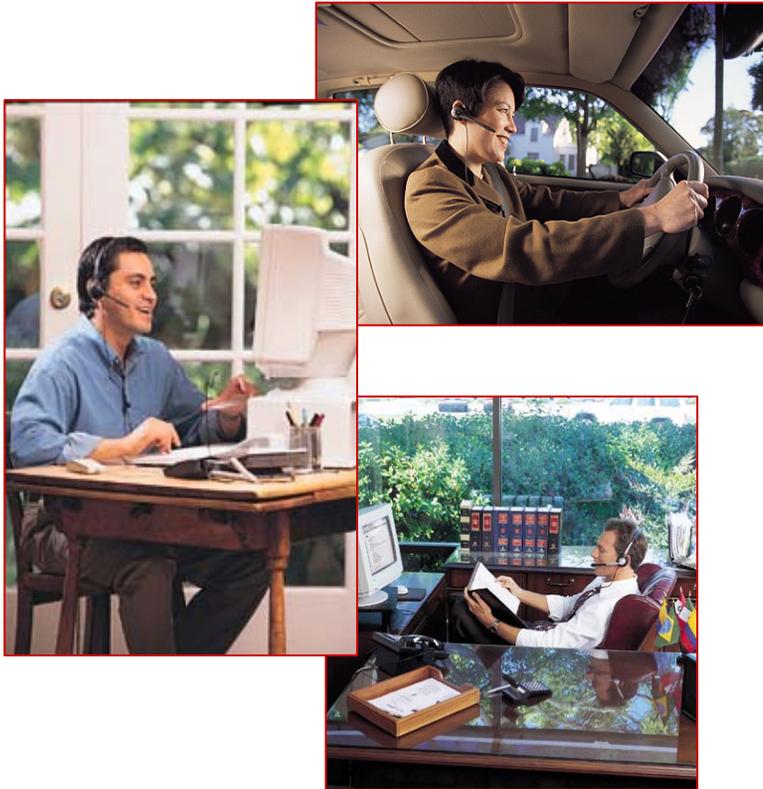
People

Customer-focus

Teamwork

Creativity

The New Plantronics Story



We sell a more natural, hands-free communication experience for people in offices, cars, homes, at computers and in call centers ...

Plantronics Results

- Nearly 10 million people bought last year
- New market growth +40%
- Award winning design
- CES Best of Innovations award
- Revenue nearly \$400 million

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- Brand and Business **ALIGNMENT**
品牌与业务 一致

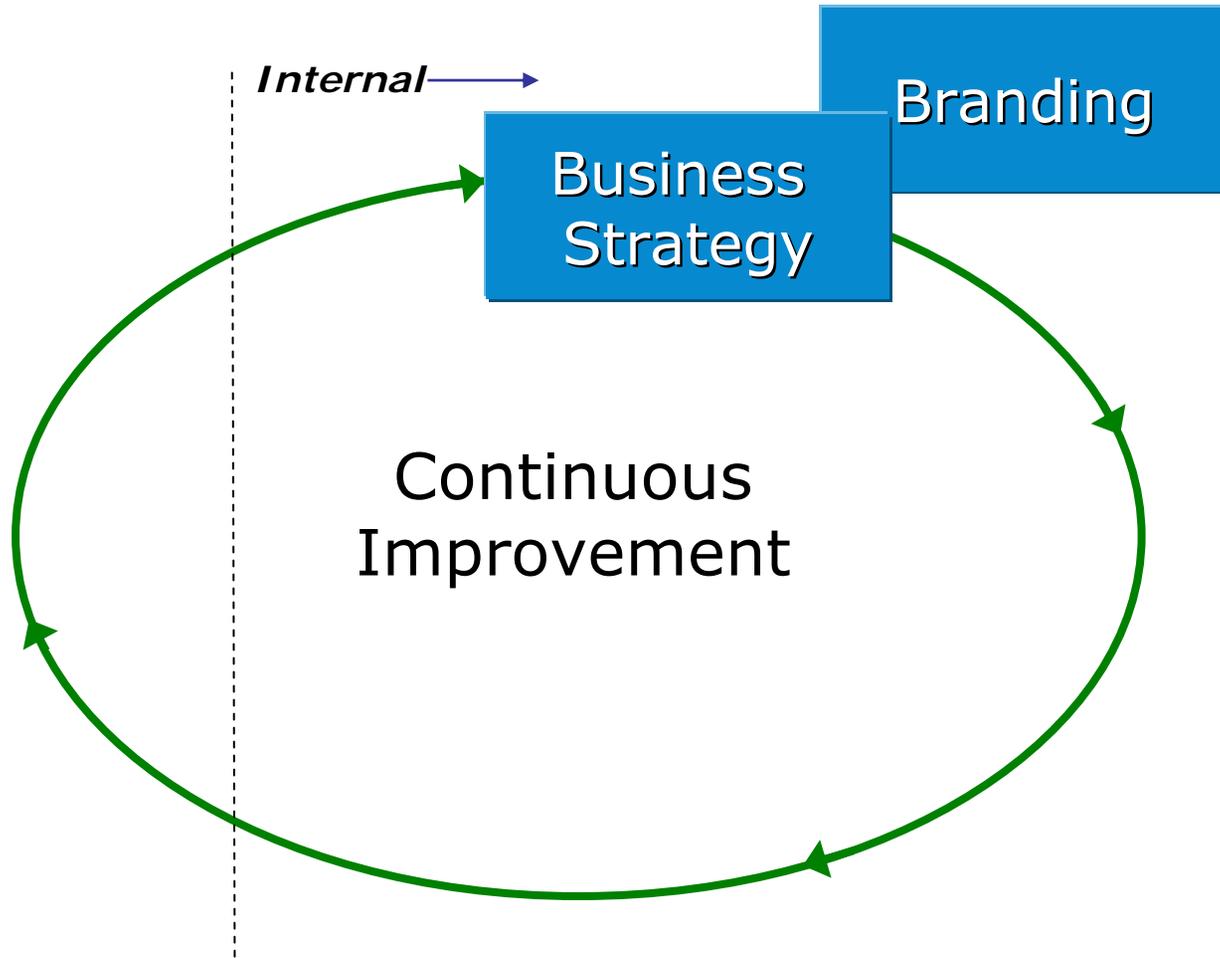
Business Strategy = Brand Strategy



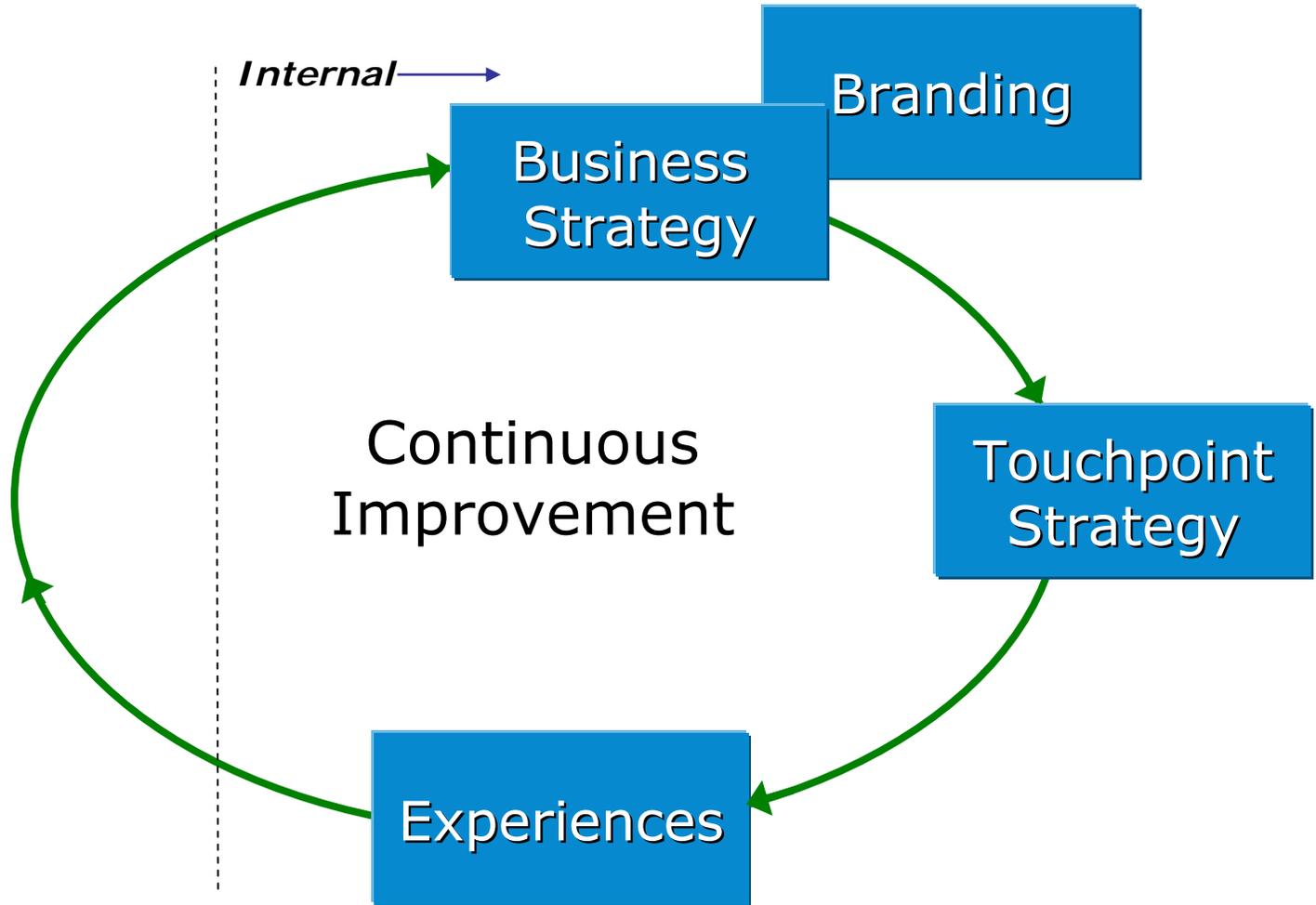
“At BenQ, the corporate strategy is the brand strategy. They are the same thing.”

— Jerry Wang, SVP

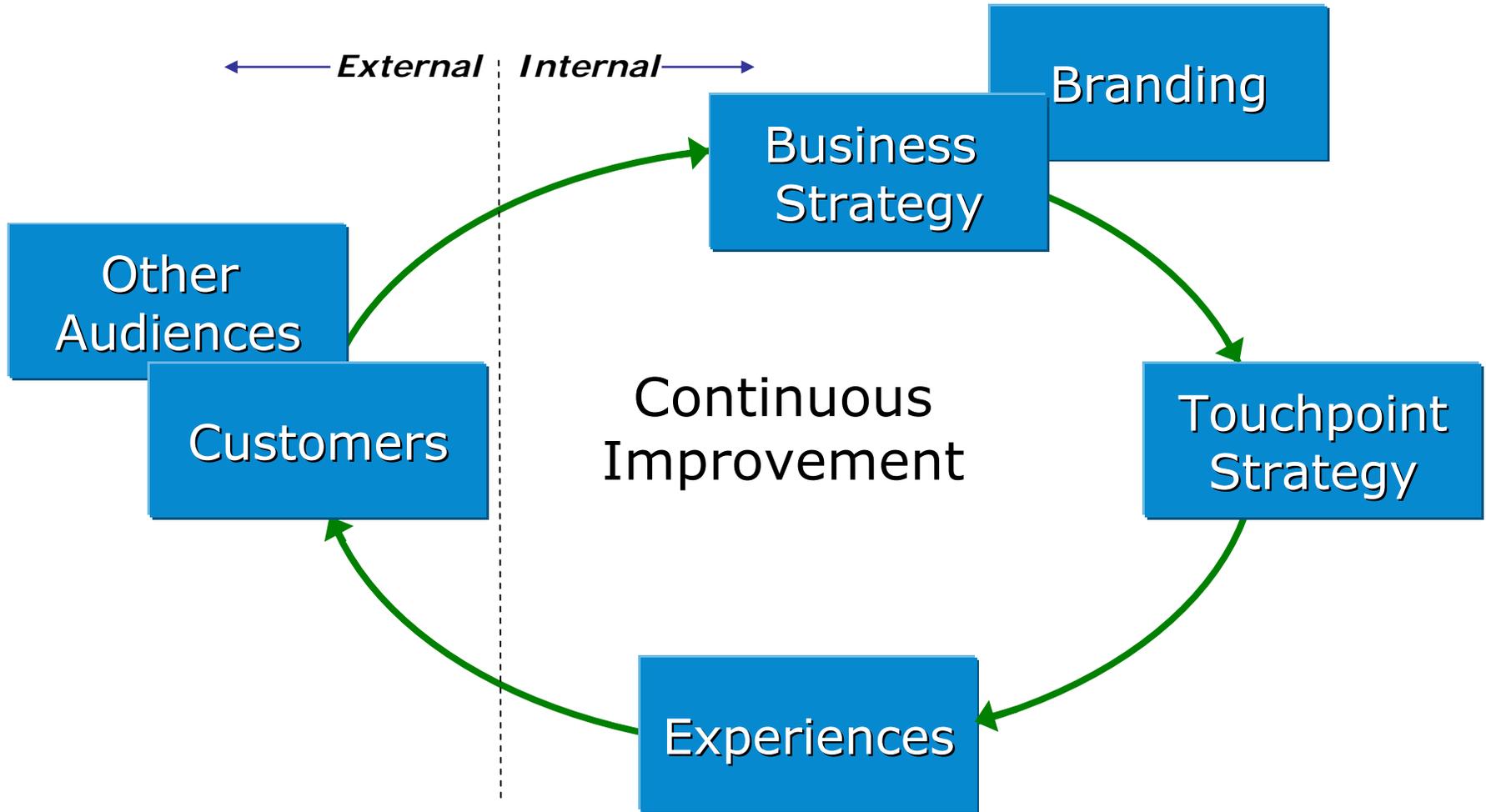
New Branding: Dynamic



New Branding: Dynamic



New Branding: Dynamic

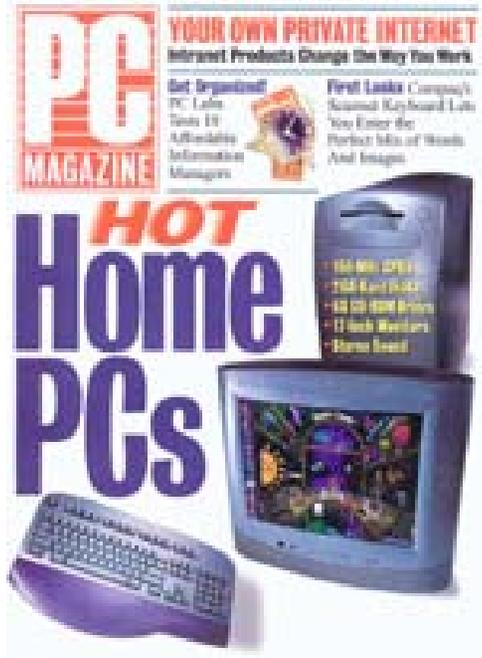


Example: Aspire by Acer



- Acer's consumer home PC brand
- Target: first-time family PC buyers
- First launched with "affordable ease of use" message and breakthrough design

Aspire: Great Design but not Aligned



First PC designed for the home user

Initial sales were great, but...

Brand not aligned with the business

Next time, Aspire was Aligned



Next time, Aspire was Aligned

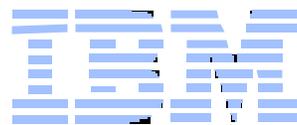


Key Ideas

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品牌与业务 一致
- The competitive advantage of brand **BELIEF**
品牌信念 增加竞争优势

Where Does True Brand Success Come From?

- The key is a collective organizational mindset – **a company-wide belief system** – that embraces brand building as a fundamental source of competitive advantage.



The Ultimate Goal of Brand-led Change

A Brand Belief System

...is a unique **source of competitive advantage.**

...helps guide close and consistent **alignment of business processes and operations** with core brand identity.

...drives deep **understanding, support and enthusiasm** of brand vision, values and goals throughout the organization.

...includes the **unifying brand culture** that exists within a company and across its regions.

Turning Brand Vision/ Values Into Actions

“You can’t build
a reputation on
what you are
going to do.”

– *Henry Ford*



How Did Samsung Do It?

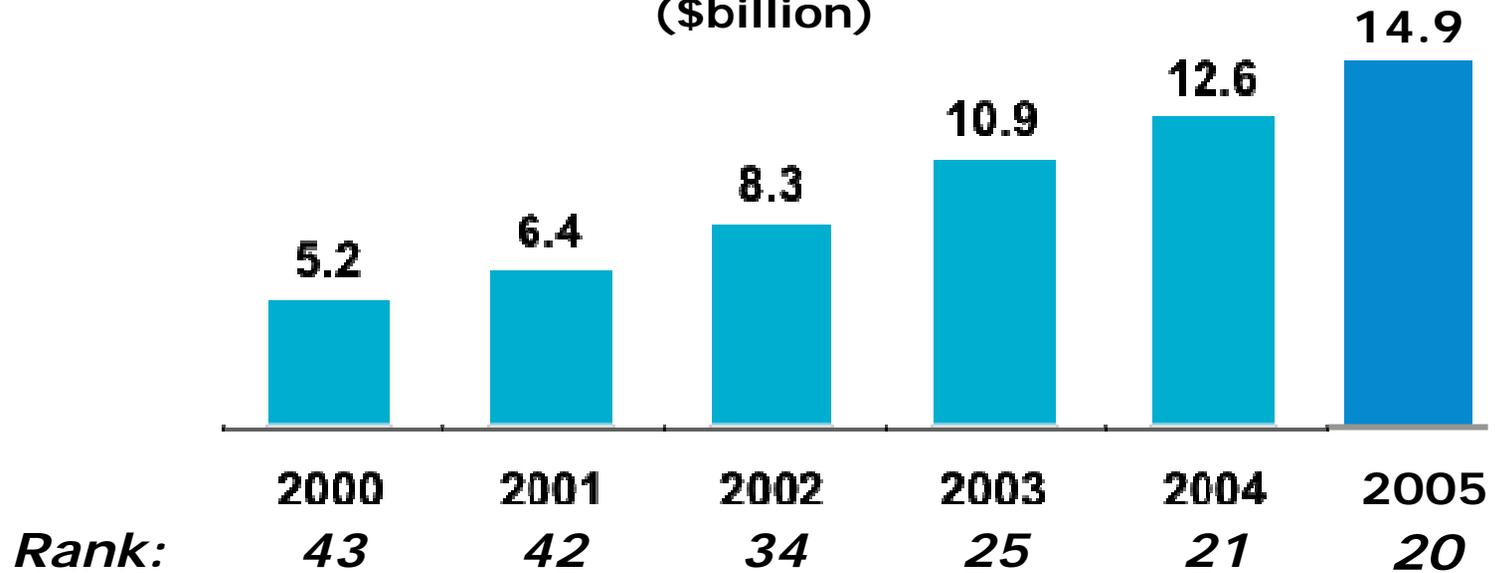


2004 – The world's most
profitable consumer
electronics company

How Did Samsung Do It?



Brand Value (\$billion)

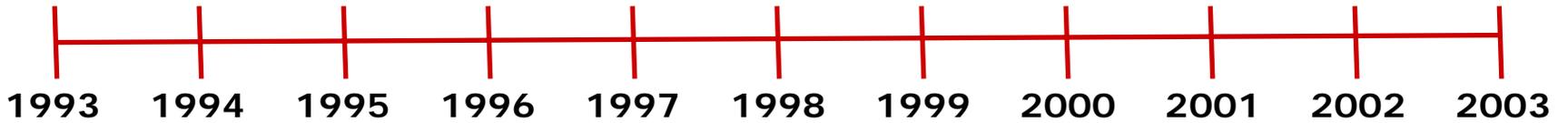


Source: Interbrand

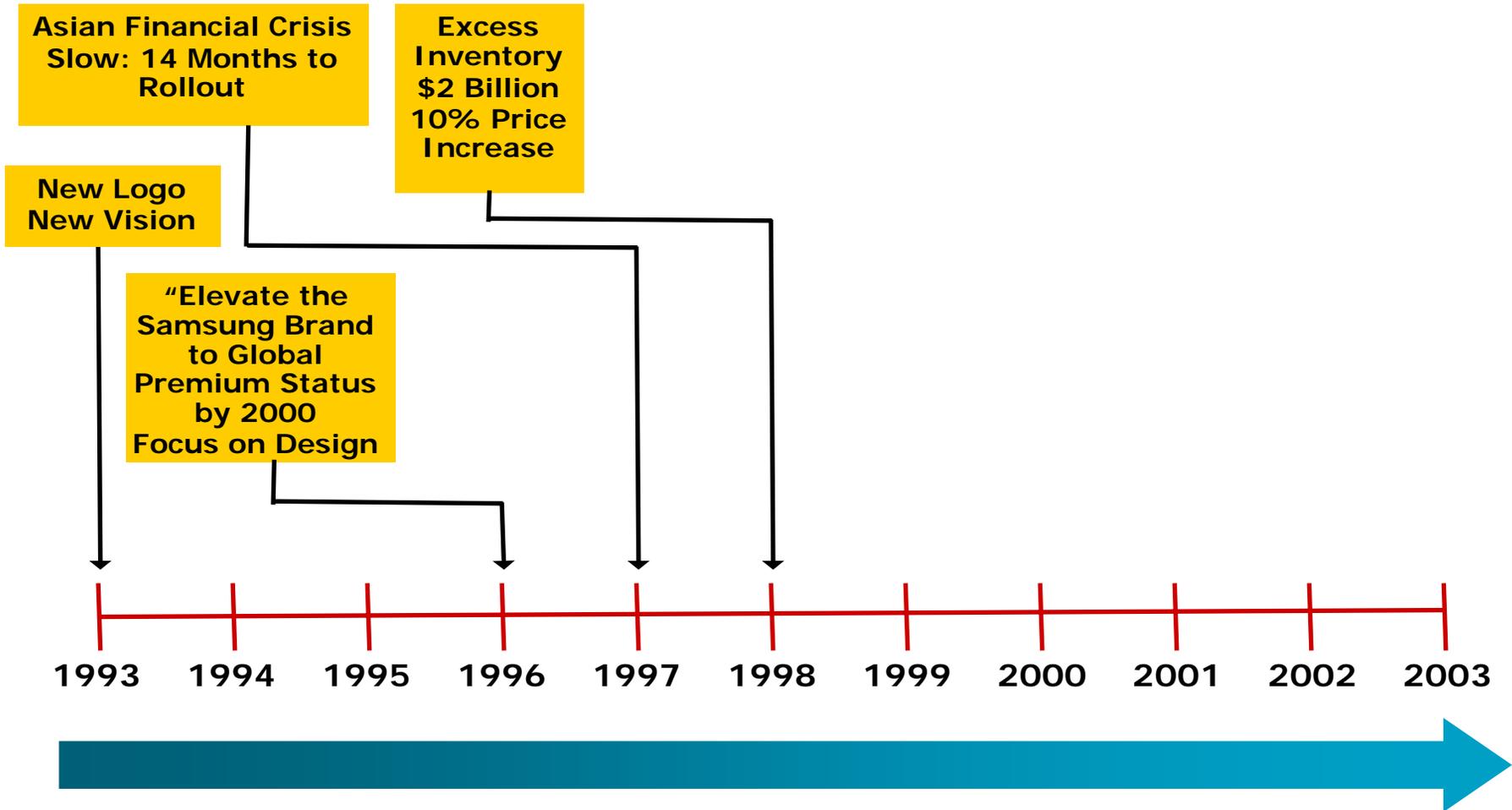
The Samsung Timeline



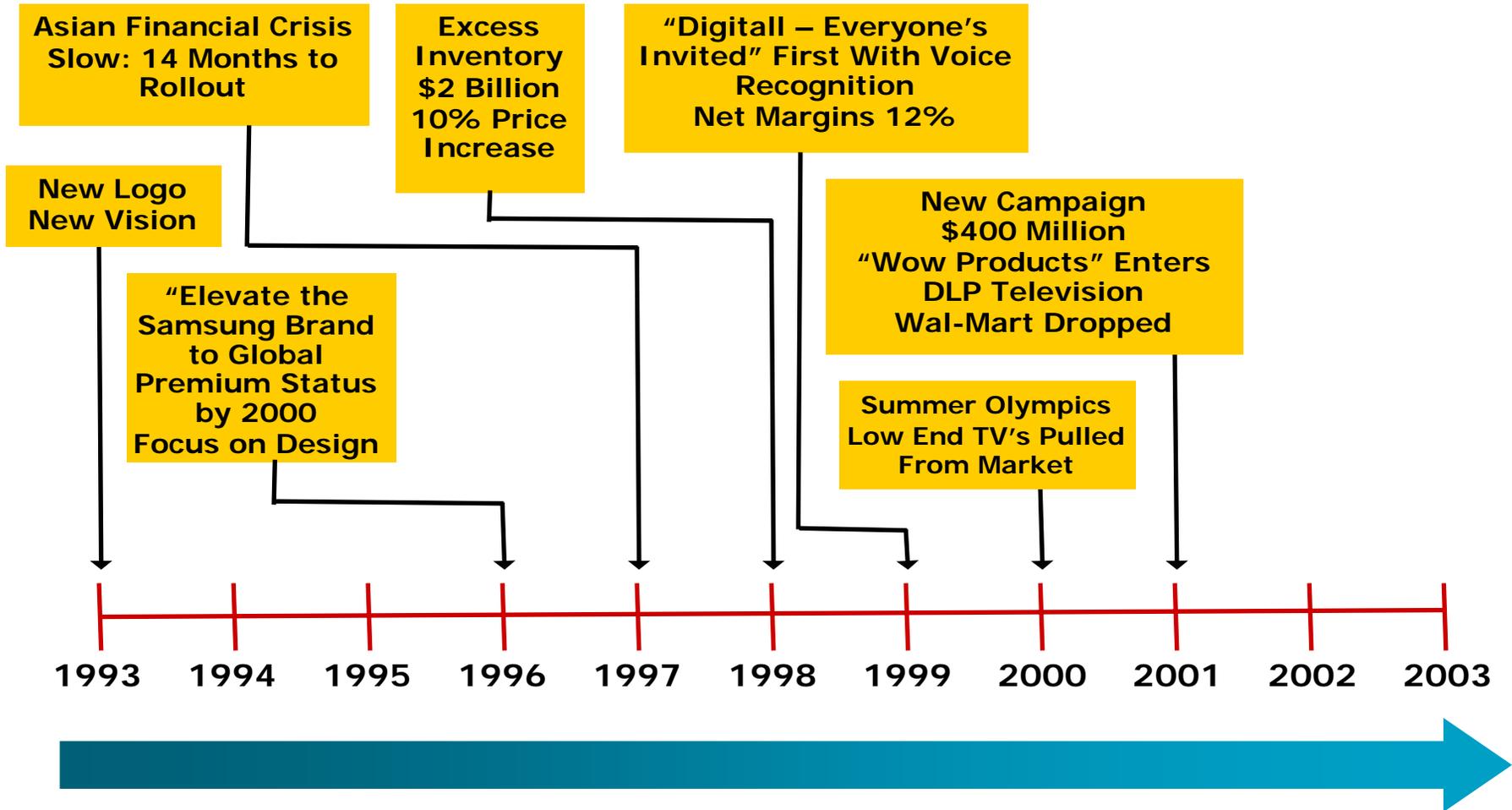
New Logo
New Vision



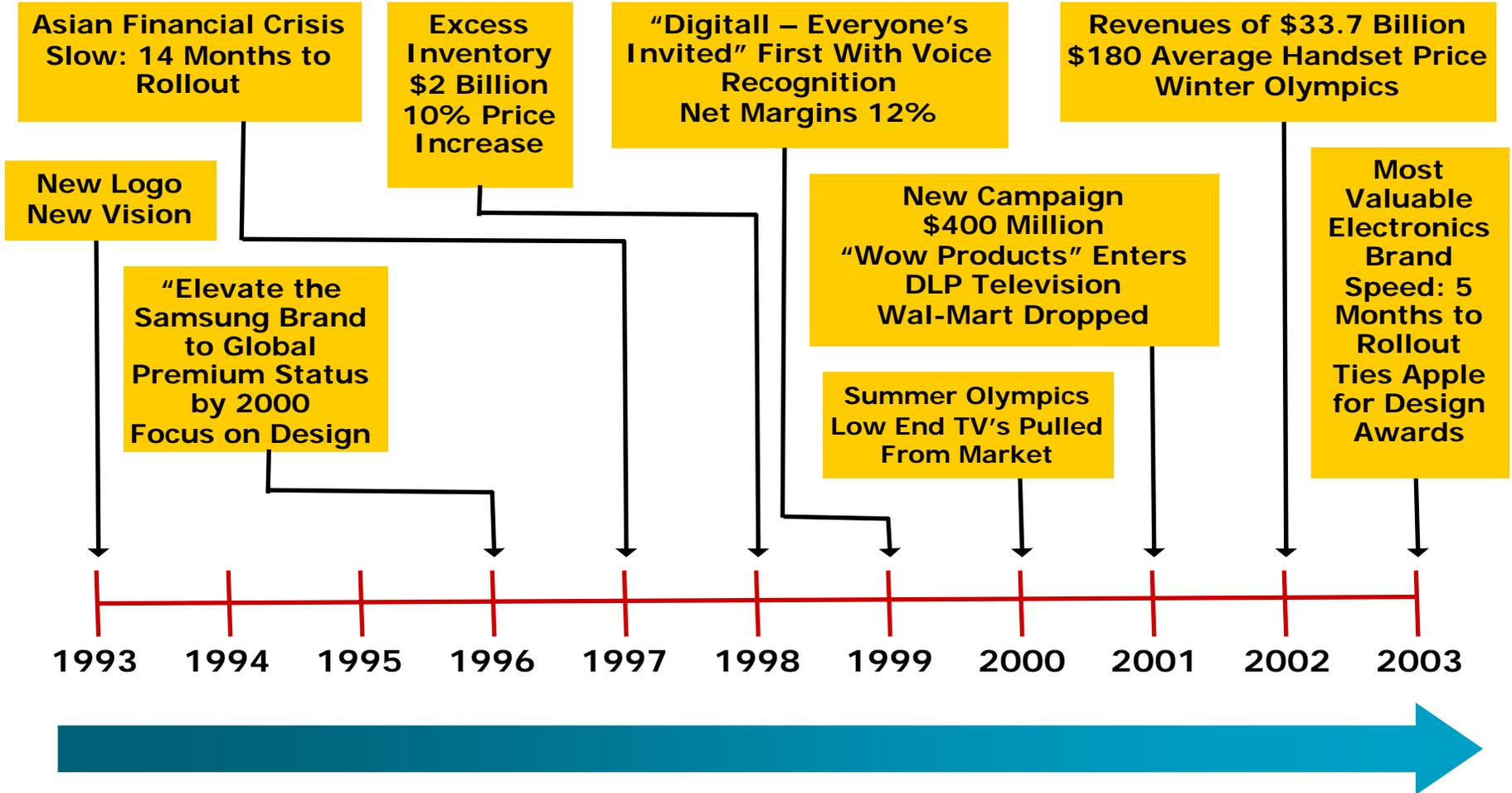
The Samsung Timeline



The Samsung Timeline



The Samsung Timeline



How Did Samsung Do It?



“If we keep selling low-end products, it damages our corporate image. We’ll leave those opportunities to late-comers or to SE Asia. We believe 5 to 10 years from now, our future will depend on our brand equity.”

– CEO Yun Jong Yong, 1998

Goal: Top 3 Global Brand in 2010

Culture Is Key to Success

“Branding is only as powerful as the culture of an organization allows it to be.”



Culture – What Can You Do About It?

- Recognize the importance of behavioral branding
- Make HR a strategic partner
- “Live” the vision and values
- Consistent reinforcement

Living the Brand

1. Back to the future Gap: Leading the Way

2. How will we achieve success? Gap: Leading the Way

3. Leading the way Gap: Leading the Way

Words to Live By

"everyone counts" "every difference makes a difference" "own it, do it, done" "less is more... simply" "take the smart risk" "do it better every day" "do the right thing"

Are you a manager, or are you a leader?

Most leaders come from within the ranks. It's not about titles who are in charge and why, but about the ability to inspire and lead others. The best leaders are those who lead by example. They are not afraid to take the lead, and they are not afraid to take the blame. They are not afraid to take the blame. They are not afraid to take the blame.

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Greatest potential for improvement

Least potential for improvement

Success Factor	Success Factor	Success Factor	Success Factor
Start	Start	Start	Start
Stop	Stop	Stop	Stop
Continue to do well			

- Speed to branding is a competitive advantage
- Experiential learning for 100's to 1000's of people
- Measurement (via employee survey) of results and success.

Becoming a Branded Business

Today

Branding
Supports
Products

Tomorrow

Products
Support
Branding

The Foundation for Brand-led Change

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Thank You



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