

JUST HOW STRONG IS CONFIDENCE IN YOUR CORPORATE BRAND?

In the current risk-averse business environment... how can you plan with greater confidence?

A strong corporate reputation and market value is as much a function of 'belief' as it is hard fact

Con-fi-dence [kon-fi-duhns] noun

'The feeling, or belief that one can have faith in, or rely on someone, or something'.

Confidence is a word that's in rather short supply at present; except when featured in headlines such as: 'Sharp fall in.....'; '.....evaporates'; '.....at its lowest for 30 months, survey shows'; or 'Eurozone crisis hitting British business.....'

And if you're not sufficiently depressed, just consider an extract from the Lloyds Bank Corporate Markets' business barometer that recently registered confidence in the UK's economic prospects as at its lowest for two years: 'The predictive nature of the barometer indicates below-trend economic activity continuing into 2012 with an increased risk of recession'.



Yet confidence is difficult to assess with accuracy: in addition to empirical data, it includes contextual and environmental factors plus attributes as intangible as 'beliefs', or 'feelings'... and perhaps one only has to witness the alarming see-sawing of the FTSE at present to understand the fragility of market confidence.

So do we believe that things are really as bad as they seem; or is there an element of talking ourselves into an even deeper recession? Might it be a case that the more we focus on 'loss of confidence', the less confident we become... ultimately creating a downward spiral of negative self-prophecy?

Is the glass 'half-empty', or 'half-full'? (The answer, of course, will depend upon your perspective).

This uncertainty seems to be echoed in the type of questions that CEO's and CMO's are currently asking about their brands: 'How well positioned are they'? 'How can they weather the current storm and make the most of the recovery, when it comes'?. 'Should their future strategy be defensive, or expansive: to reflect market nervousness, or exploit it'? ('Glass half-full; half-empty' syndrome?).

Confidence and brand have been inextricably linked, ever since William Hesketh Lever (of Lever Brothers' fame) took the decision in 1885 to brand his bar of soap - 'Sunlight Soap' - as a mark of quality assurance; to ensure that customers would trust his product, as much as be able to tell the physical difference from the commodity soaps cut from unidentified blocks by grocers.

But brand confidence is much more than just a name and logo (that's 'branding'). It's a complex mix of both rational and emotional attributes - the tangible and intangible - that, when managed as a whole, create a total 'promise', or 'experience'.

And that's as true for corporate brands, as it is for products... because a strong corporate reputation, image and shareholder/market value is influenced as much by perception, as by reality; as much by 'belief', as by hard facts. Do forward-looking investors believe that management has the correct strategy in place and are able to deliver against that strategy? Do they have confidence not only in what the leadership team is doing, but also what they say they're doing and will do?

So is it possible to identify and measure Corporate Brand Confidence?

'Knowledge'
is more than just
awareness.
'Trust'
is more than just
reliability.

A strong
confidence rating
will help you
drive growth and
development

The starting point must be a definition that goes beyond the rather loose version that opened this paper; a formula that might be expressed as:

Confidence = Knowledge + Trust

where 'Knowledge' represents a combination of Awareness and Understanding; and 'Trust' an amalgam of reliable Performance and Appeal.

Because 'Knowledge' is more than just awareness; it's also the degree and nature of that awareness. Who are your stakeholders and how well do they know you? Do different groups know you for different things? If so, what and why? Do those segments have an accurate understanding of what you do, or want to do - as there's absolutely no point in being known for the wrong thing! In marketing jargon, that means ensuring you have a clearly defined brand positioning and proposition.

Similarly, 'Trust' is more than just a function of reliability. Of course, any successful brand must meet all stakeholder needs in product *and* service performance, as well as value. But to truly be a 'powerbrand', those audiences must also actively want to have a relationship with you; something that means moving beyond functional choice to include an appreciation (if not admiration) of 'softer' attributes, such as values, personality and image.

The next step is to undertake a formal evaluation of confidence in your brand; not only of itself, but also in a competitive context: how are your competitors perceived/what (in brand terms) are they doing? This evaluation should include:

Target audience profiling & perceptions

Firstly, interrogating (through qualitative and quantitative research) not only actual awareness levels – prompted and unprompted - but also perceptions and expectations of your brand:

- internally, from management and staff to get their views on comparative levels, plus competitive image standing: what is it? Strengths and weaknesses?
- externally, to gather deep insights from key audience and stakeholder groups into current perceptions, understanding and appreciation, as well as - and most importantly - future needs and expectations.

A similar audit should be conducted with competitors - both direct and 'peer' - to interrogate the overall marketplace, identify the degree of uniqueness of your corporate 'offer' and explore opportunities to strengthen differentiation.

Business, brand and culture

Secondly, an audit of your current core positioning and proposition in the context of macro and micro market trends: your brand 'promise' & reasons to believe. Corporate 'vision, mission & values'; behaviours & culture, with supporting service and sales approach. Existing research (industry data; satisfaction surveys; media commentary; staff audits) should be included as it will provide valuable points of reference.

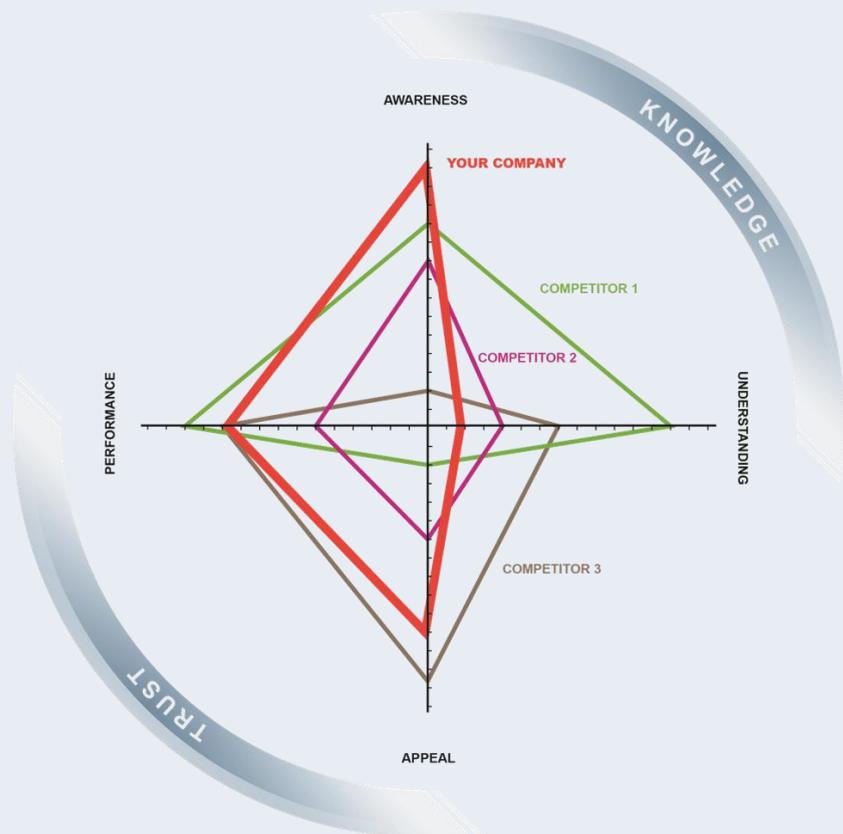
Corporate/brand identity, communications & marketing activity

Finally, an evaluation of the effectiveness of all current materials and media used. Core brand fundamentals (name, visual identity & system). 'Masterbrand' & sub-brand architecture (portfolio structure and management). Corporate messages and narrative. Visual & verbal language; imagery; personality; tone. Design style and 'look & feel', especially coherence cross-media and within the digital space.

A profile that begins to identify core brand strengths within a competitive environment

The sum total of these inputs will provide a profile for your brand that begins to identify your core strength(s) within a competitive environment. Not only will this provide a hi-level perspective on your confidence rating, but also give you the ability to drill down into the respective elements that make up the detail of the 'Knowledge' and 'Trust' dimensions.

Clearly, evaluation and interrogation of your brand doesn't (necessarily) imply the need for change ... simply a willingness to embrace best-practice and explore the possibilities and opportunities. With greater understanding comes the ability to plan with greater confidence: with this snapshot in place, senior management can develop a future plan that builds on your strengths, whilst addressing identified weaknesses, exploiting those of your competitors at the same time.



Can this ever give you a definitive measure of your brand strength; one that is totally immune from the influence of 'market sentiment', or 'external influence'?

Possibly not. But this process should give you as objective - and robust - an evaluation of current appreciation and understanding of your brand as possible.

Or put another way - and returning to my 'glass half-full; half-empty' analogy - perhaps what the above can do is simply remove the glass and focus more on the amount of liquid there is!