

# YOUR BRAND IS THE FACE OF YOUR BUSINESS MODEL

DR GUSTAV PUTH: MD – LEADERSHIP *et al*



BRAND *et al*



THE *et al.* GROUP



LEADERSHIP <sup>TM</sup> *et al.*

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## ■ WHAT IS A BRAND?

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**“A brand can be defined as a basket of benefits associated with a given name. A brand is shorthand for a set of benefits. Much of a brand is not seen or heard but felt.”**

**Thomas Oosthuizen, 2013**

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## ■ THE POWER OF THE BRAND

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- In much the same vein as Oosthuizen, John Stuart, Founder of the *Quaker Corporation*, said the following at an internal marketing presentation:
- *“If this company were split up, I would give you the property, plant, and the equipment, and I would take the brands – and I would fare better than you.”*
- Stuart, J. (Date unknown) *The Value of the Brand*. Quaker Corporation: Internal presentation.

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## ■ BRANDS HAVE MEANING

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- **Great brands have clear meanings.**
  - **A brand name is not a random thing.**
  - **It needs careful crafting to be authentic and sustainable.**
  - **A brand is sometimes called a maker's mark to underline its authenticity and origin.**

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## ■ THE BRAND: MORE THAN MEETS THE SENSES

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- From our point of view, we like to think of the brand as the face of an organisation's business strategy.
- As such, it represents and entails much more than the often limited view of merely equating the brand with an organisation's visual identity.
- We would like to propose that the brand could be seen from five different perspectives.

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## ■ THE FIVE BRAND ELEMENTS

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- **Brand-as-Product**
- **Brand-as-Organisation**
- **Brand-as-Person**
- **Brand-as-Symbol**
- **Brand-as-Promise**

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## ■ FAMILIARITY: THE POWER OF SINGLE REFERENT BRANDING

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- “To commandeer a word, an idea, an image, a phrase they can build their brand on. Virgin is fun. Coca-Cola is it. McDonald’s is family. Budweiser is true. Danone is health. BMW is performance. Calvin Klein is sex. Absolut is art. Evian is purity. Avis is effort. Guinness is fortitude. Marlboro is freedom. Nordstrom is service. Polo is discernment. Volvo is safety. Oxfam is relief. Starbucks is respite. Intel is inside. Microsoft is megalomania.
- The list is endless. Even endless, thanks to Energiser, has been appropriated by energetic adjectival appropriators.”
- Stephen Brown, 2005: 156.

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## **BUSINESS MODELS: EVERY COMPANY HAS ONE!**

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- **Every company has a business model, whether they articulate it or not.**
- **Whenever a business enterprise is established, it either explicitly or implicitly employs a particular business model that describes the design or architecture of the value creation, delivery, and capture mechanisms it employs.**
- **The essence of a business model is in defining the manner by which the enterprise**
  - **delivers value to customers**
  - **entices customers to pay for value**
  - **and converts those payments into profit.**
- **It thus reflects management's hypothesis about what customers want, how they want it, and how the enterprise can best meet those needs, get paid for doing so, and make a profit.**
- **Business models are a representation of management thinking and practices that help businesses see, understand and run their activities in a distinct and specific way. In essence, a business model is a conceptual, rather than financial, model of a business.**



## VALUE: IT'S A GAME OF HORSES COURSES

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<https://www.youtube.com/watch?v=dNDSYW5Zu4E>



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## ■ KEY QUESTION: WHAT IS THE VALUE THAT YOU TAKE TO MARKET?

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- **Functional value? This leads to parity!**
- **Excellent service? This is a hygiene factor that is expected.**
- **Specialisation? This is a challenge of trade-off between focus and range of offering.**
- **Experience? This poses challenges of consistency through the entire value chain.**
- **Scope of value chain? This begs the question of exclusivity.**

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## ■ FINAL WORD: THINK DIFFERENTLY ABOUT YOUR BRAND

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- Legorburu and McColl asserted the following:
- ***“To connect with customers, the first thing a company must do is to stop referring to itself as a company and start thinking of itself as a brand. In its most simple terms, this is done with a form of personification. Why personification? When taking a very functional establishment (a company) and connecting it with consumers who are not always rational, a personification helps that company become more personable, even likable to the consumer. Once the personification is crafted as a brand, that brand is then applied to the products and services the company provides.” (pp. 84 – 85)***
- Legorburu, G. & McColl, D. (2014) ***Storyscaping – Stop Creating Ads, Start Creating Worlds***. New York: Wiley & Sons.