



MartinRoll

How to build an iconic brand

JCI Oslo International

9 January 2016

www.martinroll.com

Ralph Lauren

Iconic brand built on an essential lifestyle promise



“ I don't design clothes,
I design dreams. ”

Ralph Lauren

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“Wherever you see a successful business, someone once made a courageous decision...”.

Professor Peter Drucker

Characteristics of a strong brand 1

1. A brand drives shareholder value
2. The brand is led by the boardroom and managed by brand marketers
3. The brand is a fully integrated part of the entire organization, aligned around multiple touch points
4. The brand can be valued in financial terms and should be treated as an asset in the balance sheet
5. The brand can be used as collateral for financial loans and can be bought and sold as assets
6. Customers are willing to pay a substantial and consistent price premium for the brand
7. Customers associate themselves strongly with the brand, its attributes, values and personality

Characteristics of a strong brand 2

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8. Customers fully buy into the concept which is often characterized by emotional and intangible relationships
9. Customers are loyal to the brand and would actively seek it and buy it despite other cheaper options
10. A brand is a trademark and marquee (logo, shape etc) which is fiercely and proactively protected by the company

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How to build an iconic brand

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10 key drivers of excellence provide a global road map

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|--|---|
| 1 Global brands are driven by a strong purpose | 6 Excellence in insights and intelligence |
| 2 Global brands provide strong financial results | 7 Technology is a key business enabler |
| 3 CEO leads the brand but everyone remains involved | 8 Business performance and brand equity are measured |
| 4 Strong brands drive constant innovation | 9 Strong culture brings iconic global brands to life |
| 5 Global brands are customer centric | 10 Global brands drive constant change |

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How to build an iconic brand

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10 key drivers of excellence provide a global road map

- 1** Global brands are driven by a strong purpose
 - A purpose establish a **clear view of what the brand will bring to the world**, how it **differentiates**, and why it **will matter to the world**
 - It provides **clarity at the core** and **defines a shared vision to be executed relentlessly**
- 2** Global brands provide strong financial results
 - Strong brands drive **business impact, the most important strategic asset** and **valued in financial terms**
 - Customers are **loyal to the brand**, and willing to **pay a substantial, consistent price premium**
- 3** CEO leads the brand but everyone remains involved
 - Global brands are **led by the CEO and boardroom** and **managed by CMO/ brand marketing organization**
 - **Leadership is aligned around the brand**, and are fully integrated part of the entire global organization
- 4** Strong brands drive constant innovation
 - Global brands prioritizes **constant innovation**
 - **Innovation** is an integrated part of business strategy, processes & systems, and overall company culture

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How to build an iconic brand

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10 key drivers of excellence provide a global road map

- 5** Global brands are customer centric
 - Global brands **balance distinct brand promises with strong brand delivery** with strong SOPs
 - Global brands deliver effectively across all touch points along the **Customer Decision Journey** and **Customer Experience Journey**
- 6** Excellence in insights and intelligence
 - Global brands have **excellent intelligence systems and processes** integrated across the organization (Art & Science)
 - **Insights are key components in decision making**
- 7** Technology is a key business enabler
 - Global brands make **dedicated, efficient usage of technology** across the entire organization to help align strategy with execution
 - Technology is a **key business enabler**, and a competitive driver
- 8** Business performance and brand equity are measured
 - Global brands **measure and benchmark strategic brand performance** (KPIs)
 - Integrated **constant feedback loops**, and aligning overall business performance to brand performance

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How to build a global brand

10 key drivers of excellence provides a global road map

9

Strong culture brings iconic global brands to life

- Global brands ensure a unique organizational, global culture and make sure **everyone in the organization live the brand**
- Training, workshops and on-going global efforts **to build and sustain a strong culture** around the brand is paramount

10

Global brands drive constant change

- Global brands are never satisfied, and seek to **constantly raise the bar**
- Global brands **avoid arrogance and complacency** and **become their own change agent**

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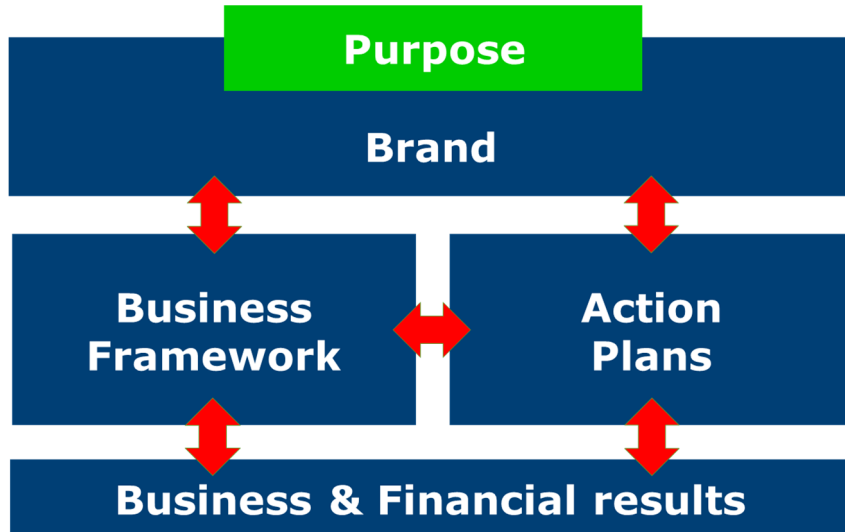


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“Have the courage to follow the heart and intuition. They somehow already know what you truly want to become”.

Steve Jobs

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The purpose-driven company

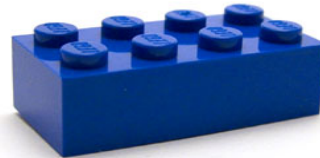
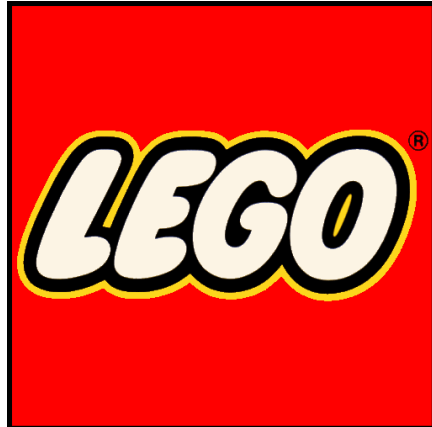
1. What does our organization bring to the world?
2. Does that difference matter?
3. Is something about it scarce and difficult to imitate?
4. Are we doing today what we need to do in order to matter tomorrow?
5. What makes us an enduring company?
6. If the company disappeared today, would the world be different tomorrow

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Turn-around of LEGO

Back to core, then innovate

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Purpose

A strong purpose provides strategic direction

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To become one of the world's most design-led, innovative and relevant fashion retail brands

Reasons why the Purpose will make the company matter:

- The unique business platform of the company and strong history of great designs are the competitive edges enabling the company to take leadership in the fashion retail industry. The brand aspires to disrupt how more fashion is brought effectively to more people at more global locations

Reasons why the brand can claim it:

1 Design-led

- The company has a long history of great designs and want to continue to claim this space to compete effectively. Design is a leading factor for success in fashion, and the company aspire to build and further sustain a design-led brand

2 Innovation

- The company will be perceived among its global stakeholders as a incredibly innovative brand as it strives to provide the most compelling and uncompromising levels in product quality, materials and service delivery

3 Relevance

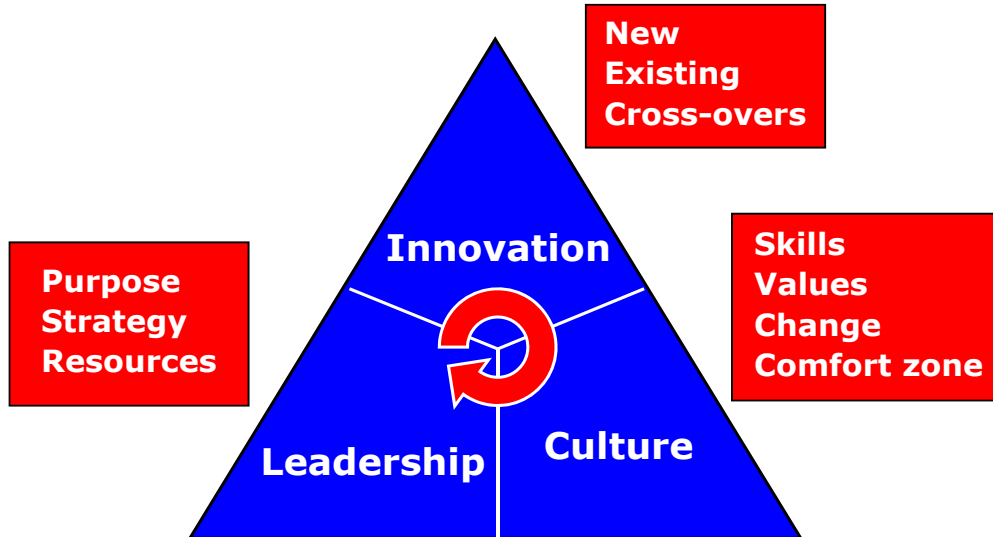
- The company will strive to be relevant in everything the company does and be relevant to customers and other stakeholders. Relevance means delivering on promises, and fulfilling needs and benefits – not too much, not too little

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The brand-driven company

Three essentials are key to success

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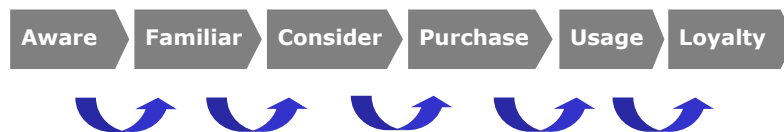
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Customer journeys

Strong brands drive customers across the decision journey

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End-to-end customer decision & experience journey



Conversion point	Familiar with the brand	Consideration	Purchase	Repeat purchase	Commitment
Marketing function	Communicate features	Opens door Brand Promise	Close deal	Drive retention	Build loyalty and emotional bond Brand Delivery

Marketing implications

Which brand attributes drive conversion along the funnel?

Which brand perform well at each conversion point?

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Insights & Intelligence

Customers can provide great intelligence

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The profitable customer loop

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- **ACQUIRE** valuable customers
- **RETAIN** valuable customers
- **ELIMINATE** non-valuable customers
- **UP-SELL** higher value products
- **CROSS-SELL** relevant products to customers
- **REFERRAL** and word-of-mouth benefits
- **REDUCE THE COST** of service to customers

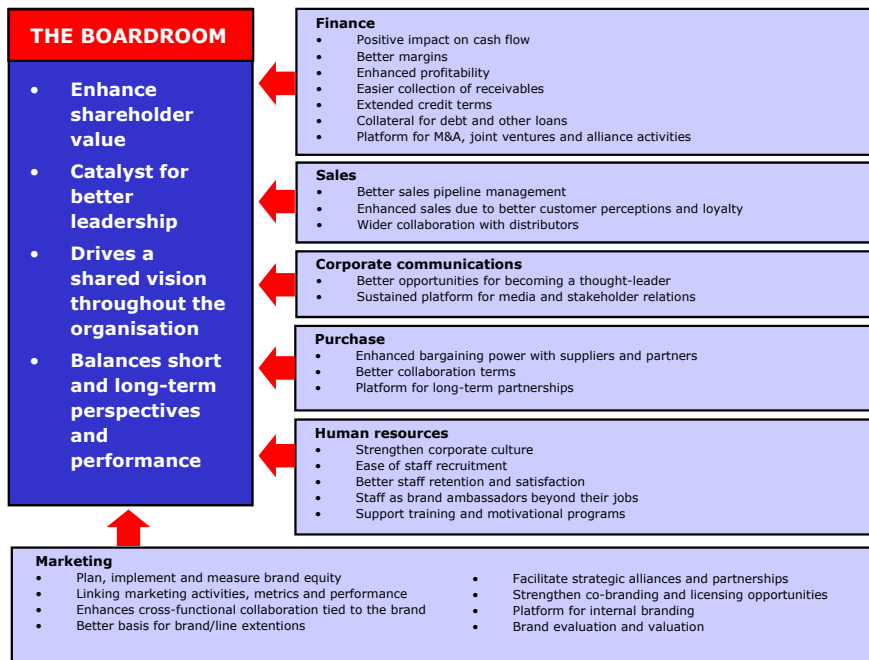
ZARA



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Brand KPIs across the organization

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Impact on performance

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Strong brands provide better KPIs than the average

 Customer profitability	An increase of 5% in loyal customers can deliver 95% greater profitability in customer lifetime value	
 Price premium	50% of customers would pay 20-25% price premium to a brand they are loyal to before they would switch	
 Acquisition costs	It takes 7-10 times the cost and effort to gain a new customer compared to keeping an existing customer	
 Cross-selling	50% of customers are willing to try new products and services from a preferred brand (credibility and trust)	
 Reduced recruitment costs	A clear brand leads to employee pride, increases retention and help attracting the best candidates	

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“Culture eats strategy for breakfast....”

Peter Drucker
Management Professor

Singapore Airlines
The airline flew its first flight in 1973



Branding Excellence

Strong brands balance promise and delivery

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Strong brands have 2 basic components

A. Brand Promise



B. Brand Delivery

- Brand Essence
- Brand Identity
- Brand Position

- Attributes, benefits and values
- Organisation and distribution
- Brand Image

Characteristics:

1. Brand Promise and Brand Delivery are equally balanced and leveraged
2. Uniqueness and differentiation are key drivers
3. Consistency across products, markets, organisations and cultures
4. Strong brand management systems and processes in place
5. Board and top-management are deeply engaged and committed

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Singapore Airlines

Technology has been a key driver of success

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Intensive training builds the culture

Singapore Airlines runs 15-20 days training a year

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- Service excellence is everyone across the organization
- Well-trained employees at all levels
- Rigorous training and retraining
- Awards and recognitions

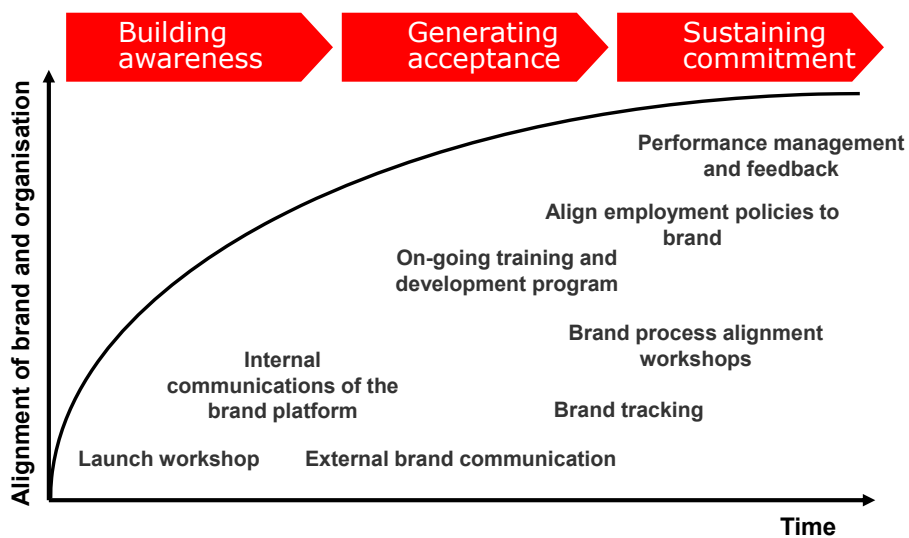


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Organisational alignment

Sustaining commitment is a long-term journey

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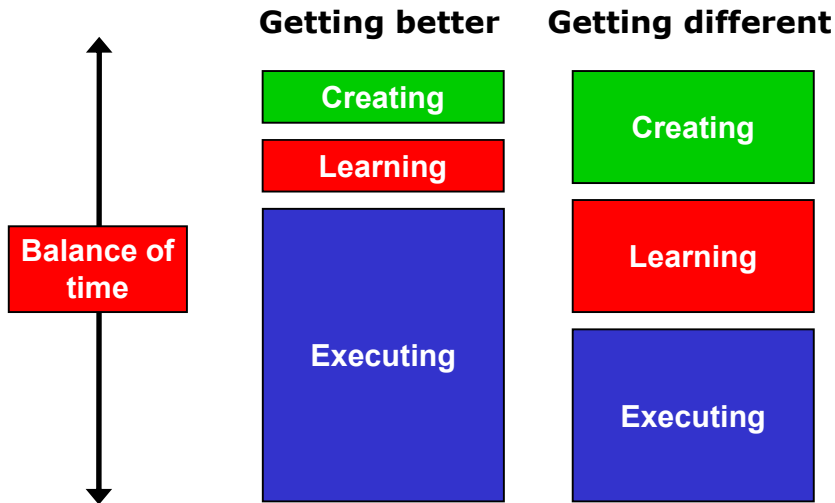
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- The company where the word "impossible" does not exist
- Entrepreneurial spirit
- Fast, fast, fast (mistakes are allowed if the correction is fast)
- To be Zara means to be humble (every one is a critic and criticized) and have common sense
- Internal competition
- No fear in giving big responsibilities to young people
- Democracy in decision making, dictatorship in execution
- Thinking values zero without action

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Balance priorities

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Insights center

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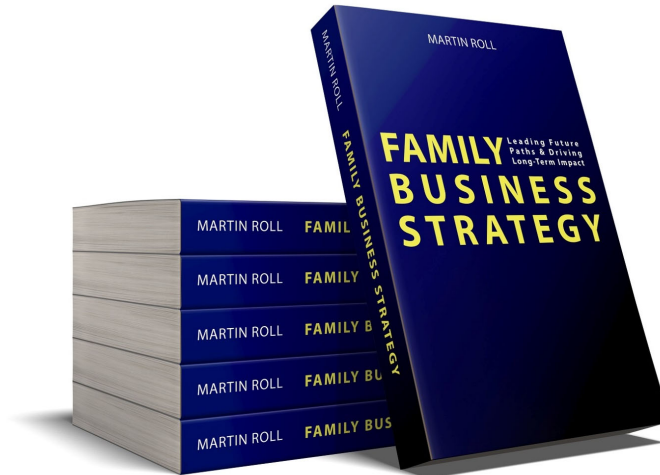
The screenshot shows the MartinRoll Insights Center website. The header includes the MartinRoll logo and the tagline 'BUSINESS & BRAND LEADERSHIP'. A navigation menu contains links for ABOUT, SERVICES, RESOURCES, NEWS, MEDIA, and CONTACT, along with a search bar. The main content area is divided into sections: 'LATEST INSIGHTS' featuring a photo of a person in a tea field and a headline 'TWG Tea – The Asian Brand That Made Tea Drinking A Luxury'; 'LEADERSHIP' with articles like 'Are You A Leader? 10 Questions To Understand The Essence Of Leadership'; 'GROWTH' with 'Branding By The Numbers – Measuring Brand Value, Equity And Marketing Activity'; 'STRATEGY' with 'Kering – Evolution of a Global Luxury Brand Company'; and 'ASIA' with 'Shang Xia – Chinese Luxury Fashion Brand With A French Soul'. The footer includes a Windows taskbar with various application icons and the system clock showing 8:00 PM on 2/2/2016.

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Family Business Strategy (2020)

Leading Future Paths & Driving Long-term Impact

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- Martin Roll delivers the combined value of an experienced global business strategist, senior advisor and facilitator to Fortune 500 companies, Asian firms and family-owned businesses on how to build and manage strong, global brands as well as leadership of high-performing, marketing-oriented businesses
- Martin Roll is very experienced in engaging and advising clients at all management levels from business owners and C-suite leaders to functional staff across multiple industries and cultures
- Martin Roll is a Senior Advisor to McKinsey & Company
- Martin Roll is a keynote speaker at global conferences, an experienced conference moderator and executive workshop facilitator

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- Martin Roll teaches MBA, EMBA and Executive Education programs at Nanyang Business School (Singapore), and is a frequent guest lecturer at INSEAD and other global business schools
- Martin Roll is the author of global bestseller “Asian Brand Strategy” (Updated & Revised 2015), a business columnist with INSEAD Knowledge, a prolific management writer, and a regular commentator in global media. MBA from INSEAD
- **Specialities:** Branding, Marketing, Strategy, Leadership, Change & Transformations, Business Family Transition, Business Coaching, Asia & Emerging Markets

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Contact details

Engage Martin Roll to drive impact

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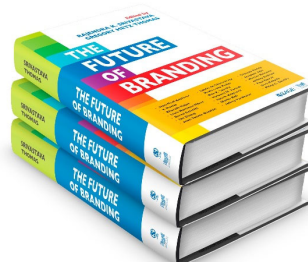
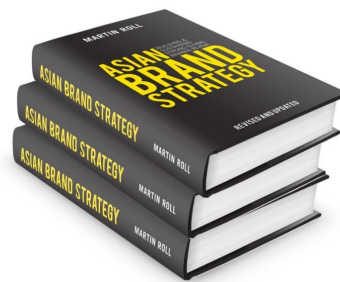
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