Chapter 55 Brand-Led Transformation: Operationalising the Brand in Complex Service Businesses

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ABSTRACT

Brand-led transformation is about leveraging the power of a corporate brand to drive fundamental change within organisations. Focused on complex service businesses, the brand serves as the starting point for a systematic process of transformation that drives change down to the level of business operations. This ensures that the principles of the promise are experienced in every interaction that the company has with its customers. Organizations typically struggle with translating brand-led customercentric strategies into tangible and specific change outcomes at the front line. This chapter melds a practitioner's view with current theory and offers pragmatic and proven approaches to translating these strategies into a framework and a methodology that drives direct customer and company benefits with successful enterprise-wide outcomes that impact the full business. In addition, this structured approach is complemented with insight into a deeper review of the role of agents of change and their impact on implementation across the organization.

INTRODUCTION

Brand strategies are often conceived and developed within marketing departments of organizations. The marketing team, leveraging a keen understanding of the latest theories on effective marketing management and consumer behaviour, often does an outstanding job launching new customer centric initiatives within their own departments.

However, to be truly successful these strategies must flow from and build upon the company *brand* and be operationalized across the entire enterprise. In this context, the brand becomes a catalyst for true enterprise transformation, reaching into the depths of its strategies as well as its operations. As such, brand-led customer centricity must penetrate all aspects of the firm from corporate leadership to staff, and across all customer offers, business plans, programs, core processes and projects, within the orga-

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nization. Only in this way can organizations transform the way the consumer experiences their brand. While most organizations subscribe to the need for customer centricity, the number of companies that consistently and effectively implement such strategies are few.

As suggested by the title of this paper, when properly understood the power of a brand is transformative. This more challenging view of brand suggests that an 'inside out process' is required; one where companies work hard at understanding what they actually offer to the customer, and how far their organization's essence and spirit is actually experienced by their customers. In the latter case, branding is not the relatively easy work of creating external symbols and imagery for the market, but rather the challenging work of internalizing one's brand, and of building an in-depth understanding of company perceptions and customer experiences across all aspects of the business. This understanding then needs to be leveraged into actual changes in company operations so that the expectations set up by the brand symbolism are actually realised in the customer's experience.

While this transformation is important in all businesses, it is particularly critical in service businesses. Western economies have become increasingly service oriented, with the "pure service sector representing three quarters of the developed world's economy. Forty per cent of manufacturing firms sell services as well as products. And, in some cases, traditional manufacturing firms generate over fifty per cent of their revenues from services." (Visnjic & Neely, 2013, p. 3)

Branding in complex service businesses is particularly challenging, especially where interactions require multiple engagements on matters of great importance to the customer. "It is one thing to brand products, whose quality is at least predictable, it is quite another to invest in brands for which human variability is a significant factor". (Hatch & Schultz, 2009 p. 117)

Brand-led transformation is based on the application of a rigorous framework that enables organizations to take customer centricity more seriously. Its primary purpose is to establish customer centricity at the core of a company's DNA. The framework described in this chapter has been successfully applied and proven in numerous organisations across multiple industries. It is particularly relevant to complex service organizations such as those in financial services, health care, airlines, hospitality, investment management, and many other sectors where the customer experience is delivered through multiple product and service interactions across numerous touch points.

Complex service businesses are ones where the relationship with the consumer go beyond the instantaneous and transactional and reach into a more engaged relationship, including ones that are deemed sensitive or critically important by the individual or firm purchasing the service. These can be advisory, reciprocal or requiring a longer-term relationship by the customer. While identifying complex service businesses is relatively easy, defining the drivers of complexity is more difficult with multiple different interpretations of the drivers of complexity. Neely, McFarlane and Visnjic (2011) identify twelve dimensions that define service complexity and provide a framework for their analysis and interpretation.

While some elements of the framework treated here will be familiar to those immersed in the literature on processes of company change, others are new and genuinely innovative contributions to the understanding of branding and company transformation.

THE SCOPE OF CUSTOMER CENTRICITY

Truly customer centric organizations have the customer embedded at the core of their organizational DNA. The scope of this framework is enterprise-wide as transformation touches all parts of the organization,

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