

DO STRONG BRANDED CULTURES DELIVER BETTER PERFORMANCE? *A testament to brand awareness practices*

By Carol Chapman, Principal & Co-founder, The Brand Ascension Group

In **Jim Collins** business best-seller, *Good to Great*, there are **three key dimensions** common among companies he studied that have made huge leaps in performance over the competition and sustained them over a long period of time—15 years or more. These dimensions are:

1. What you can be best at in the world
2. What drives your economic engine
3. What sparks the passion of your people

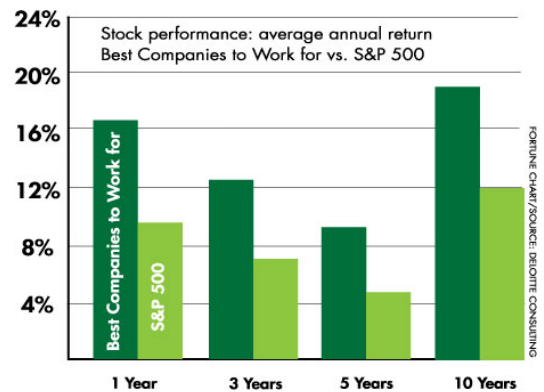
At The Brand Ascension Group, we believe all **three dimensions** are **connected** to the **power** of an **organization's culture**—a shared and expressed set of values, behaviors and actions reflective of your unique Brand DNA, the essence of who you are as a brand. To build on Collin's research, organizations that consistently deliver on-brand (i.e., what you promise to deliver at every internal and external touch point) share the following characteristics:

- Employees who have **clear sense of purpose** and **passion** for what the brand stands for
- Employees who are **inspired** and **motivated** to deliver on what the brand is best at
- Employees who consciously and collectively **create a winning strategy** (*through behaviors, internal practices, systems and processes*) to produce great performance results

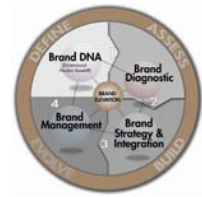
Consider the following research that creates a compelling case for strong branded-cultures and their ability deliver higher levels of business performance:

*Companies with high levels of employee trust, understanding and belief [in their brand], **perform better** [company earnings] than companies with low levels by as much as **186%**.
 Source: Watson Wyatt Worldwide.*

*"Deloitte Consulting tracked shareholder returns of the 56 publicly traded companies on the *2005 100 Best Companies to Work For list. These companies not only consistently beat the S&P 500, but they **walloped them.**"*



Source: Fortune Magazine January 2006.



The data for the Deloitte study was captured over a 10 year period. These are companies where *Companies to Work For* list. Exhibit 1 shows Deloitte’s analysis of these companies and how much better they delivered financially over the S&P 500 in returns to shareholders. These are companies that have created great cultures.

Selection of the *100 Best Companies to Work For* list is administered by The Great Place to Work Institute. There are two components used to assess who gets on the list:

- The Great Place to Work® **Trust Index**©. This is an employee survey conducted by the Institute within the company. This survey measures the level of trust, pride, and camaraderie within the organization.

Exhibit 1

- The Great Place to Work® **Culture Audit**©. This is a management questionnaire that asks key questions to understand the overall culture of an organization.

This research shows that companies are built and sustained by not just a focus on the numbers, but by channeling the energies and passion of their people through strong branded-cultures. Cultures that are highly engaged to deliver on what the brand stands for.

In Wikipedia, **culture** is defined as the “*shared set of attitudes, values, goals, and practices that characterizes an institution, organization or group*”. We believe the following are great examples of companies with strong branded cultures:



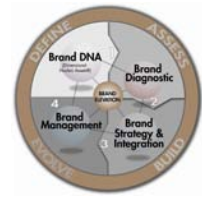
EXAMPLE #1:

ZAPPOS.COM – Founded in 1999, by 2008 they exceeded \$1B in revenues. They applied for Fortune’s 2009 100 Best Companies to Work for List and made the cut, coming in at #23. They had not previously been on the list.

Their **Brand Mantra** is “*At Zappos.com, Customer Service Is Everything. In Fact, It’s The Entire Company.*” They have 10 core values that serve as a code of honor and are a critical part of their Brand DNA blue-print and what keeps their customers coming back for more. In fact, they say that 75% of purchases are from repeat customers. Check them out at www.zappos.com. They’ve only been in business 10 years and just recently announced that they would join forces with Amazon.com, retaining the brand as a separate entity-because of the equity it has built through its culture.

What’s the reason for their success? Their employees support the brand 100+% through their behaviors and actions, their customer relationship practices, all of which are a reflection of their brand values.

Deloitte
 Zappos.com
 Amazon.com



Their values reflect how they do business, how they support one another and how they do business with their customers. Their employees go through extensive training on each of the 10 this training. Regardless of the job everyone also gets the opportunity to experience the call center environment—the real heart of their business.

Let's go inside Zappos.com to explore their culture more deeply:

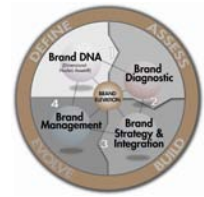
- They thrive on building a **positive team spirit**. They celebrate who they are and their successes on a daily basis and through various company events, conferences and holidays over the course of each year.
- One of their **core values** is **“Create Fun and a Little Weirdness”**. It's not surprising they speak about spending time with their colleagues outside the office to get to know one another—sort of an extended family bonding process. A great way to live up to this core value!
- The **Zappos.com Culture Blog** gives all employees the opportunity to see what they refer to as a "play hard" side of their lives. This is also how they express themselves and that bit of weirdness and fun on a day to day basis. Tony Hsieh (their CEO) also has a blog and communicates regularly to employees and others outside the company. He is also on Twitter too! – communicating to the world about what they stand for as a brand and how their organization is **“Powered by Culture”**—their tagline.

EXAMPLE #2:

CISCO – Founded in 1984, is more than just a company providing a network of routers that carry information across the internet for its customers. They are an \$8.5Billion company that emotionally connects to their customers and employees by innovatively expressing the benefits of what they do through their Brand Mantra: **“the human network effect”**. They are all about collaboration of ideas and bringing the world of people and passions together to solve problems. They recognize that the key to creating these emotional connections rests in its dedication to sustaining a strong branded-culture.

Cisco's belief is that “while market transitions evolve and change over time, the components of their culture remain consistent.” www.cisco.com. Their core values and DNA expressed through their Code of Business Conduct are the basis for how they deliver the brand experience both internally and externally. It's also a key driver to creating long-lasting customer partnerships and satisfaction in meeting customer needs. They foster community and engagement (connecting and collaborating) through their employee culture in the following ways:

- Annual employee survey capturing and measuring employee satisfaction across a number of key workplace dimensions. They focus on continual improvement and **raise the needle** yearly. Employee satisfaction is currently at an all time high of **87% favorable**.



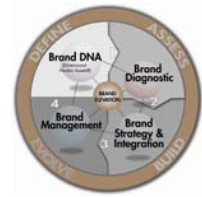
- The employee survey is augmented with employee **focus groups** to identify how to employee needs and promote work/life balance. It has generated numerous ideas, including an integrated childcare, fitness, and employee health center.
- The “I-Zone” (Idea Zone) – an **interactive online forum** which provides all employees the opportunity to submit **innovative ideas** on new products and build off of others ideas. To date, employees have submitted more than 500 ideas, some of which have led to the company’s most innovative emerging technologies.
- Cisco employees give back regularly by **volunteering** for community service initiatives. The volunteer hours increase yearly. This plays an important part in demonstrating the outputs of what they stand for as a culture and company by contributing to their communities.

Both Zappos.com and Cisco are companies that have a commitment to building and sustaining strong branded-cultures through positive employee engagement practices that reflect the essence of their brand. They understand that consistency in their values and DNA as a brand are essential to the continued trust they foster and sustain with their employees and customers. Yet they know their cultures have to constantly innovate and adapt to changing market conditions to service the needs of their customers.

Strong branded cultures don’t just have engaged employees. They aren’t just passionate or proud of their brand. Even more so, they have a clear understanding of the brand’s purpose and vision with a clear line-of-sight as to how they contribute to the success of the brand, and they’re empowered to deliver!

Build your strong branded culture to deliver consistently on what you stand for:

1. **Define** and **communicate** your **values** and **unique Brand DNA** to your employees—the essence of what your brand stands for. See http://www.brandascension.com/Brand_DNA_Process.html for more information on Brand DNA. Make sure this definition is expressed and shared in your new employee on-boarding process, your employee handbook, employee meetings and through other communication vehicles.
2. **Engage** your employees to **embrace** and **live your brand**. Regularly speak about what you stand for in team or town hall meetings. Walk the talk! Reinforce their engagement through a brand-relevant recognition program to celebrate brand successes.
3. **Connect** them to the **strategic vision** of your **brand** by showing them a clear-of-sight in how their individual role links to team and business goals. Set individual performance objectives and measure progress against objectives.



4. **Establish/refine** your **systems** and **processes** so they enable your employees to deliver on what your brand stands for at every internal and external touch point. Periodically assess how your internal processes support your brand and make adjustments accordingly.
5. **Empower** your employees to **deliver** on the **brand experience** you promise. Give them leeway to express the brand experience at every opportunity, thus delighting one another and your customers.

You'll be amazed at the results!

Follow these simple steps to create and sustain DEMAND FOR YOUR BRAND!



About the Author -- Carol is committed to organizations who want to achieve transformational and sustainable brand success through **strategic, internal branding** practices. As co-developer of The Brand DNA JourneySM methodology, she has helped numerous clients create consistent, relevant and distinctive experiences that inspire, motivate and engage employees to deliver memorable customer experiences.

For 30 years, Carol has cultivated extensive global experience and proven success in leading businesses through significant challenges. Her experience spans a variety of industries including hospitality/hotels and other service related, cable, media, government contractors, government—local, state and municipal, high technology, professional services, financial services—banking and insurance and healthcare. Specific accomplishments include guiding businesses through rapid change, brand development/alignment and revitalization, branded service training, organization development, performance capability, compensation and benefits, employee engagement and service enhancement, talent acquisition, leadership assessment and development, and mergers and acquisitions.

She has developed brand scorecards for managing business metrics and performance and reward programs to create a clear line-of-sight for employees. This has resulted in laser-focus at the individual level that drive team, unit and brand performance aligned with business/brand goals. She has a passion for branding, where she believes everyone in an organization is responsible for understanding and delivering “on-brand” experiences.

Having held several executive management and strategic HR roles, including Vice President of Human Resources—Asia Pacific for the largest hotel company in the world – Six Continents Hotels (currently Inter-Continental Hotels Group), she has learned that the most successful and sustainable brand organizations harness the energies of their people to bring their brands to life through the power of this most critical asset.

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