

operating units to work together seamlessly. The strategy represented a significant change in culture and operations. With respect to the brand identity, the elements "partner with customers," "customized solutions," "collaborative," and "close to customers" were clustered and given the name Team Solutions, which became one of eight identity elements. The brand goal was to provide a face to customers that matched this new strategy.

2. The Core Identity

The second step is to prioritize the brand identity elements. The most important and potentially the most impactful are classified as *core identity* elements. The core identity will be the primary drivers of the brand-building programs. They will be the focus of the brand investments, as they are the most critical to the success for the businesses that they are supporting. The balance of the elements are termed the *extended identity*. They serve to help define the brand, make decisions as to what actions and programs are compatible with the brand, and drive minor programs that will have lesser impact and take modest resources.

In developing the core and extended identity, four criteria should guide the process. Identity elements are sought that:

- **Resonate with the target market.** Ultimately, the market dictates success, and thus the identity should resonate with customers. It is useful to think in terms of how customers relate to the brand over time rather than simply what drives purchase decisions. Also, consider emotional and self-expressive benefits in addition to functional ones.
- **Differentiate from competitors.** Differentiation is often the key to winning. There should be some points of differentiation from competitors throughout the brand identity so there is always an answer to the question as to how the brand is different.
- **Provide parity where competitors have an advantage that is compelling to customers.** It is not always necessary to be different or better on all dimensions. There may be some dimensions where the goal is simply to be close enough so that this dimension is no longer a reason to not buy the brand. Hyundai need not, for example, be equal to Toyota in quality; it just needs to be close enough so that its quality image does not prevent purchase.
- **Reflect the strategy and culture of the business.** Ultimately, the brand needs to enable and support the strategy of the business. Particularly, when the strategy represents a change from the status quo and requires a change in brand image, the brand identity needs to reflect the new strategy. The brand identity should also support and reflect the culture and values of the firm because it is the organization that has to deliver on the aspirational brand promise.

The Haas Business School at UC Berkeley has created a brand identity the core of which is:

- Question the status quo (lead by championing bold ideas)
- Confidence without attitude (lead through trust and collaboration and not arrogance)
- Students always (lifelong pursuit of personal and intellectual growth)
- Beyond yourself (lead ethically and responsibly)

The "confidence without attitude" dimension, in particular, resonates with students and recruiters and differentiates Haas from other business schools.

3. The Brand Essence

The core identity compactly summarizes the brand vision. However, it is often useful to provide even more focus by creating a *brand essence*, a single thought that captures the heart of the brand. The purpose of an essence is to communicate the brand internally. Thus, while there are times when an external tagline, designed to communicate the message of the day externally, can and does represent the essence, that is often not the case. [Figure 9.5](#) shows the final brand identity for Align, including the brand essence.

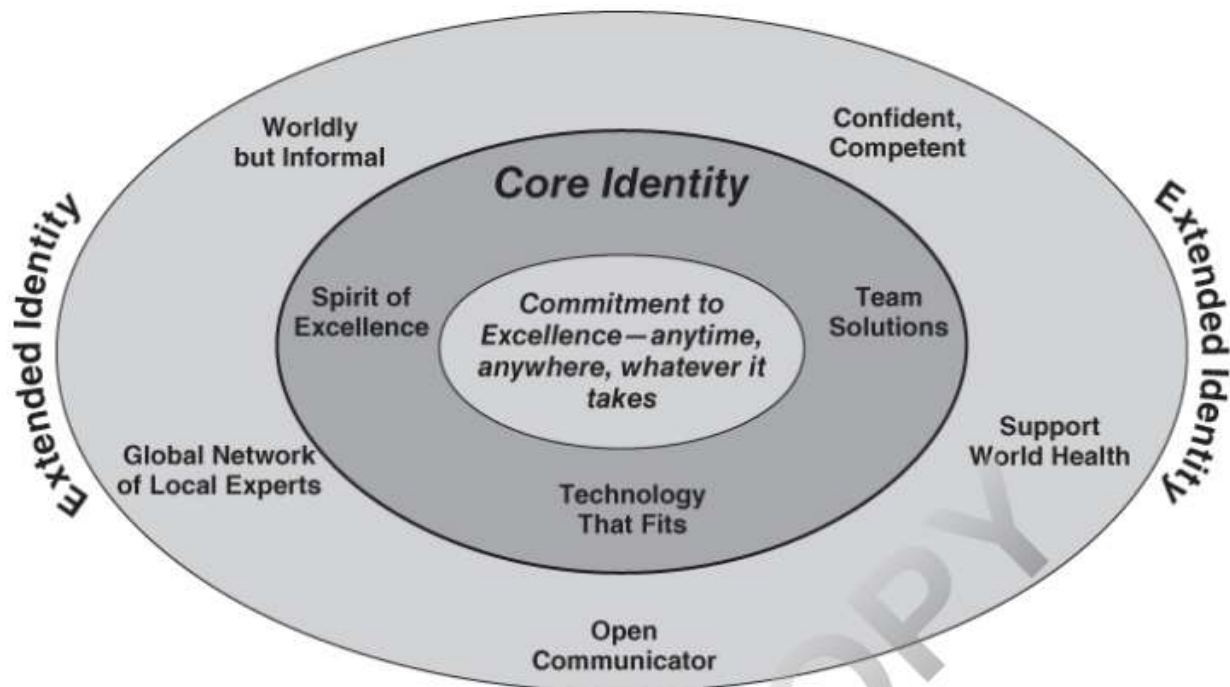


Figure 9.5 The Align Brand Identity

A good brand essence will capture much of the brand identity from a different perspective, will provide a tool to communicate the identity, and will inform and inspire those inside the organization. The Haas School of Business has as its essence “We develop leaders who redefine how we do business.” The Haas essence is a stretch goal encouraging faculty and students to think broadly about innovation.

A key essence choice is whether to focus on what the brand is or on what it does for customers. The former, such as Banana Republic’s “casual luxury” or the Lexus essence reflected in the “passionate pursuit of perfection,” tend to involve functional benefits; the latter, such as American Express’ “do more” or BMW’s “ultimate driving machine,” tend to look to emotional and self-expressive benefits.

Proof Points and Strategic Initiatives

A brand identity should not simply reflect something that appeals to customers. Rather, the firm needs to be willing to invest behind it and create products and programs that deliver on the promise. Toward that end, each identity element should have proof points and/or strategic initiatives associated with it.

Proof points are programs, initiatives, and assets already in place that provide substance to the strategy position and help communicate what it means. REI has a position around outdoor enthusiasts. Proof points include the brand’s heritage of outdoor activities, a flagship store geared to the outdoors, and the expertise and professionalism of the customer contact staff. Nordstrom has a customer service position supported by the following proof points:

- A reputation for customer service
- A policy that attaches a service person to a customer rather than a product area
- A return policy that is well known and has credibility
- An employee compensation program that makes the customer experience a priority
- The quality of the staff and the hiring program
- An empowerment policy permitting innovative responses to customer concerns

A gap between what the brand now delivers (even given the proof points) and the promise implied by the strategic position should lead to strategic imperatives. A *strategic imperative* is an investment in an asset or program that is essential if the promise to customers is to be delivered. What organizational assets and competencies are implied by the strategic position? What investments are needed in order to deliver the promise to customers?

If a regional bank aspires to deliver a relationship with customers, two strategic imperatives might be needed. First, a customer database might need to be created so that each customer contact person would have access to all of the customer's accounts. Second, a program might be needed to improve the interpersonal skills of customer contact people, including both training and measurement.

The Role of the Brand Identity

The need to articulate a brand identity and position introduces discipline and clarity into the strategy formulation process. The ultimate strategy is usually more precise and elaborated as a result. However, the brand identity and position have other, more explicit, roles to play.

One role is to drive and guide strategic initiatives throughout the organization, from operations to product offering to R&D project selection. The overall strategic thrust captured by the identity and position should imply certain initiatives and programs. For example, given that we want to be an e-business firm, what tools and programs will customers expect from us? Initiatives and programs that do not advance the identity and position should be dialed down or killed.

A second role is to drive the communication program. A strategic identity and position that truly differentiates the product and resonates with customers will provide not only punch and effectiveness to external communication, but consistency over time because of its long-term perspective over organizational units that tend to march to their own drummers.

A third role is to support the expression of the organization's values and culture to employees and business partners. Such internal communication is as vital to success as reaching out to customers. Lynn Upshaw, a San Francisco communication consultant, suggests asking employees and business partners two questions:

- Do you know what the business stands for?
- Do you care?

Unless the answers to these questions are yes—that is, employees and business partners understand and believe in the business strategy—the strategy is unlikely to fulfill its potential. Too many businesses drift aimlessly without direction, appearing to stand for nothing in particular. Lacking an organizational sense of soul and a sound strategic position, they always seem to be shouting “on sale,” attached to some deal or engaging in unrestrained channel expansion.

Multiple Brand Identities

Arbitrarily insisting that a brand identity should apply to all products or market segments can be self-defeating. Rather, consideration should be given to adapting it to each context. One approach is to augment the brand identity to make it appropriate to a specific context. For example, Honda is associated with youth and racing in Japan while being more family oriented in the United States, but both positions share a focus on quality and motor expertise. Another is to define one of the brand identity elements differently in disparate contexts. Quality for GE Capital might be different than quality at GE Appliances, but high standards apply to both.

The Brand Position

The brand position represents the company's communication objectives for the brand—what parts of the identity will be actively communicated to the target audience. The conceptualization of a brand position independent of a brand identity frees the latter to become a rich, textured picture of the aspirational brand. The brand identity does not have to be a compact view appropriate to guide communication.

The brand position will be inherently more dynamic than the brand identity. As the strategy and market context evolve and communication objectives are met, new ones become appropriate. A series of four or five positions over many years may be required to achieve the brand identity.

One fundamental choice often in front of strategists is whether to create a position that is credible or aspirational. In the case of Align, the firm's energy and over-the-top quality was legendary and created a value proposition with both functional and emotional components. An associated brand position would be credible, compelling, and relatively easy to implement. However, it would not move the needle as far as supporting the new strategy. A position around collaboration and team solutions, on the other hand, would be on-strategy but would also not be credible for a firm noted as being arrogant and silo-driven and would

be expensive and maybe even infeasible. The choice depends on the answers to two questions. Does the firm have programs in place to deliver on the new promise? Is the market ready to accept the changed firm? If the answer to either question is no, it might be prudent to delay the aspirational position.

Another positioning choice is whether to emphasize points of differentiation or points of parity. The answer will depend on which direction will affect the target market. If the brand has a well-established image on a point of differentiation (such as value for IKEA, safety for Volvo), it may be more effective to attempt to create a point of parity on another dimension that is holding it back (quality for Kmart or styling for Volvo).

KEY LEARNINGS

- Brand equity, a key asset for any business, consists of brand awareness, brand loyalty, and brand associations.
- Awareness provides a sense of familiarity and credibility and makes it more likely that a customer will consider a brand.
- A core loyal customer base reduces the cost of marketing, provides a barrier to competitors, supports a positive image, and provides time to respond to competitor moves.
- Brand associations can and should go beyond attributes and benefits to include such associations as brand personality, organizational intangibles, and product category associations.
- The brand identity represents aspirational associations. The most important of these, the core identity, should be supported by proof points and/or strategic imperatives and should be the driver of strategic programs, including product development.
- While the brand identity represents long-term aspirational associations and is multi-dimensional, the brand position represents the short-term communication objectives and is more focused.

FOR DISCUSSION

1. Explain how each of the three brand equity dimensions provide value to the firm. Explain how they provide value to customers.
2. What is the difference between identity and position? Develop alternative positioning statements for Align. Include a tagline and the rationale for that tagline.
3. Create a brand identity for Virgin Atlantic Airlines. Are there potential dimensions, such as high quality and superior service, that are inconsistent with the brand's personality? If so, how is that handled? How has the identity been brought to life? What are the proof points? Why don't more brands emulate Virgin's brand-building programs?
4. Pick out three brands from a particular industry. How are they positioned? Which is the best in your view? Does that brand's positioning provide any emotional or self-expressive benefits? How would you evaluate each brand's positioning strategy? Hypothesize proof points and strategic imperatives for each brand.
5. Consider the Joie de Vivre hotel concept described on page 169. Think of themes stimulated by magazines or movies and discuss how you would design a hotel around each concept. For each theme, choose five words that reflect that theme.



BEST DIGITAL PRACTICE

REI's #OptOutside Brand Identity

REI, a national retail co-op selling high-quality outdoor adventure gear and apparel, has built its brand identity on making outdoor adventures more accessible. The company's "#OptOutside" 2015 Black Friday campaign is an excellent example of how a strategic initiative can reinforce and extend a brand.

A month before Black Friday in 2015, REI announced that it would be giving all of its employees a paid vacation day, closing its stores and suspending online sales on this famous shopping day. By doing so, REI hoped to enable its employees, and of course customers, to #OptOutside instead of spending the day shopping. The campaign was supported by a microsite, a social media campaign, and entertaining online films. Individuals were encouraged to use the designated hashtag to share their activities and experiences. Additionally, REI partnered with a geo-mapping service to help those who wanted to explore the outdoors but were not as familiar with their surrounding areas.

The ambiguity of the #OptOutside tagline was intentional—it made the concept broad enough to apply to many different types of people—from highly active hikers and bikers to individuals who were simply nature enthusiasts. It allowed the REI community to define what opting outside meant to them personally.

The campaign's impact was significant. More than 150 other retailers and the National Parks department also decided to participate—that number has risen to 275 for the 2016 season. Last year 1.4 million people joined in on the trend, and REI expects that number to continue to grow.

Ultimately, REI's intention with the campaign was not a short-term stunt but a calculated reinforcement of its brand identity and encouragement for more people to shop at stores. The company's efforts certainly paid off, with customer membership to the REI co-op rising significantly in the wake of the campaign.

Questions:

1. Why does #OptOutside improve REI's performance over the long run?
2. What are the risks associated with developing the brand in this way?

Sources:

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BEST GLOBAL PRACTICE

This Girl Can: Building Awareness

While building brand awareness with a campaign is fairly intuitive, driving tangible change among consumers is more challenging. Sport England, a government organization with the mission of giving all individuals access to athletics no matter their age, background, or ability, successfully accomplished this with its "This Girl Can" campaign. Initially aimed at educating the public on the significant gender gap in sports, the messaging also began to inspire real action.

In England, two million fewer women play sports than men, despite 75 percent of women sampled stating that they want to be more active. Understanding why this was the case was a crucial first step. Sport England's research uncovered that fear of judgment from others was the primary reason holding women back from sports. However, the type of judgment varied widely—including that they weren't fit enough, they were being too selfish with their time (particularly among mothers), or they weren't skilled enough.

After gathering these insights, the marketing team understood that the heart of the campaign would need to focus on breaking down the perception regarding what being active means and looks like. The campaign, anchored by TV commercials, featured women of all sizes, ages, and fitness abilities engaging in sports. The ads used humble and entertaining language to relate to women who were new to sports. For example, a popular ad said "I'm slow, but I'm lapping everyone on the couch."

Sport England's ability to create a campaign that stood out from traditional sports advertising ensured that the ads would capture attention. The campaign went on to yield extremely successful results. Upon its launch, it garnered 37 million people views on Facebook and YouTube, and 500,000 members joined the "This Girl Can" online community. Most importantly, Sport England estimated that 50,000 more women engaged in sports.

Questions:

- 1.