

Chapter 22

Brand–Led Transformation

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ABSTRACT

Customer centric 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 initiating new customer centric thrusts within organizations. However, to be truly successful, these strategies must flow from and build upon the company brand and be operationalized across the entire enterprise. Brand-led customer centricity must penetrate all aspects of the firm from corporate leadership to staff, and across all customer offers, business plans, projects, processes, and programs of the organization. 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. Organizations typically struggle with translating brand-led customer centric strategies into tangible and specific initiatives. This chapter melds a practitioner's view with current theory and offers pragmatic and proven approaches to translating these strategies into initiatives that drive direct customer and company benefits with successful enterprise-wide outcomes that impact the full business.

INTRODUCTION

The title of this chapter suggests that, when properly understood, the power of a brand is transformative. Typically, brand is thought to be an external logo or symbol for conveying a company identity to customers and for persuading them to accept the brand. However, a more

challenging view of brand suggests a more ‘inside out process’ 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 painful

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work of internalizing one's brand, building an in-depth understanding of company perceptions and customer experiences across all aspects of the business and then leveraging that understanding into actual changed company behaviours so that the gap between the ideal (represented in the brand symbol) and the actual delivery (as experienced by the customer) narrows.

It is through brand-led transformation and the application of its rigorous methodology that organizations begin to take customer centricity much more seriously and focus on how this methodology can be implemented so that customer centricity takes its central place in a company's DNA. The methodology outlined here has been applied and proven through implementation in numerous organisations across multiple industries. This chapter will focus both on development of the brand led framework as well as on implementation of customer centricity within organizations and applies to any organisation delivering a product or service to a customer. It is particularly relevant to complex service organizations such as those in financial services, health care, hospitality, and airports where the customer experience is delivered across multiple product and service interactions and touch points.

While some elements of the methodology 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 is enterprise-wide and transformation touches all parts of the organization, tangibly changing the way the organizations function. As such, brand led transformation is a process of conscious change to enable organiza-

tions to define their core customer experience principles, often explicitly stated in a brand or customer promise, and then to operationalize these across all aspects of the business.

The concept of customer centricity is certainly not new. As early as the 1950s, Peter Drucker, in *The Practice of Management*, signals the importance of customer centricity indicating that

there is only one valid definition of business purpose: to create a customer. What business thinks it produces is not of first importance—especially not to the future of the business or to its success. What the customer thinks he/she is buying, what he/she considers “value” is decisive—it determines what a business is, what it produces, and whether it will prosper (1954, p. 37).

Since then a number of additional concepts have extended this notion of customer centricity. Two of these ideas are of particular importance in the analysis of this chapter—*service-dominant logic* and the concept of *customer experience*. These extend the traditional notions of customer centricity and address the experiential aspects associated with the customer's actual engagement with a company's products or services.

Service dominant logic is particularly important as it recognizes the service element embedded in every product sale as a critical element defining the customer's experience. As such, the service component becomes a direct part of the value proposition and is intrinsic to the experience. Moreover, the user's interaction with the product itself, as well as with the service components, can further improve or weaken the overall appreciation of the offer itself. As Gummeson explains:

... customers do not buy goods or services; they buy something that they perceive to be of value for them. For example, buying a car is classified as the outcome of goods marketing, renting a car as the outcome of services marketing. For each customer, however, value is created in his or her

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