

The One Thing You Must Get Right When Building a Brand

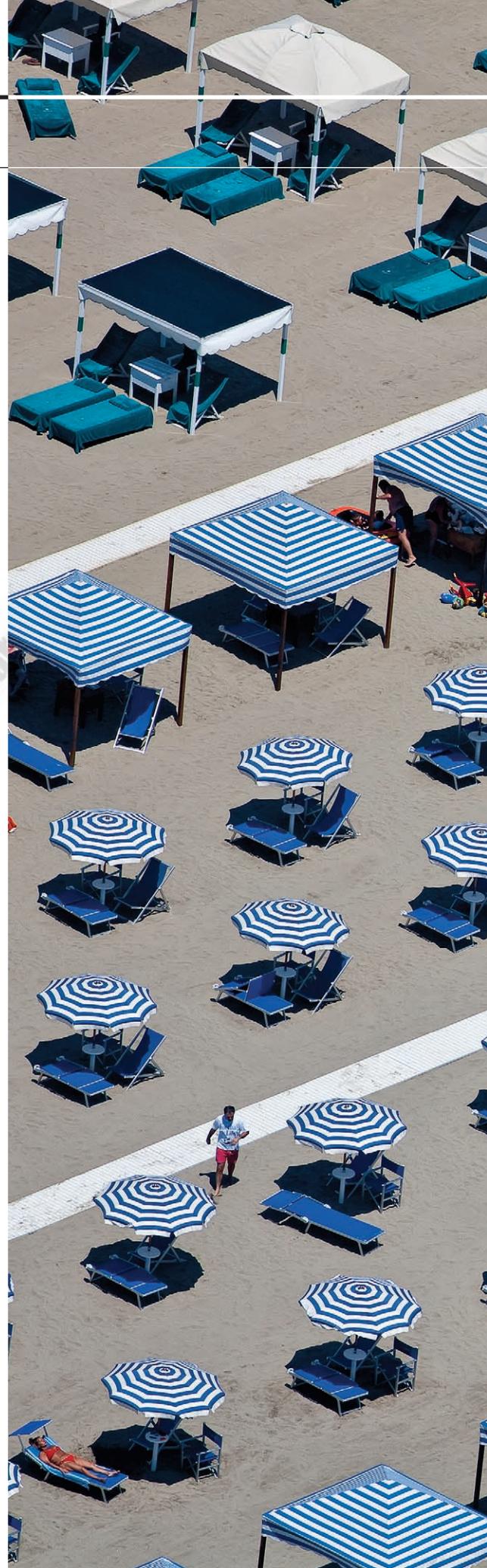
Yes, new media give us powerful tools and speed—but that's not enough.

by Patrick Barwise and Seán Meehan

As usual, marketers are turning hype into hyperventilation. This time, it's about the supposed end of marketing as we know it, thanks to the rise of social media and the shift of power to consumers. But it's wrong to think we're entering a world in which traditional marketing activities, and brands themselves, will become irrelevant. In fact, the opposite is true. Social media make it more urgent than ever that companies get the basics right, developing and reliably delivering on a compelling brand promise.

It has always been risky for companies to disappoint customers, at least over the long term. But today the scale and speed of social media can make falling short instantly painful. Consider the internet-fueled backlash against Kryptonite's expensive but easily picked lock and Dell's flammable laptops. By the same token, companies that consistently deliver what they promise benefit mightily when social media amplify their reputation. The obvious danger is failing to keep pace with social media developments. But an equal, less obvious danger is getting distracted by them and losing sight of the fundamentals.

We've long worked on marketing strategy with companies across industries; over the past 15 years we've focused on new media, and recently on social media marketing. And we've been directly involved



ARTWORK Alex MacLean, *Untitled*
2010, photograph, Italy



in successful new-media start-ups, including one specializing in customer advisory panels and online brand communities. Our conclusion? The companies that will succeed in this environment are exploiting the many opportunities presented by social media while keeping an unwavering eye on their brand promise, and they are judiciously revising the marketing playbook rather than trying to rewrite it.

Leverage Social Media

Most companies have cottoned on to social media as tools for engagement and collaboration. Marketers at leading companies have created lively exchanges with and among customers on sites such as OPEN Forum (American Express), Beinggirl.com (Procter & Gamble), myPlanNet (Cisco), and Fiesta Movement (Ford), tapping into participants' expertise and creativity for product development. Of course, social media can also boost brand awareness, trial, and ultimately sales, especially when a campaign goes viral. More important for most companies, however, is that through social media they can gain rich, unmediated customer insights, faster than ever before.

This represents a profound shift. Historically, market research was product- rather than customer-centric: Marketers asked questions about attitudes and behaviors relevant to their brands. More recently we have seen the rise of ethnographic research to help them understand how both a brand and its wider product category fit into people's lives. Social networks take this a step further by providing powerful new ways to explore consumers' lives and opinions.

Procter & Gamble was an early adopter of social media; now all its businesses have sites aimed at specific markets and communities. Its feminine care group, appreciating the need to listen to rather than talk at customers, made sure that Beinggirl was less about its products than about the tribulations of 11-to-14-year-old girls—embarrassing moments, hygiene concerns, boy trouble. The site's main value to P&G is not that it drives product sales but that it illuminates the target consumers' world. Similarly, Amex uses OPEN Forum to learn about small-business owners, and Cisco uses myPlanNet to better understand

the new generation of developers. These sites work because participants are engaged with the brands, find the platforms authentic, and trust one another. The companies create active communities by ceding some control—in our experience, often the hardest adjustment for marketers.

P&G recently encountered firsthand the dark side of social media—the speed with which they can spread damaging messages. After the company introduced Dry Max technology into its Pampers product line last year, promising extra protection and a less bulky diaper, Rosana Shah, an angry customer whose child had developed diaper rash, created a Facebook page dedicated to putting pressure on the firm to withdraw the product. Other reports of rashes and blisters followed, and by May 7,000 parents had joined Shah's campaign.

Confident in its product's performance, P&G stood firm. Its long experience in the category had taught it that some proportion of babies will always suffer from rashes, and the frequency of such problems hadn't changed after the introduction of Dry Max. Aided by its well-established social media network, Pampers Village, and its Pampers Facebook page, the company made its case sympathetically but clearly. It responded to all complaints, offered advice to parents, and explained why the product wouldn't be withdrawn. In September the U.S. Consumer Product Safety Commission reported that it could find no link between Dry Max and the occurrence of diaper rash.

Far from curbing P&G's enthusiasm for social media, this incident helped the company hone its approach. It plans to use greater prelaunch engagement through these channels in future to clarify expectations and enable an even faster and more effective response to any unexpected backlash.

Toyota, too, deftly used social media as part of its crisis management during the sudden-acceleration recall. It set up a team to monitor and respond with facts to rumors on Facebook and elsewhere, and created a Twitter presence for COO Jim Lentz. The team identified online fans and sought permission to distribute their statements through Toyota channels. Drawing on the company's brand reputation—the reservoir of goodwill earned over decades of delivering on its promise of quality, reliability, and durability—it used social and other new media effectively to neutralize much of the hostility. By March 2010, when the recall was in full swing, Toyota sales were rebounding, with Camry and Corolla topping the list of all passenger-car sales.

FOR PROCTER & GAMBLE, the main value of Beinggirl.com is not that it drives product sales but that it illuminates the target consumers' world.

Idea in Brief

The rise of social media makes it more important than ever to get the branding fundamentals right.

Companies that succeed in this environment judiciously revise the marketing playbook rather than rewriting it, and exploit social media opportunities while keeping an unwavering focus on meeting customers' needs.

Brands should use new media to deliver on four basics: offering and communicating a clear customer promise; building trust by delivering on it; continually improving the promise; and innovating beyond the familiar.

As they experiment with social media, companies should use them to gain customer insights rather than to sell; capitalize on the media's speed and reach while protecting the brand's reputation; and carefully follow the unwritten rules of customer engagement online.

Enhance the Playbook

Although any company's decision about whether and how to use a new tool is situation-specific, all companies should incorporate social media into their marketing playbooks. But what's the best approach? Our analysis of the strategies and performance of a diverse range of companies suggests that great brands share four fundamental qualities:

- They offer and communicate a clear, relevant *customer promise*.
- They *build trust* by delivering on that promise.
- They drive the market by *continually improving* the promise.
- They seek further advantage by *innovating beyond the familiar*.

These basics don't sound like rocket science, but we've been surprised by how many companies still fail to get them right. Social media can be used to reinforce all four, even as they make them more urgent. Look at how Virgin Atlantic Airways has used social media to buttress the branding basics.

The customer promise. Customers expect innovation, fun, informality, honesty, value, and a caring attitude from VAA. This promise is reinforced at every customer touch point, from marketing materials and the call center to travel agents and, increasingly, travel websites. VAA scans these sites (along with less obvious ones such as Camping.com and Mumsnet.com) to learn what people are saying. Where there is misinformation, the company rarely has to provide a correction, because site visitors usually do so themselves. Like other companies, VAA uses social media to check that the brand promise is both understood and relevant. It also works to keep all its social media activities true to and in support of the brand values. For instance, the most-read section of its Facebook page includes travel tips from crew members—communication that comes across as honest, informal, and caring.

The most-read section of **VIRGIN ATLANTIC'S FACEBOOK PAGE** includes travel tips from crew members—communication that comes across as honest, informal, and caring.

Trust. Obviously, trust is mainly about operational execution—service delivery. But keeping customers informed when things go wrong can prevent a slipup from becoming a trust-eroding PR disaster. Customers expect airline websites to be accurate and up-to-date. But during the volcanic-ash crisis last spring, VAA's website couldn't keep pace with the rapidly changing situation, so it used Facebook and Twitter to communicate with customers. This was well received by some, but VAA learned from irate callers and site visitors that it needed to do an even better job of providing information in a crisis. The company is modifying its site to include a "rapid response" link to real-time VAA updates on Twitter and Facebook. It sees the various social media as complementary: Fergus Boyd, Virgin Atlantic's head of e-business, told us, "Twitter is no more than a sound bite. Facebook can be an article. The website is for in-depth detail. They all need to signpost each other."

Continual improvement. For VAA—and for most companies—the biggest social media opportunity lies in gathering insights to drive continual incremental improvements.

For instance, since its founding, in 1984, VAA has built its brand on the customer's total experience, from her initial search for a flight to her safe return home. The proliferation of travel blogs has reinforced this emphasis. When the company learned that its loyalty-scheme members were complaining online about tedious, redundant requests for security information, it created a secure opt-in service to eliminate



WATCH Link to the video at s.hbr.org/CHTWsv.

the problem. In response to online-community suggestions, it launched a system to arrange taxi sharing on arrival with passengers from the same flight. None of this represents a shift in strategy: The brand promise hasn't changed, but social media dialogue has enabled VAA to keep improving its offer.

Innovation beyond the familiar. VAA frequently wins awards for innovation—such as its in-flight entertainment systems and “premium economy” class. Fresh insights from social media reinforce this aspect of the brand. For instance, Facebook interactions helped the company appreciate an important but largely unrecognized segment: consumers planning a big trip. Their planning starts well in advance and involves extensive discussions with other travelers, so VAA launched Vtravelled, a site dedicated to inspirational journeys. Customers moderate the conversation and exchange information, stories, and advice. They can create a Trip Pod, a personal scrapbook of ideas for a dream trip. VAA enters the discussion using a traveler's tone of voice, not pushing a product but offering advice. The site leads to some sales, but its main benefit to VAA comes from brand reinforcement and novel customer insights.

In an open innovation initiative, VAA in 2008 partnered with the UK's National Endowment for Science Technology and the Arts to launch VJAM. In a day-long workshop it presented a diverse group of VAA customers, IT developers, and social digerati with this agenda: “Social networking meets travel—magic happens.” Many ideas bubbled up at the workshop, and many others were submitted privately. Nine of them were short-listed, six received funding for proof of concept, and three have become products: the Flying Club and Facebook Flight Status app, a first for any airline; Taxi2, the aforementioned cab-sharing service; and VAA's first iPhone app, called Flight Tracker, which includes real-time aircraft positions—also a first for any airline.

Keep Your Eye on the Ball

VAA would not claim mastery of social media in brand building—no firm yet can. But here's our advice, based on the dozens of early successes and failures we've studied:

Don't throw out your playbook. Start with your brand promise and let it guide all your actions in social media. Don't get distracted by the abundance of options.

Use social media primarily for insight. Companies can and do sell things via social media, of



Anything Goes

Blendtec's founder, Tom Dickson, purees a rake handle, demonstrating the power of both the company's products and viral marketing. Videos of Blendtec blenders blending Silly Putty and a vuvuzela, among other things, have been viewed more than 100 million times on the company's YouTube channel.

course, but their real value at this stage lies in learning about customers. Facebook in particular has such tremendous reach that it can provide detailed quantitative analyses of communication flows between consumers. Increasingly smart natural-language-processing technology will, over time, help marketers extract further insights from the content of those discussions. At the other extreme, company-sponsored online brand communities can generate immediately applicable insights from direct, smaller-scale interactions.

Strive to go viral, but protect the brand. The few brands that have substantially improved sales by using social media have done so with communications that convey authenticity and relevance—and are so entertaining that they go viral. Consider Blendtec's inspired “Will it blend?” YouTube clips, in which Tom Dickson, the company's founder, demonstrates its blender's power and robustness by pulverizing everything from golf balls to an iPad. Since the campaign launched, four years ago, the videos have been viewed more than 100 million times, and sales have increased by 700%. Sony, on the other hand, stumbled badly when it paid an agency to create a supposedly authentic blog and YouTube video hyping the latest gaming PSP for Christmas 2006. Hit by a storm of criticism when word of the deceit leaked out, Sony was forced to own up, withdraw the video, and post a contrite apology on the blog. The debacle surely didn't help sales; 2006 holiday shipments were down 75% from 2005.

Engage, but follow the social rules. Social media conversations about brands are usually unstructured or semistructured and moderated by the participants themselves, using unwritten rules. People join in freely because they enjoy and learn from the discussion. Your company can also join, and to some extent influence, the conversation—but only if you are accepted by the other participants. Those in the company who execute its social media strategy should naturally be at home with the culture and rules of each social network. But they must also be deeply knowledgeable about the company's products and—most important—steeped in its brand and values. ▣

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