brandtouchpoint™

Brand Touchpoint Management

- Navigate the New Reality

Henrik Gabriel
Brand Architect MAA

Brand Touchpoint Management
- navigate the new reality

Reputation creating activities – brand touchpoints
– represent more than half of your company's market value.

By Henrik Gabriel

- Are you in control of your Brand Touchpoints?
- Do you know how important your Brand Touchpoints are to your target groups?
- Do you know how well your Brand Touchpoints perform?
- Do you know to which extend they correspond with your brand promise?
- Do you know how well your Brand Touchpoints are managed?
- Are you aware of to which extent your Brand Touchpoints are experienced in the same way by managers, employees and target groups?

Brand Touchpoints create reputation

Brand is reputation. A reputation, which is created in the interaction with the company's communication, employees and services – the brand touchpoints. Therefore brand is not only appearance – brand is your company's fate determined by its ability to present a relevant promise and to keep it to all its target groups.

Brand Touchpoint Management BTM surveys and develops the company's brand

Today the external environment's confidence represents a larger part of your company's market value than your ability to produce and sell products. Figure 1.

Many of the existing management tools and theories start from within the company and view their target groups from inside the company and out. This is an outdated perception.

There lies a greater competitive advantage in starting with the target groups' experience of the company seen from outside the company and in. In this respect the existing management tools are not suited. Figure 2.

Brand Touchpoint Management (BTM) is a new management tool, which starts by identifying and analysing brand touchpoints. This way the companies can systematically develop brand management, ensure brand alignment and enhance brand performance – hereby strengthening their competitiveness.

Many consultancies asses the *economic* value of a company's reputation – others extract the target groups' *experience* of the company. Brand Touchpoint Management on the other hand is based in the new reality and systematically identifies and surveys the activities that lie behind more than half of the company's market value.

## It is absolutely necessary to adjust to the new reality

The financial crisis has made evident, that the world has changed fundamentally. The crisis has attracted attention to the companies' self-perception and their markets. Few have found new ways to navigate and create possibilities in the new financial world order, others are changing their old ways – and the rest are stuck in the time before the financial crisis.

Today the markets are uncertain and marked by tough competition. Globalisation and new technologies have made new markets easily accessible. The name of the game is to create customers – which is why focus increasingly is on the company's brand – the most difficult part for the competition to copy.

At the same time the consumers are more powerful than ever before. They will not tolerate if the company in any way fails to meet its brand promise. Communication amongst consumers has never been easier or more developed. This is evident, when loyalty is tested in each and every Brand Touchpoint – the verdict can be harsh and is always immediate.

Furthermore previously the brand only spanned a single product. Today a single brand often spans several products and services. This is why, the companies face a growing challenge in keeping and staying true to their brand promise.

Figure 1
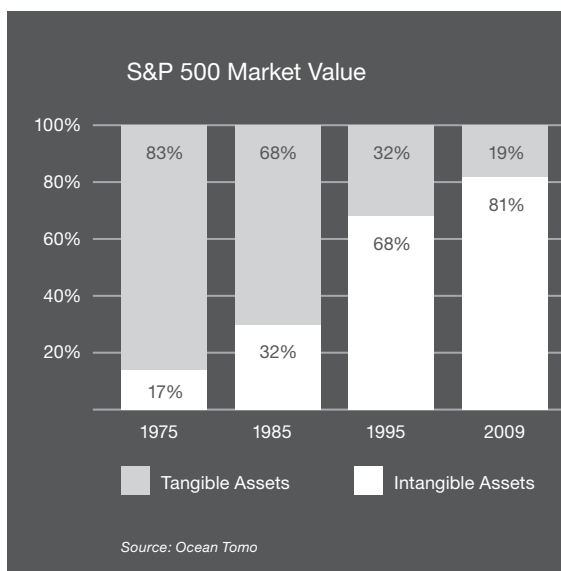
S&P 500 Market Value

Source: Ocean Tomo

Brand is reputation. A reputation, which is created in the interaction with the company's communication, employees and services – the Brand Touchpoints.

At the same time the number of sales channels and means of communication is rising. The consumers expect consistency in the brand experience during the entire "ride". It is becoming increasingly difficult to create consistency amongst all the experiences of the company's brand. Likewise more strategic partnerships are entered into in order to deliver brands to the consumers. A computer contains several brands pieced together to one. The complexity poses a risk to delivering a consistent brand experience. Figure 3.

As indicated in the figure, service is at the heart of all trade. Products are no longer the goal on their own, but the means to deliver a service. Therefore it is the ability to create needs that drives competition.

Today the customer is part of the value creating process, this means that the company is unable to deliver value directly – but it delivers an offer of value.

Risks of not changing behaviour according to the new reality

If the company does not focus on the new reality – in which the company in collaboration with the customer creates value, then it will affect the company's ability to attract and retain customers, employees, partners, investors, the media and other target groups.
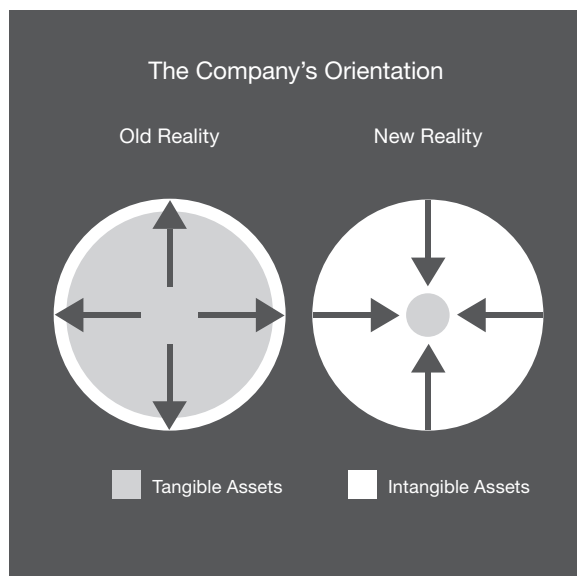
Lacking focus on the activities that create the company's brand reduces the company's ability to:
• achieve the best price for its services
• gain the target group's loyalty
• become the customers' preferred brand

There is a need for tools to navigate the new reality

Today most companies work with quality assurance. It is thought-provoking, that the economic value secured by this, amounts to less than half of the company's market value.

So in order to navigate this new reality, it is necessary to oblige the target group. Knowledge of the target groups' experience of brand touchpoints constitutes a competitive advantage and increases the company's value.

Brand Touchpoint Management secures the largest part of the company's market value – i.e. the brand – in accordance with existing quality management systems. Brand Touchpoint Management manages Brand Touchpoints like any other activity in the company.

Leading companies – "thought leaders" – now take the lead in the new reality, and offer their target groups value through experiences, which they actively and systematically manage with BTM. ➜

Figure 2

The Company's Orientation

Old Reality   New Reality

☐ Tangible Assets   ☐ Intangible Assets

Figure 3

Old Reality	New Reality
Manufacture and Market Products	Collaborate with Clients and Partners to Create Value
Goods	Service
Products	Experiences
Feature	Solution
Value-added	Co-creation of Value
Price	Value Proposition
Supply Chain	Value-creation network
Product Orientation	Service Orientation
Promotion	Dialogue

➜ Brand Touchpoint Management makes a complex topic straight forward and manageable in everyday life.

Brand Touchpoint Management identifies and systematically investigates activities that create reputation. The tool is simple and contains a functional report identifying performance and gaps.

Interviews are conducted with BTM and the results are presented in collaboration with management. Based on the analysis managerial target areas are setup for the relevant brand touchpoints. The survey and the target areas are placed in a continuous system, which develops the brand and thus enhances reputation. This way the company's value is maintained and developed systematically.

By repeating the survey with regular intervals, the development of the different activities, that create reputation, is stimulated.

Brand Touchpoint™ Management has been developed by Brand Architect MAA Henrik Gabriel in collaboration with Bureau Veritas. Brand Touchpoint Management builds on the structure of ISO 9000 and has been inspired by Vargo and Lusch "Service-dominant logic" as well as C K Prahalad and Remkat Ramaswamy "Co-Opting Customer Competence" among others. BTM is conducted online with Brand Touchpoint Engine. The quality of the solution is assured according to ISO 9001.

Research has been carried out in co-operation with Copenhagen Business School, London Business School, University of Technology Sydney, University of Griffith and University of Westminster among others. Seminars have been conducted home and abroad, and today the BTM network encompasses 150 practitioners and academics. Recently a special edition of Journal of Brand Management has been published regarding Brand Governance written by Richard Jones and Clive Helm.

In Denmark Brand Touchpoint Institute, which owns the rights to Brand Touchpoint™ Management, works with among others ISS, who have embraced the new management method.

The advantages of BTM

BTM makes a complex topic simple and manageable in the everyday life. This makes BTM relevant in connection with:

- ensuring brand delivery and performance
- describing the individual activities in- or outside the quality management system
- conducting gap analysis between management, the responsible employee and target groups
- managing departments through "best practise"
- documenting brand equity in connection with mergers and acquisitions
- adapting to different markets
- evaluating innovation processes in relation to brand promise
- assessing employees' experience of the brand promise
- assessing business partners' experience of the brand promise
- aligning analytics, investors and managers
- managing the company's assets
- ensuring IP in relation to brand touchpoints

Brand Touchpoint Test

You can complete the test in this article, if you want to assess brand management in your company, or you can visit our website: www.brandtouchpoint.com and complete it online. Feel free to invite your colleagues to complete the test too.

The results give rise to discussion as a prelude to the actual exercise – which is gaining control over the company's brand touchpoints that altogether amount to more than half of the company's market value.

This is the way to successfully navigate the new reality.

Brand Touchpoint Test

Brand Touchpoint Test
To which extent do you agree? (1=Disagree - 5=Agree)

☐ Brand is important
to the succes of our company

☐ We continually evaluate
our customers' assessment of our brand

☐ Managers have a clear understanding
of our Brand Promise

☐ Employees are encouraged and involved
in keeping our Brand Promise

☐ We document and control activities
that create our brand

☐ We coordinate activities that create our brand
with other activities across the organization

☐ We continually improve activities
that create our brand

☐ We evaluate activities that create our brand
based on systematically collected information

The test is based on the principles of ISO 9000.

Henrik Gabriel
Brand Architect MAA

Henrik has been working with Brand Touchpoint Management since 2001. He holds a degree from the Royal Danish Academy of Fine Arts' School of Architecture in Copenhagen and headed for many years a large graphic design company with branches abroad.

Henrik established Brand Governance Center together with Copenhagen Business School and London Business School among others.

Today he heads and manages the Brand Touchpoint Institute, which promotes, implements and services Brand Touchpoint Management.

You can contact Henrik on his e-mail hg@brandtouchpoint.com.