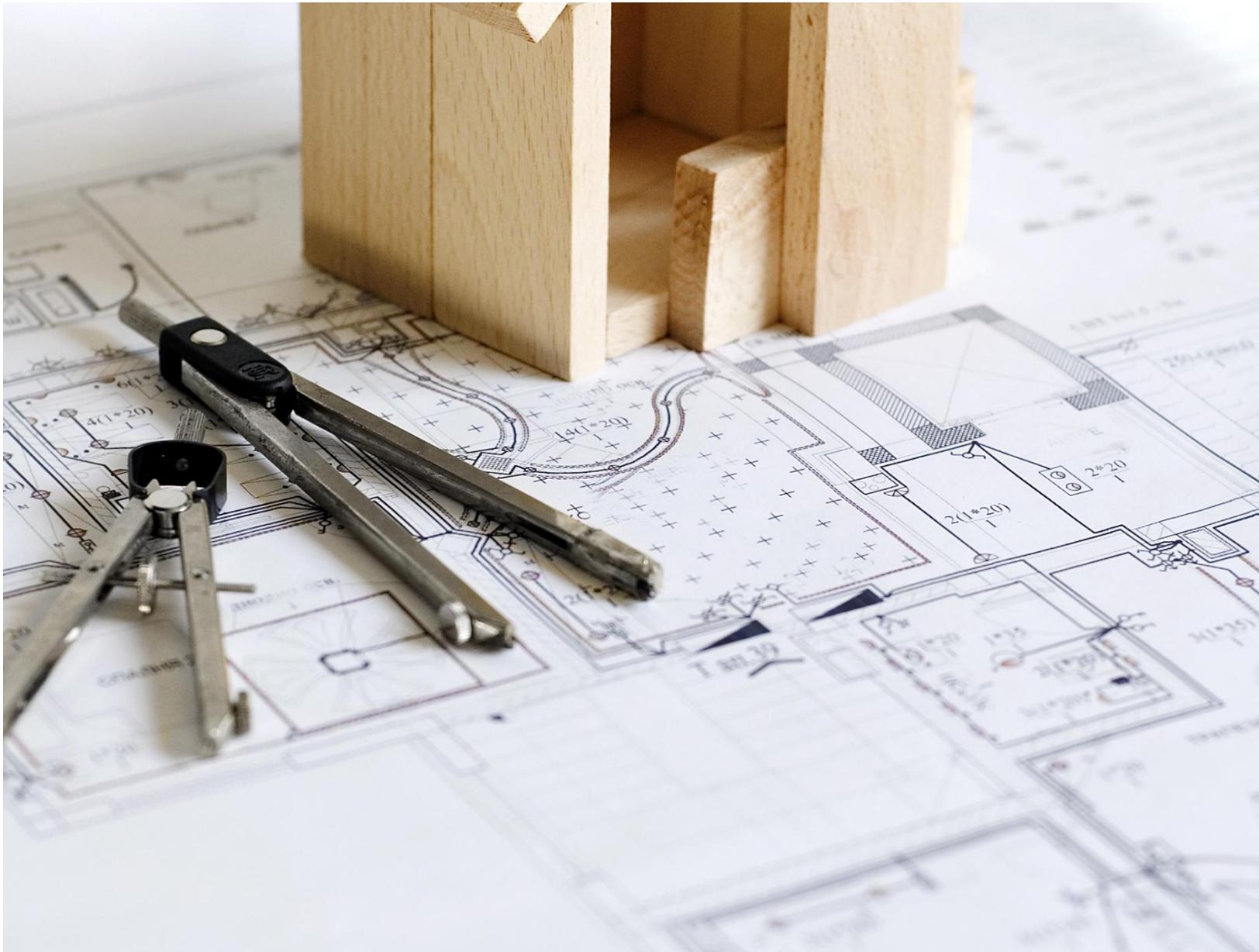


Brand Architecture: Your Brand's Blueprint



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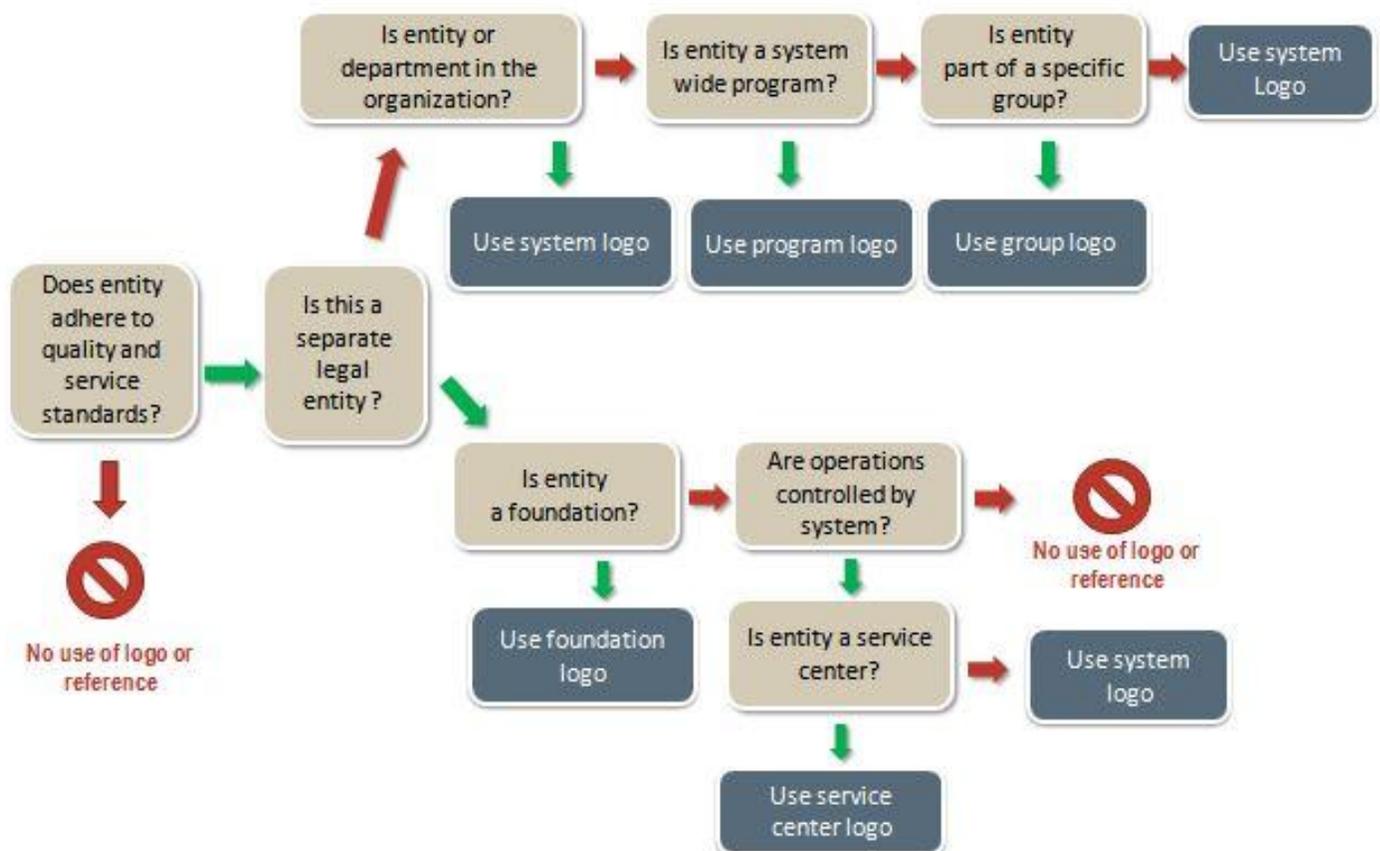
Endeavor

Brand Architecture: Your Brand's Blueprint

As organizations grow, branding gets complicated. New product lines, services, regions and locations can create a mess without a clear strategy. It is easy to fall into a trap of spreading a brand too thin or having too many brands that confuse customers. For this reason, it becomes necessary to have a strategy for how multiple brands - whether products, services or internal departments - relate to one another. This strategic discipline is called brand architecture. In the following paragraphs, we provide a brand architecture overview, steps for creating proper brand architecture, and principles for long-term success.

Brand architecture aligns with how customers make buying decisions

Brand architecture is one external representation of brand strategy. The brand strategy - what the brand stands for, its value, difference and experience - is not the same as its name. Brand architecture starts to assemble the names in such a way to reflect the promise. It's essentially the outward reflection of the organization and should demonstrate the promise.



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An organization whose brand is highly focused on products might choose to invest in strong product names. Conversely, the organization focused on providing complete, holistic solutions, would under-invest in brands other than its master brand.

But while this is easily implemented at the top or “master” brand levels, it’s very difficult to translate the strategy down to underlying, sub-brands. In fact, most organizations ignore this discipline and make the poor choice of “dealing with it when it comes.” However, the results can be catastrophic in terms of brand equity and customer loyalty.

The principle purpose of a brand is to help customers reduce decision risk. However, by not following clear architectural standards, confusion ensues. Developing sub-brands often happens after a brand has been established and when organizational changes such as expansion, acquisition or an increasingly competitive environment create a need for change.

Therefore, brand architecture should be created first - just as the structure of a building is designed before the foundation is laid. Doing this work upfront clarifies which brand is dominant in certain situations or markets, how the master or parent brand relate to sub-brands (products or services), and how the brands should be marketed to different audiences.

Brand architecture includes names, symbolism, messaging and visual vocabulary.

Benefits of proper brand architecture:

- Stronger overall brand equity by focusing on customer buying behavior first
- Easier decision making – rules of engagement are set upfront for mergers and acquisitions
- Optimal allocation of brand building through deliberate brand management
- Maximized visibility
- Clarity of the offering
- A platform for future growth

There are several common categories of architecture:

In **monolithic** brand architecture, there is customer benefit in seeing that each component is part of the same whole. This is often important when service quality is at a premium, when experiences are intentionally consistent, or when companies have limited resources.

Freestanding architecture is the converse of monolithic. When organizations want to properly manage channel conflicts, serve distinct audiences or maintain independence, a free-standing architecture is the preferred method.

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A **blended** architecture is sometimes referred to as endorsed (e.g., “a member of”) or shares the same symbols, but not the same name. These organizations attempt to have the best of both worlds, but it is not ideal for every brand. The key to successful blended strategies is clear reference to the benefits of the endorsement (e.g., product quality) geared toward a specific target audience (e.g., consumers of certain types of products or lifestyles). In some circumstances, a newly created product might benefit from the established master brand under these blended strategies. In others, it might be the acquired or licensed benefits from the master brand that serves to elevate the sub-brand (in such cases where they are not managed quite the same way).

In all of these circumstances, there is still a master brand. The variance among them is the equity each leverages from the master. In addition, it is possible that some final architecture strategies include all of the above – but only with strategic thought behind it.

High-performing brand architecture is founded in research

The goal of creating brand architecture should be to clarify how customers make buying decisions and understand their current perceptions. For this reason, it is crucial to assess how customers and employees perceive your brand(s). Conducting brand research or using existing research (if it is up-to-date) arms you with the information to make strategic decisions about the brand architecture.

Brand research should be designed with the following goals in mind:

- Understand which brands drive customer preference, reputation and satisfaction
- Gain insight as to how the brand(s) performs differently among market segments – such as those in different geographic areas or with varying income levels
- Assess your brand *and* competing brands to understand the difference between what the brand says and what consumers believe
- How and when customers make buying decisions

Another tool when developing brand architecture is conducting in-depth interviews with internal stakeholders. Internal stakeholders can give you insight on issues such as performance of the existing portfolio of branded entities/products/services, desired changes, how to best respond to competitive threats and critical success factors for on-going management of the brand. Involving key stakeholders early in the process also serves to obtain their support for change.

Research will equip you with information to make strategic decisions. Also consider the following principles, which will promote long-term success:

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- Keep it simple
- Make sure the connections across brands are clear
- Translate associations across brands when strategically necessary
- Ensure what gets a brand needs a brand – they must be distinct and fit into proper categories
- Placement matters – which name comes first, colors in common, placement of the corporate symbols should align with the strategy
- Leverage all brand assets – the more common elements shared, the stronger the links

Brand Architecture Process

Step	Action	Considerations
1	Inventory existing brands and sub-brands	What is in your portfolio today? What brand(s) is/are core?
2	Organize brands according to strategic importance	With which brand(s) do your customers connect? Which brands maximize your competitive positioning? What are positive and negative associations with the brand?
3	Create the structure of brands and sub-brands	What is the present hierarchy and the desired hierarchy? What brands should we retain/merge/delete? How do brands relate internally and to the competition? How can we prevent our brands from competing with each other?
4	Present visual formats for brands in portfolio	How do we present and market brands to maximize customer understanding? How is the logo/name used for each relationship?
5	Manage and assess performance continually	How does each brand perform? What investments need to be made to increase performance?

Pulling it all Together...A Branding Success Story

Gelb regularly works with organizations to assess, design and deploy brand strategy. Creation of brand architecture is an important part of our brand strategy process and provides a blueprint for long-term success with the constant changes in organizational structure, mergers, and new product/service deployments. Most recently, we worked with a health system that merged a large academic medical center with a community health system.

Steps 1 & 2: Inventory and Organize Brands

The team determined that brand research was needed to arm them with information to make critical naming and brand architecture decisions. The brand research assessed consumers

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(including patients), referring physicians and employees. When inventorying and organizing your brand(s), we suggest including questions that help you answer the following questions:

- How do respondents connect with and perceive each brand?

Brand Associations, General View	North			Central		
	A	B	C	A	B	C
Sophistication	78%	74%	89%	77%	40%	54%
Excitement	65%	56%	73%	65%	47%	47%
Ruggedness	62%	59%	66%	70%	47%	55%
Sincerity	65%	71%	69%	68%	33%	47%
Competence	67%	54%	85%	64%	54%	43%

- Which brand maximizes your competitive positioning?
- What characteristics are associated with each brand? (see example on the next page)

Step 3: Create brand structure

Based on the results of the research, a new name was created to fuse the two organizations into one system. The new name incorporates terminology from both systems, but is most strongly tied to the organization with the widest market appeal. Service standards incorporate positive attributes from both systems, such as the cutting-edge technology associated with the academic medical center and the comfortable care environment associated with the community health system.

When creating the brand structure, it is important to address the rationale and to obtain buy-in from internal audiences. Key questions to address include:

- What is the rationale for the suggested brand architecture? (cite research if possible)
- How does the new brand structure maximize your competitive edge?
- Why is it important that the change take place?
- If a new partnership or entity is being formed, what are the benefits?
- What does the brand structure mean for the audience?
- If multiple brands are included, clarify the placement of the core brand and sub brands (which brand should come first and how to decide which brand to use)

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Step 4: Visually represent brand and sub-brands

A master visual logo was created to unite all sub-brands and locations, representing a clear core brand that symbolizes academic expertise coupled with personalized, community-based care. Distinct sub-brands and logos will be used for community hospitals and community medical groups, while a university brand will be used at the academic medical center and for its foundation. This allows their multiple types of facilities (medical center, community hospitals, and physician practices) to maintain distinct brands, while being united through a master brand that is relevant to all locations and shares common resources and service standards.

To communicate this information, a brand style guide was created as a resource to establish and maintain consistency across all electronic and printed materials. We suggest that a brand style guide include the following information:

- An explanation of the brand's positioning and core values
- Logo standards, including visual representation and how it should be used amongst various system entities
- Guides to visual language such as colors and typefaces
- Language guidelines such as tone of voice, and words that accurately describe the brand
- Graphic standards such as usage of templates and required approvals for distributing communications materials

Step 5: Manage and assess brand performance

Recognizing that investments needed to be made to support the new brand architecture, we worked with the team to create a rollout plan. Remember that internal audiences should be prioritized, as it is essential for them to understand and buy into any changes. Externally, consider how the new brand architecture will be communicated amongst the following:

- Media Relations
- Advertising
- Web
- Phone
- Collateral
- Signage

Regularly assessing brand performance is important for long-term success. Traditional brand and patient satisfaction surveys are a common way to produce benchmarks. In response to client demands to have a real-time tool for measurement, Gelb develops and deploys cost effective brand performance dashboards. Results are provided in real-time and, most importantly, responses from customers deemed "at risk" are escalated to individuals who can

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take action to keep customers. Using this tool, we not only examine your brand's performance but also that of your competitors' brands.

Taking Action

Armed with a well-developed brand architecture that is founded in research, you can improve your brand's performance by increasing brand awareness and ultimately brand preference. Visually uniting brand logos, signage and other points of interaction will align multiple points of interaction and reduce customer confusion. In the end, your brand is one of your best assets and avoiding "dealing with it when it comes" will help you protect it.

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About Endeavor

Endeavor Management, is an international management consulting firm that collaboratively works with their clients to achieve greater value from their transformational business initiatives. Endeavor serves as a catalyst by providing pragmatic methodologies and industry expertise in Transformational Strategies, Operational Excellence, Organizational Effectiveness, and Transformational Leadership.

Our clients include those responsible for:

- Business Strategy
- Marketing and Brand Strategy
- Operations
- Technology Deployment
- Strategic Human Capital
- Corporate Finance

The firm's 40 year heritage has produced a substantial portfolio of proven methodologies, deep operational insight and broad industry experience. This experience enables our team to quickly understand the dynamics of client companies and markets. Endeavor's clients span the globe and are typically leaders in their industry.

Gelb Consulting Group, a wholly owned subsidiary, monitors organizational performance and designs winning marketing strategies. Gelb helps organizations focus their marketing initiatives by fully understanding customer needs through proven strategic frameworks to guide marketing strategies, build trusted brands, deliver exceptional experiences and launch new products.

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