Proposition 43
New-Age Branding and the Public Sector

In a Word Branding is a means to identify a company's products or services, differentiate them from those of others, and create and maintain an image that encourages confidence among clients, audiences, and partners. Until the mid-1990s, brand management—based on the 4Ps of product (or service), place, price, and promotion—aimed to engineer additional value from single brands. The idea of organizational branding has since developed, with implications for behavior and behavioral change, and is making inroads into the public sector too.

Background

The core concept in marketing[1] has always been that of transaction, whereby an exchange of values takes place. However, in parallel with changes in cultures, lifestyles, and technologies, the emphasis in marketing has shifted from individual transactions: the new focus is on establishing long-term relationships.

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[1]Marketing is the activity, set of institutions, and processes—always interconnected and interdependent—meant to identify, anticipate, create, communicate, deliver, and exchange valuable offerings that satisfy clients, customers, audiences, and society at large.

Marketing and branding are inextricably linked. To meet demand and facilitate transaction, the objectives that a good brand achieves are to deliver the message clearly, confirm credibility, connect emotionally to the targeted prospects, motivate the end users, and concretize user loyalty.

Having a strong brand is invaluable as competition intensifies. Brand management—that is, the art of creating and maintaining a brand—now requires that the whole organization support its brand with integrated marketing. The stronger the brand, the greater the loyalty of end users is. The stronger the brand, the more flexible an organization is. Higher staff morale leads to higher productivity and better results.

Definitions

A brand[2] is a distinguishing name, term, logo, slogan, sign, symbol, or design scheme—and a combination of these—intended to identify a product or service. Branding is the communication effort to promote brand identity,[3] aiming to help end users differentiate[4] the product or service from that of competitors[5]—and view it in a favorable way, often termed brand equity.[6] Branding is devoted to establishing and nurturing a relationship with end users. Indeed, some now define branding as nothing more or less than a relationship. Thus, it is very important to reflect on the fragility of brands: because trust is the basis of all value, organizations that own brands must work hard to retain and deepen it.

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[2]In its English usage, the word is derived from the Old Norse *brandr*, meaning "to burn". It refers to the practice that producers had of burning their mark onto products. Although connected with the history of trademarks—of which Roman blacksmiths were the first users when they forged swords, brands were popularized from the nineteenth century with mass marketing of packaged goods. (Industrialization moved the production of many items from local communities to centralized factories that, when shipping them, would brand their insignia on the barrels used, thereby extending the meaning of brand to that of trademark).

[3]Brand identity embraces the attributes that a brand aspires to communicate. It is built by brand vision, brand culture, brand personality, positioning, relationships, and presentations. Examples of brand identity are youthfulness, seriousness, reliability, or luxury. The determinants of that include a technical innovation, superior performance, reliability and durability, convenience and ease of ordering, owner safety, and appealing design.

[4]An undifferentiated product or service is a commodity. A commodity is standard, cheap (and becoming cheaper), widely available, and of low status. However, differentiation matters only to the extent that the end users value the difference.

[5]From a marketing perspective, a competitor is a company (or organization) that satisfies, or intends to satisfy, the same clients that your organization satisfies.

[6]Brand equity is the intangible value-added aspect of any given good or service that is otherwise not considered unique.

A Primer on Branding

> *For a business not to advertise is like winking at a girl in the dark. You know what you are doing but no one else does.*
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> — Stuart H. Britt

The six key concepts in branding are

- When considering a product or service, the targeted prospects hold thoughts and experience feelings.[7] Brand reputation, or brand perception, exists whether an organization considers it or not.
- A brand's reputation is the sum total of the experiences that clients, audiences, and partners have had with an organization's products and services—including features, quality, dependability, advertising campaigns, client interaction and service, public relations, presentations, websites, etc. Building a reputation takes time, authenticity, and consistency in words and actions. At the outset, a brand is always a seed that must be designed, positioned, and driven to grow.
- Marketers need a clear idea of the end users with whom the organization plans to build a relationship. Target groups should be tightly defined and well understood in terms of psychographics (covering self-image, self-identification, motives, needs, aspirations, and values) and their competitive sets, viz., the reference they use when thinking about how the product or service fits in their context.[8] Marketers should then conduct continual qualitative research—especially on feelings (rather than facts)—and seek answers severally, for example, by means of intrapersonal theories of psychology, social psychology, sociology, and anthropology.
- A branding strategy is about using certain tools, methods, and approaches to achieve strategic and operational goals.
- Myriads of decisions and tradeoffs are associated with developing a branding strategy. (The goal, marketing requirements, and value proposition of specific products or services may lead to a unique branding strategy for each.)
- An organization's branding strategy is a component of its overall corporate strategy.

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[7]In other words, a brand is a person's gut feeling about an organization. It is an emotional, sensory understanding of what the organization is rather than an intellectual, rational memory of its tagline or logo.

[8]People make choices against a running list of priorities. They perceive a need, seek value, assess value, buy value, and find (or not) value in consumption or use. Naturally, a brand with a positive image makes the end user's choice easy. Therefore, for brand builders, the effective question should be: "What is the significance of this brand in the end user's life?".

Branding and Social Marketing

Brands are customarily associated with the private sector. Nonetheless, public sector organizations should also be aware of the ways they are portrayed and perceived by society, and endeavor to manage these to demonstrate improved responsiveness to public needs. (Their client orientation and the breadth of choice they offer to targeted prospects are routinely questioned). Logically, this can only involve changing their products or services or changing perceptions without changing the products or services.

> *The purest treasure mortal times afford*
> *Is spotless reputation: that away,*
> *Men are but gilded loam or painted clay.*
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> —William Shakespeare

Either way, branding should help. public sector organizations have, essentially over the last 15 years, often been asked to bring about dramatic overhauls including process improvements[9] and organizational culture shifts. A strong brand personality can attract support for their missions, but also inform these. While public sector organizations typically do not see one another as competitors—and, unlike commercial entities, do not battle it out for clients and attention—it is still critical for them to better define and align vision, culture, and image, and harness the needs of their targeted prospects as commercial marketers do. In sum, brand logic would enable public sector organizations to be perceived as institutions that enable end users to achieve their goals, be relevant to and consistent with how end users view themselves and their lifestyles, help end users relate to others they aspire to be like or associate with,[10] and strengthen or nurture their identity[11] and sense of well-being.

> *The mass market has split into ever-multiplying, ever-changing sets of micromarkets that demand a continually expanding range of options.*
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> — Alvin Toffler

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[9]This includes, for example, shifting out of mass provision to efficient, personalized modes of service provision.

[10]Interestingly, although marketers target a particular group when building a brand, that frequently attracts others. Nonetheless, they must first target to develop the brand relationship before they can facilitate diffusion to a broader market.

[11]Identity relates to individual and collective identification with an organization's mission, values, corporate strategy, competitive advantage, and brand promise.

The notion that marketing tools, methods, and approaches might be used to promote social good developed in the late 1960s and early 1970s. Philip Kotler was the first to argue that marketing is relevant to all organizations having customer groups: in 1971, together with Gerald Zaltman (1971),[12] he proposed that social marketing is the design, implementation, and control of programs calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communication, distribution, and marketing research. From there, arguing that marketing technologies can influence the voluntary behavior of end users to improve personal welfare and that of society was a short step. Branding would add new ways to think about the current behavior of end users and how to address that and, just as importantly, serve as a feedback mechanism. (Marketers should consider brands as learning opportunities.)

Notwithstanding, at the beginning of the twenty-first century, public sector organizations still do not make much use of marketing concepts and tools even though so many have been tested and are at hand. Conversely, attempts at branding in public organizations often arouse derision. Yet, there is considerable promise in well-defined areas: (i) stakeholder mapping, (ii) value chain analysis, (iii) competitive analysis,[13] (iv) positioning analysis,[14] (v) lifestyle segmentation, (vi) Unique Selling Propositions,[15] (vii) copy and concept tests,[16] (viii) experimentation,[17] (ix) customer satisfaction measures, (x) event marketing, (xi) integrated marketing communication, (xii) and niching, among others. In the age of globalization and the Internet, many argue that the next big thing in branding is social responsibility: and that surely is where public sector organizations have a niche.

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[12]Typically, Kotler had earlier also broken new ground when he proposed that marketing had a role to play in nonprofit organizations (Kotler and Levy 1969). Kotler is widely regarded as the world's leading authority on marketing. Until he (and Theodore Levitt) turned their attention to the subject in the early 1960s, marketing had not been seen as a serious function of strategic management but as a tiresome occupation best left to sales departments. Importantly, Kotler's work carries the recurring theme that organizations compete for clients, customers, and audiences and that they cannot succeed by trying to satisfy all segments: they must select and focus on well-denied target groups whose needs they understand. Therefore, marketing must match an organization's capabilities to appropriate opportunities.

[13]Inexplicably, public sector organizations tend to think of themselves as unique. They would benefit from careful study of for-profit marketers.

[14]Public sector organizations are always pressured to follow the preferences and interests of their stakeholders, sometimes omitting to consider fully alternative positions or learning whether end users perceive their positions in the way the organization does.

[15]The Unique Selling Proposition refers to the unique benefits that an organization's products or services offer targeted prospects that differentiate them from those of competitors. (Instead of looking at the product or service from the organization's viewpoint, the Unique Perceived Benefit considers it from the perspective of the end user.).

[16]Public sector organizations frequently rush to impact, making strategic and tactical blunders that pretesting might have avoided.

[17]Too often, public sector organizations formulate only one "best" strategy, ignoring plausible alternatives that they might test and learn from at modest cost.

Box: International Organizations in the Globalized Economy

The information technology–savvy protestors who rocked Cologne, Seattle, Washington DC, Prague, Quebec City, and Davos before Nice, Gothenburg, Salzburg, and Genoa—the list grows—are multigenerational, multi-class, and multi-issue oriented. They are a motley crew of lobbyists, activists, pacifists, and extremists. Regardless, they share a distrust of what international organizations (or gatherings) have to say.

Geopolitical, economic, and demographic forces gave birth to anti-globalization about 2 years ago. The phenomenon is spreading and will continue to make headlines. All the same, not a lot is being said about how to cope with it, aside from retreating to mountaintops, fortresses, or islands. For sure, little conversation can be had with hooligans who hurl Molotov cocktails when they are not looting banks, shops, and cars. But international organizations ought to anticipate and respond to the demands of protestors who conduct their activities in peace and with legitimacy. Surveys report also that protestors command a greater level of trust than international organizations: predictably, respondents think that protestors are driven by morals and ethics. All the more reason, then, to act on the perception that there is a democratic deficit. So what can they do expressly?

Realigning Brands Of course, they can raise appeal. The monetary, trade, environmental, and development organizations that the protestors target in turn have never done work on branding. They need to align vision, culture, and image. And they must for this find out where these props are out of kilter.

• *Vision and Culture* Do they practice the values they hold up? Do their visions inspire their cultures?

• *Image and Vision* Who are their stakeholders? What do they expect? Do the organizations convey their visions to them effectively?

• *Image and Culture* What images do stakeholders associate with international organizations? How do staffs and stakeholders interact? Do staffs fuss about what stakeholders think?

Misalignment between vision and culture would reveal that the international organizations pursue strategic directions that staffs do not understand or support (or, worse still that the visions are too grand to implement). The gap would represent a rift between rhetoric and reality. Next, misalignment between image and vision would reveal discrepancies between the image that stakeholders have of international organizations and the vision promoted by the managers of these organizations. The gap would imply disregard for stakeholders. Finally, misalignment between image and culture would signify confusion among stakeholders as to what international organizations stand for. The gap would mean that international organizations do not put into effect what they preach.

Defusing Threats International organizations can also make potent threats less harmful by providing platforms from which protestors can express their

opinions. (In this way, troublemakers would be shown up for what they are.) Many opportunities to do so exist. International organizations can readily grant website access, organize newsgroups, conduct live Internet debates, link their websites to those of prominent protestors, and stage press conferences or public debates with them.

Re-perceiving Social Responsibility More profoundly (and sustainably), international organizations can build up more inclusive relationships with members of civil society. How? In no particular order, the plethora of red-hot issues agitating protestors include global warming and climate change, bio-diversity, genetically modified organisms, nuclear power, missile defense, disarmament, Third World debt, terms of trade, underdevelopment, corporate dishonesty, anti-capitalism, anti-Americanism, human rights, unfair labor practices, race and gender issues, health, and AIDS. To begin with, inter-national organizations must think about these issues from the perspective of all stakeholders (not just shareholders) to take in changing expectations. Having decided to spend more time on stakeholder analysis—and that means identifying those participants who have the most direct interaction and examining their interests from their points of view—they would soon identify areas where new competencies are required. They would then need to investigate more facts, stretch internal and external networks, think in sce-narios to draw out rigorous explorations of possible futures, build the new competencies required to deal with stakeholder concerns, integrate the new competencies into their operating systems, and support these initiatives with positive internal and external strategies safeguarded by independent verifi-cation mechanisms.

Global issues call for international organizations. But many people—the great majority of whom are peaceful—are so angered that they travel long distances to protest outside international gatherings. A spirit of inclusion would let their voices be heard in constructive ways. After all, who wants to take over a crisis when it is too late?

Source Author. 2001. Unpublished

Branding, Relationships, and Behavior

The traditional view of the exchange process presented above emphasizes voluntary transactions between parties who exchange something of value in return for satis-faction. However, bearing deep implications for both marketing and branding, a fundamental question is: "Who is exchanging what and with whom?"

Companies have to wake up to the fact that they are more than a product on a shelf. They're behavior as well.

— Robert Haas

Marketers have come to agree that the parties to a transaction are in fact exchanging one behavior with another as individuals or communities. They do not just transact. And so, if relationships—in other words, supply chains—are indeed crucial to marketing and marketing is not an act but a habit, both private and public organizations should.

- Think in terms of social capital and relationships, which requires that they plan for the long-term and build brand equity accordingly.
- Consider what deep-seated values relate to the behaviors of targeted prospects and ascertain better what value and motivational attributes their products and services have from the perspective of end users.[18]
- Focus, simplify, and organize products and services by emphasizing and facilitating understanding of their unique selling propositions: therefore, for all products and services marketers should look at the who, what, how, where, when, and why of end-user behaviors.
- Bring more and different partners together to initiate and deploy synergies.
- Constantly monitor and evaluate their efforts by surveying the perceptions of end users.
- Visualize marketing as change management, the success of which hinges on explicit consideration of relevant determinants of intraorganizational behaviors throughout marketing activities, institutions, and processes.
- Accept that organizational behavior is central to marketing and branding:[19] it is a management philosophy for organizational practice; a strategy that helps relate with end users; an organizational tool for structuring and infusing teams; a tactic with which to drive inputs; and a measurement of the relevance, efficiency, efficacy, sustainability, and impact of activities, outputs, and outcomes.[20]

Everybody can own a behavior: that starts with action, not images or words, because clients, audiences, and partners judge organizations by what they do, not

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[18]There is an interesting aside to this: better educated, aware, and informed end users reduce the value of the product-or service-only brand.

[19]The entire organization, including its networks and information technology functions, must be involved in delivering the experience of the products and services that the organization promotes. Hence, marketing must exit functional silos to become a corporate passion—that is, the agile management of the organization's engagement with its external environment. This requires unity of purpose, a "one company" mentality with everyone pulling together. It requires new, integrated skills and tools for database marketing, multimedia and photography, publishing, communications through modern media, public relations, and end-user service, to name a few.

[20]Each behavior measures the health or ill-health of the organization.

what they say. From a marketing perspective, some components of behavior are transparency, authenticity, interactivity, applicability, and sustainability. The attributes of well-regarded brand-owning organizations are leadership, citizenship, pride, talent, innovation, transparency, and long-term view.

References

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Further Reading

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