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Global Brand Management

Why Managing Your Brand is More Important than Ever

> Branding is everything," says author Matt Haig. "Companies live or die on the strength of their brand." In this paper, we look at the threats to a company's brand, which are especially acute in a world of globalization, multinational corporations, Internet commerce, social media, and electronic file sharing. And we discuss how technology from OpenText, with its Global Brand Management solution, can help companies protect and strengthen their brands in the age of the Internet. BY JOHN PRICE



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The art of marketing is largely brand building. If not a brand, it will be viewed as a commodity.

PHILIP KOTLER

Introduction: Lessons from Ancient Rome to Today

Despite the great interest in branding today and the buzz around brand management, the practice of branding actually goes back thousands of years. According to Tom Blackett, a former chairman at Interbrand, some of the earliest examples of branding can be seen in markings made on clay pots from ancient Greece and Rome. Laws in Rome were eventually written to recognize various potters' marks but, says Blackett, "this did not deter makers of inferior pots from imitating the marks of well-known makers in order to dupe the public."

What was at stake for pottery makers was not only their reputation but their livelihood. The stakes are just as high for companies today. This is why John Stuart, an early president and CEO of the Quaker Oats Company, once said, "If this business was split up, I would give you the land and bricks and mortar and I would take the brands and trademarks, and I would fare better than you." These words, spoken in early 1900s, are as true today as they were back then.

Stuart recognized the value of the Quaker Oats brand to the success of the business. Reiterating that point in 2004, Interbrand suggested in 2004 that "the majority of business value is derived from intangibles"² such as brand, as opposed to tangibles like land, buildings, manufacturing facilities, or financial assets (receivables and investments). McDonald's brand, it noted at the time, accounted for 71% of shareholder value; Disney's brand accounted for 68%.

Given the importance of a company's brand, managing and protecting it should be a consideration at all times. And that means paying particular attention to the assets that are expressions of the brand, such as the corporate logo and colors. Maintaining consistency in these visual markers is necessary for creating a strong brand. And it's more difficult today, given the way brand images now appear in numerous channels, from print to television to the Internet. Moreover, because a brand is ultimately a reflection of the company, its core beliefs, and the promise it makes to customers, companies must manage every encounter with the brand to reinforce the brand's identity. If this business was split up, I would give you the land and bricks and mortar and I would take the brands and trade marks, and I would fare better than you.

JOHN STUART, CEO, QUAKER OATS

¹ "What is a Brand?" from Brands and Branding (Interbrand, April 2004). This book was published in hardback by Bloomberg Press (February 2004).
² http://www.brandchannel.com/papers_review.asp?sp_id=357

Why Brand Management is More Important than Ever

In general, technology and globalization have been very good for business. However, each aspect in its own way has made it more difficult for businesses to manage brand assets, protect their brands, and provide a cohesive customer experience across all touch points.

The ability to create logos and other proprietary brand images in electronic format has certainly increased the efficiency and lowered the cost of reproducing and distributing branded materials. For instance, logo files can be shared instantly between offices and with partners and agencies. At the same time, this ease of sharing, along with widely available graphics applications, make it just as easy for anyone with a computer to alter logo and brand files, whether inadvertently or not.

The Internet. The Internet is both a blessing and a curse for branding. It enables companies to get their message out and reach customers in corners of the world that were not accessible before. However, the Internet is also something of a lawless Wild West, where brand images are easily distributed and reproduced through email and social media, on blogs, and even competitors' websites.

Globalization. Large companies are distributed across national boundaries, which presents new opportunities as well as new challenges. Multinational corporations must be sensitive to the different markets they serve, including language and cultural requirements. They must empower local marketing teams and agencies to "translate" corporate branding for the local audience. But at the same time, they need to manage this process so the brand isn't diluted. It can be a difficult balancing act.

For organizations of all kinds, consistency in brand expression is one of the most important benchmarks for success. As touchpoints increase and consumers become more sophisticated and perceptive, brand managers play an increasingly essential role by ensuring a cohesive experience at every stop along the customer journey.

SIMON WARD, BRANDWIZARD³

³ "The ROI of Smart Brand Management: Harnessing the power of digital systems for a stronger brand," by Simon Ward (Interbrand, July 2011)

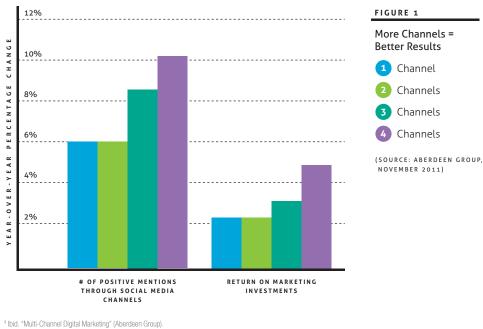
Maintaining Control of the Brand

Without a solution designed for this environment, maintaining brand consistency and control over the brand is harder than ever. Some of the factors that make brand management more complex include:

- More channels. There are simply more ways to distribute brand images today. Large companies typically have a much larger number of web properties as well as extensive presence on social media sites such as Facebook, Twitter, Google+, and others where customers and prospects are likely to encounter the brand.
- **Distributed marketing teams.** Gone are the days of a single marketing department within a single office. Today, teams are distributed across countries and they're often virtual, involving external partners, agencies, and freelancers.
- Mobile. Mobile devices present a whole new set of requirements for brand management. Brand images must appear correctly and consistently on mobile phones and tablets. And people who work on branding often need access to assets from those devices.
- Information governance. Meeting legal and regulatory guidelines for branding is vitally important in some industries, such as pharmaceuticals and financial services. But all companies are – or should be – sensitive to their own corporate guidelines, even as branding becomes more complex.
- Rights management. Protecting a brand means keeping a watchful eye out for misappropriation of brand assets (whether willful or not). In some industries, such as music and entertainment, misuse of brand assets can have a significant financial impact.

Today's customers access companies in many ways, and managing creative and messaging across multichannel marketing has become more complex than ever.⁵

According to the Aberdeen Group, "When the number of channels a company uses to engage with customers is correlated with the performance results, a compelling pattern emerges," including a large increase in ROI.⁴



⁵ "Gleansight: Marketing Asset Management" (Gleanster, March 2011)

Three Key Processes

Managing brand assets can seem a complex activity, but at the end of the day it comes down to three processes: *production, distribution,* and *analytics*. A technology solution should help companies manage and improve each of these processes:

Production. The goal here is to enable easier, more fluid collaboration within and between teams. Individual designers, artists, photographers, videographers, producers, writers, and project managers need to share work with each other, across different projects, and with external agencies and partners, as if everyone were sitting together in the same office. The production environment is already complex and becoming more so as teams become more distributed and virtual.

The solution should be a single repository, with anytime online access from anywhere, and automated workflows to ensure deadlines are met.

What's the impact? According to a report by the Aberdeen Group in 2010, top-performing organizations achieved an average 9% reduction in the year-over-year cost of creating market assets. By comparison, "laggards" saw a 5% increase during that time.⁶

Distribution: Manual processes are insufficient to meet today's challenges. Large companies need the ability to distribute and publish brand assets automatically to multiple channels – from distributing updated artwork to regional offices, to automatically updating social media and affiliate sites when new campaigns are launched. Companies also need to localize assets for specific geographies and personalize content for individual customers, and these processes must be automated.

The solution should be a brand asset portal with automatic distribution and secure, online access for remote offices and team members.

What's the impact? Here's what the Aberdeen Group says: "Research shows that businesses using technology tools to drive targeted engagement achieve 27% greater (64% vs. 51%) performance on customer retention and loyalty, compared to those that are not using these tools."⁷

Analytics. Improving marketing efficiency requires the ability to measure and optimize processes. The CMO or VP of marketing needs to know how brand assets are being used and by whom, how they're being consumed, what kind of effect they're having on the target market, etc. "Customer data," says Aberdeen, "needs to be measured and tracked across all channels to develop a holistic view of the customer, including their purchase and media consumption habits."

The solution should include usage reporting, process optimization, asset tracking, social analytics, and executive dashboards to help decision-making.

What's the impact? Using reporting and analytics tools won't in themselves make your company a leader; however, the Aberdeen Group noted in mid-2011 that 61% of best-inclass retailers use campaign reporting applications (compared with 39% of all others) and 46% of best-in-class organizations use customer analytics (compared to 25% of all other organizations).⁸

⁶ "Marketing Asset Management: It's More Than Just Your Image" (Aberdeen Group, November 2010)

⁷ "Multi-Channel Digital Marketing: Addressing the Why's and How's to Achieve Success in the New Era of Customer Engagement" (Aberdeen Group, January 2012). Aberdeen Group also says: "While this doesn't indicate that the use of these tools alone drive these results, it reveals a clear correlations between the use of these technologies and better performance accomplishments."

⁸ "The State of Multi-Channel Retail Marketing: A Paradigm Shift for Reaching New Customers" (Aberdeen Group, June 2011)

Benefits of Global Brand Management

Above, we looked at key factors, such as globalization, that are driving companies to invest in ways to better manage and protect their brands. We discussed the difficulty of managing a global brand today and outlined the three primary activities that are important to brand management: production, distribution, and analysis. Here we'll consider the benefits of implementing global brand management, including potential cost savings.

According to Gleanster, a market research and advisory services firm, providing marketers with access to a Digital Asset Management (DAM) or Marketing Asset Management (MAM) system can increase productivity significantly. One way these systems help productivity is by improving search. The average marketer who does not have access to a DAM or MAM system will spend as much as 35% of their time searching for assets, says Gleanster. Moreover, it's not unusual for companies to purchase rights to the same asset multiple times because marketing personnel are not able to easily locate the purchased version.

In many cases, the cost benefits of improving marketing productivity are enough to justify the investment in a global brand management solution. For large global organizations, adding searchable access to digital content could save millions of dollars each year in employee productivity and asset reuse.⁹ But of course, increased productivity is not the only benefit and perhaps not the most important for your company. Below are the seven benefits of marketing asset management that Gleanster identified in a 2011 report, along with the corresponding capabilities provided by the solution that OpenText offers for Global Brand Management.



GLOBAL BRAND MANAGEMENT

Global Brand Management is one of five interrelated solutions that comprise the OpenText Customer Experience Management suite.

9 "Gleansight: Marketing Asset Management" (Gleanster, March 2011)

OpenText: Proven Technology for Global Brand Management

Understanding the needs of global businesses to protect and manage their brand, OpenText offers a Global Brand Management solution that encompasses the three most important functions: production, distribution, and analytics.

Manage production with a centralized brand repository:

- Create a secure repository where authorized users can access corporate brand assets

 including logo files, product photography, marketing images, videos, advertising, pointof-sale materials, signage, or presentations
- Offer your advertising agencies, distribution partners, syndicates, and franchises an online, self-serve site where they can download the final, approved version of assets
- Allow sales teams, dealer networks, and retailers to easily obtain the latest branded sales materials
- Connect your designers and editors using Adobe Creative Suite[®] (Photoshop,[®] Illustrator,[®] and InDesign[®])
- Provide a central location where internal and external team members can collaborate on the creation and production of marketing assets

Enable distribution with marketing asset management:

- Reach customers with consistent branding and messaging, whether on your website or an affiliate's – across laptops, tablets, or smartphones
- Launch campaigns simultaneously on multiple platforms, across all channels, in many regions and languages
- Follow established workflows and automate standard tasks to increase productivity, and publish only finalized media to print, Web, social networks, or email
- Maintain global control of your brand while giving regional teams the ability to localize as needed

Analyze brand performance and effectiveness:

- Track budgeting to better forecast marketing spend and automatically take action when rights expire or restrictions need to be applied
- Measure and analyze campaign effectiveness for continuous improvement and optimal performance

OPENTEXT CASE STUDY: ELECTRONIC ARTS

Electronic Arts Inc. (EA) is a leading global interactive entertainment software company. EA develops, publishes, and distributes interactive software worldwide for video game systems, personal computers, wireless devices and the Internet.

As the leading interactive entertainment software company in the world, EA understands the need to control its brand globally. The company insists on a consistent look, feel, and voice when distributing its products, even within the challenges of localization. Like many companies, marketing content at EA has traditionally been maintained in numerous systems across the enterprise, making it difficult to locate and distribute content.

With the introduction of OpenText Media Management, EA established a centralized repository of the company's valuable digital content, including broadcast commercials, print ads, and website content. The launch of a new title represents a significant investment that requires a highly coordinated, global team effort. Users across the company are able to securely access these assets via the Web as they develop new marketing campaigns. Once created, this marketing content is distributed and made accessible via secure websites to regional offices and affiliates across 26 territories and 8,500 employees throughout the world.

Through this enhanced ability to reuse existing content, EA has increased its website traffic and revenue, while experiencing significant cost savings through reductions in production and distribution costs.

Lay the Foundation for Success with OpenText

Effective branding has always been an important part of business, from the unique marks used by potters in ancient Greece and Rome to the multi-channel marketing strategies of today's global corporations. Branding is (and has always been) an important component of the customer experience, a reflection of each company's promise and commitment.

In today's complex environment, companies cannot afford to leave the customer experience to chance. A Global Brand Management solution powered by OpenText enables organizations to better protect and manage their brand assets and brand experience with a centralized repository, marketing asset management, and sophisticated analytics.

Nevertheless, understanding the benefits and actually achieving them can be different and unrelated processes. For many organizations, ROI remains an undefined or vaguely understood concept. That's why we invested in the OpenText Value Engineering group. The mission of OpenText Value Engineering is to help organizations document the potential value of investments in OpenText solutions and then to guide customers toward realizing that value. As a service that OpenText offers to current and prospective customers, it is a zerorisk proposition and holds the potential to deliver substantial value before, during, and after technology deployment. For more information about OpenText Value Engineering, contact us at **value@opentext.com**.

[Branding] is everything. Companies live or die on the strength of their brand.¹⁰

ABOUT OPENTEXT

OpenText provides Enterprise Information Management software that enables companies of all sizes and industries to manage, secure and leverage their unstructured business information, either in their data center or in the cloud. Over 50,000 companies already use OpenText solutions to unleash the power of their information. To learn more about OpenText (NASDAQ: OTEX; TSX: OTC), please visit www.opentext.com.

¹⁰ Brand Failures: The Truth about the 100 Biggest Branding Mistakes of All Time (Second Edition) by Matt Haig, published by Kogan Page (2011).

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