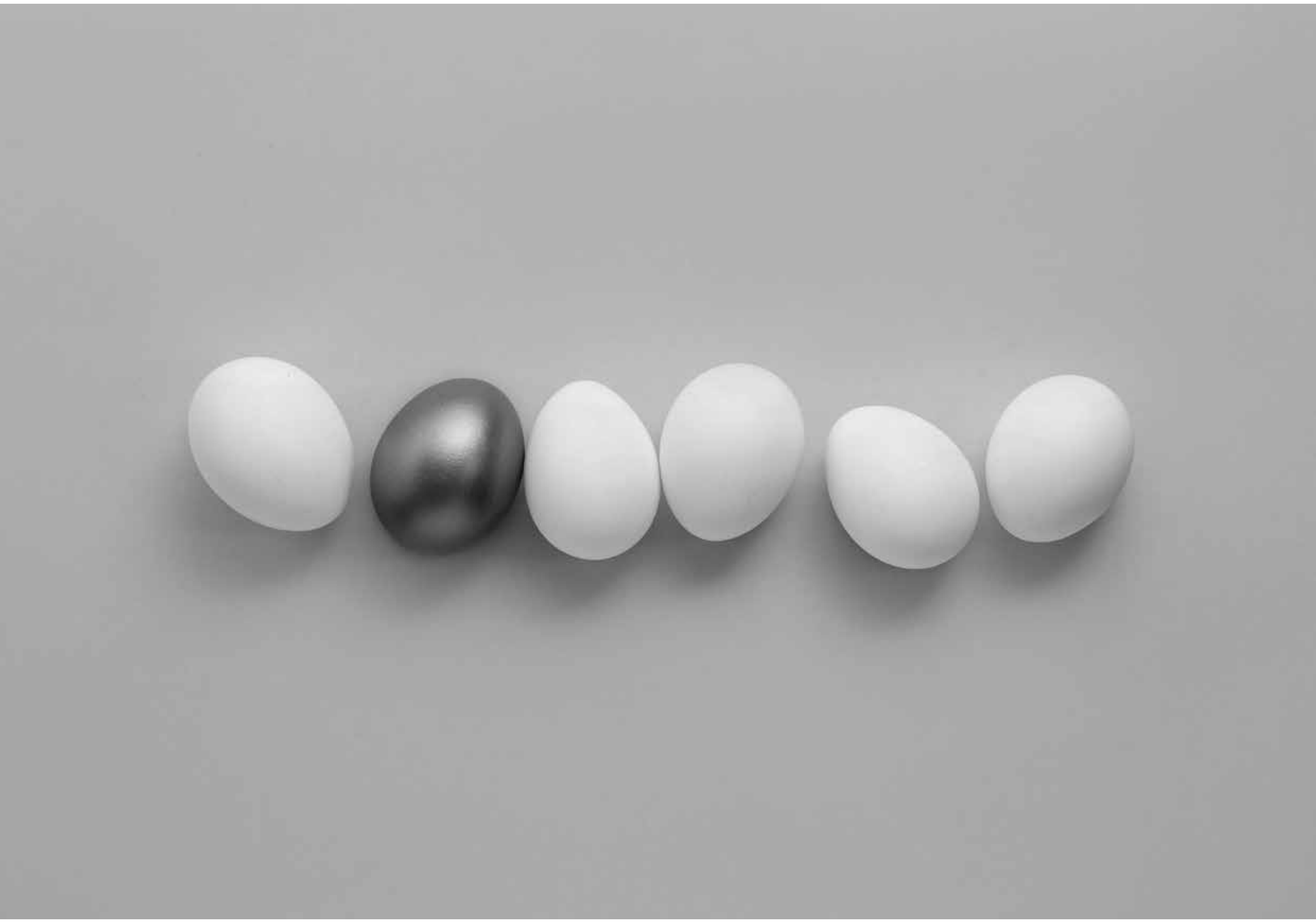

THE BRAND GUY ANNUAL
2023/24

PRESS
OFFICE 7

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THE 2023 BRAND GUY COLUMNS

A BEGINNER'S GUIDE TO BRANDS, AND FEAR OF DECISIONS

Simply put, a brand is an emotional connection to a product or service. Call it a relationship. That's where simplicity ends.

This emotional connection operates on an emotional continuum, ranging from the unemotional, hard logic of commercial utility, repetitive profit and gain on the left end of the spectrum to wild-eyed devotion that defies any form of reason on the right end of the spectrum.

The emotional connection defines an enterprise outcome, be it sales volumes or behavioral change entailed in a social initiative. The consumer evaluates utility – logical or emotional – associated with the brand and either buys in or doesn't. In other words, the brand is a bottom-line phenomenon.

The brand exerts its power by sending three types of signals to the consumer.

The consumer confronts a metaphorical shop shelf with a set of subconscious fears that arise from choice. Will the product I choose give the utility that I need? Will the price I pay be value for money? Will my choice fulfill my emotional needs, be it reflecting my values to myself or fitting in with my social group? Faced with the choice, the consumer makes comparisons and opts for the brand that best allays the fear.

If you read into this that the brand is a form of security, give yourself five points. If you jump to the conclusion that the brand is a differential, add an extra ten points. This is the most important signal. Without the fear, products become commoditized, effortlessly substitutable. Even salt producers make the effort to differentiate their products. Himalayan pink salt, anyone?

The brand is also a matter of convenient decision making. The consumer does not want spend time thinking about and rethinking choices at the shop shelf. Life is too short. The presence of a brand that allays the consumer's fears is enough to move the consumer's hand from one product to another.

A brand holds the convenience of information efficiency, but it is not only the consumer who benefits. The firm that has established a strong brand has less of a burden to convince a shopper to make the purchase and can use the brand for cost-effective pull marketing. A firm that does not have a strong brand has to spend major budget on push marketing, repetitively motivating the purchase.

How does this work? Close your eyes and picture Coca-Cola. You probably see happy youths in a small group. Now ask yourself when last you saw a clip for Coca-Cola? Shop signage costs less than a TV commercial.

The brand can also offer inducements that retain the shopper or cause her or him to switch. A larger, discounted pack size might be the value addition that an economical shopper needs to remain loyal to a preferred brand or the reason to switch to a competitor. Will a cold cola in a fridge be a value add? Or will it be the shrink-wrapped bulk of six discounted bottles on display in a central aisle?

In a nutshell, the three signals that a brand sends out are a differential that allays fears, cost-effective information that it is present, and at least one value add. Remember that. It's at the heart of managing your brand.

And don't be fooled that an undifferentiated, positive emotion is sufficient. There is a spectrum of different emotions based on variable consumer utility. Identification of the point where the emotion falls on the continuum, and its nature, is critical.

Takeaways

A brand is an emotional connection to a product or service.

The connection can range from slightly emotional to highly emotional.

The presence of a choice creates subconscious fear and uncertainty for the consumer.

The brand sends three signals:

1. The choice can be trusted (reduction of fear).
2. Efficient information that the brand is present where the consumer makes the choice.
3. Value adds.

COMPUTERS, HAMMERS, COMMODITIES AND POST TRUTH EMOTIONS

What is a computer? To my mind, it is a tool for work, to communicate, to watch Netflix and the only way to play games, as life is too short for Monopoly. Do you notice anything in that list that one computer can do, and another computer can't?

What about a hammer? That's a useful tool as well, even if it doesn't have the multi-purpose repertoire of a laptop.

A hammer is as close to a commodity as a product can get. Any hammer can be substituted with any other hammer. Even salt products have greater differentials if you add flavorings to them. The computer is near to a commodity. Most of the basic, current computer brands can replace most other current computer brands if you work according to utility within a class or price band.

Why spend more on an Apple then? According to a major SADC retail site, the basic Apple laptop costs about N$23,000 compared to about N$8,000 for a standard Lenovo or an Asus. In terms of the range of applications, the Apple may provide a negligible speed increment and some design chops, but no additional functionality.

The answer lies in emotion, not functionality. Those emotions come at a premium of N$15,000. What are they?

The first emotion is validation of self. Apple projects the identity of a power user, imbued with sophistication and effectiveness. By owning the embodied identity of the power user, the Apple owner projects the identity onto herself or himself, creating a very compelling image.

The second emotion is social validation through a combination of tribalism and social proof. By adopting the sense of 'us vs. them', the user finds belonging in a wider though exclusive group. Social proof tells the user that Apple must be good for her or him because others are using it.

This emotional facet creates a heuristic bias, a way to make a quick decision. However, a heuristic bias can lead to a cognitive bias, a systematic deviation from reasoned choices, in this case the functionality of the Apple compared to the same functionality of the Lenovo or the Asus.

If you want to explore this, ask an Apple user why Apple was their choice, then present the evidence of functionality. If you are an Apple user, interrogate the validity of your reasoning. The same questioning can apply to the choice of Coca-Cola or Pepsi. What's your choice and why?

When subjective emotion takes precedence over a reasoned truth, it is known as post truth. This post truth is the same reason why Donald Trump features so highly in the estimation of many USA nationals, despite documented falsehoods. Post truth is a concept worth committing to memory.

There is no right or wrong solution to the question of Apple or a PC. Product utility and emotional utility are both valid benefits. Even on the apparently unemotional end of the continuum, emotions can come into play. An investment that one believes is highly stable may be described as low growth and stagnant by another.

What is important is that, within the ethical parameter of avoiding a risk that verges on intentional or negligent harm to the consumer, it is expected of brand management to learn and understand the degree and nature of the emotion, then use it to sway the consumer to make the initial purchase and repeat it.

This column draws on Daniel Kahneman's 'Thinking Fast and Slow'. Read it if you want to find out more about heuristic biases. To see the idea in action, Google 'Apple heuristic biases'.

Takeaways

The greater the degree of substitutability, the greater the need for an emotional brand.

There are two general bases for emotions:

1. Validation of self (it transforms me)
2. Social validation (it assists me to belong to a group)

Brand managers must ethically use emotion to sway the consumer.

IDENTITY VS IMAGE AND THE BRAND GAP: THE GREAT CONFUSION DEFUSED

Identity and image are two of the most misused terms in the world of enterprise. An unfortunately large number of managers toss the terms out to their colleagues and staff, in attempts to demonstrate their grasp of tactics without understanding what they are talking about.

If there is one thing you need to take away from the next few hundred words, it is this… Identity is what is projected by the enterprise; image is the consumer's interpretation of identity. Carry on reading to get a firmer grasp of management considerations.

Notice that nowhere did I refer to identity as a letterhead. Stationery is lumped under what is known as CI or corporate identity. However, stationery is a subset of visual facets of identity. Your logo on a letterhead can evoke the identity but it is just one part of the broader sources of identity.

Like a living, breathing human, a brand establishes its identity merely by being present in an environment.

Visual identity is the most immediately observable facet. It will include the logo, and the colors. It will include typography, so pay close attention to that. It will also include photography and reels. Music and spoken voice are the aural identity. Are you playing hard rock while trying to attract classical listeners? Do you need a male voice or a female voice? The way you use language – copy for instance – is important as well. Are you being too formal? How would you tailor your language to speak to a spouse, friend, child, or a colleague? Is your product, also a part of your identity, designed in a way that is fit for purpose and pleasing to the user?

These forms of identity are easy to control. Other forms – experienced identity – are difficult to control. Consider a rude receptionist who can tank your brand with a couple of bitter words. Do you fix your pricing in a cynical way or to reflect value? And are your values noble statements that are irrelevant to – or not experienced by – the consumer?

The consumer takes the sum of identity to which she or he is exposed and interprets it to form an image. If the consumer's image of the brand correlates closely to the intent of identity, the brand is well managed, and the marketing aspects are correct.

The correlation between identity and image is called the brand gap. If the brand gap is narrow and the consumer is within the target market, the consumer is more likely to adopt the brand or give it consideration. Under ideal circumstances, the consumer may incorporate the brand into her or his own identity as a mark of tribal belonging: consumers often band around brands and validate one another and their choices.

What if the brand gap is wide? The superficially logical route is to amend the brand's identity to reduce the brand gap. On the other hand, perhaps the identified target market is wrong, and the marketing aspects are flawed.

How do you identify a wide brand gap? Obviously, you will be using push marketing, expensive attempts to convince consumers to spend as they do not buy willingly. You may also find that your stakeholders give you resistance, or pressure you to change. It's a bottom-line affair.

You will need to understand the brand gap. That means resorting to observation as the quick-and-dirty technique, though potentially unreliable, relatively inexpensive quantitative research, or more time-consuming qualitative research.

Management of the brand gap falls in the realm of brand equity, and it will impact marketing.

I'll deal with brand equity and its impact on marketing in later columns.

Takeaways

Identity is the communication that is projected by the enterprise.

Image is the consumer's interpretation if the identity.

The difference between identity and image is the brand gap.

The narrower the brand gap, the more successful the brand will be.

The brand gap is the central reference point for brand management.

MARKETING AND BRANDING WALK HAND-IN-HAND

Somewhere in the sillier parts of LinkedIn, there are troublesome memes that say that branding and marketing are separable. Here's a quick rebuttal.

There are three major schemas for brand management, developed by Jean-Noel Kapferer, David Aaker and Kevin Lane Keller. All three reference the product. Without marketing, the product remains in the warehouse. Even in prototyping, branding supports results, the same goal as marketing.

Branding and marketing walk hand in hand. If a brand manager attempts to separate the two, you can justifiably question the validity of the brand management schema or the brand manager's commitment to the bottom-line.

Let's look at the correspondence between marketing and brand management using basic 4P marketing. Product determines utility, be it reasoned attributes or emotional benefits. If the product doesn't support utility, the brand will be weak. Price determines perceived value assigned to the utility, be it economy or premium. Place is the distribution footprint. If the product reaches the wrong consumer at the wrong time, the brand will have a poor image, tending towards irrelevant. Promotion is the establishment of identity and the difference between push and pull marketing.

The 7P marketing mix takes it further with people, process and physical evidence, all of which have strong correspondence to branding. People and human-centric interactions are a key part of identity and image formation. Processes are at the internal heart of delivering customer value. Physical evidence is the facilities that demonstrate the existence of a brand in an environment. That could be offices and plant, dedicated outlets, or a website. It might even be branded in-store freezers.

An 8th P is emerging, partners. Which partner brands best carry marketing and the brand forward. Think about Coke and the identity it obtains from presence in sit-down fast-food outlets to begin to unravel the consideration. Who is the ideal partner for a brand? It might also be a retail chain.

The current trend is that marketing is more concerned with promotion: advertising and communication. However, this gives short shrift to the very valuable marketing facets of product, price and place. The role of the marketing manager as promoter-in-chief is generally more feasible in a corporate service environment where marketing can exert little influence over the nature of project-based services and pricing.

On the other hand, a good brand manager will also understand that her or his role is to influence identity with a bottom-line view that considers product development, pricing and distribution. The brand manager's must be respected and empowered to act effectively. In some instances, particularly in FMCG, a brand manager will take responsibility for the entire value chain, including all elements of the marketing mix.

The lines between brand and marketing management are blurred. The point of this riff is to show that because marketing and branding are highly interlinked, by extension, branding must often fulfill the role of marketing and vice versa. At the very least, branding has to augment marketing

The concept that branding can be divorced from the marketing role is simplistic and counterproductive. Branding must contribute to activities that contribute to the bottom-line and be accountable in terms of defined metrics. The only confusion can be that the activities are more clearly stated in the role of marketing and have not yet been directly linked to the field of branding.

If not held accountable, branding becomes performance art and is ultimately disposable. And even performance art has its own brands, be they movie franchises or varieties of protest such as 'Just Stop Oil'.

Takeaways

There are three major brand schemas developed by:

1. Jean-Noel Kapferer
2. David Aaker
3. Kevin Lane Keller

All three use the product as a central reference point.

Marketing and branding are both concerned with the success of products and services.

Brand management and marketing are closely interlinked and cannot be viewed in isolation.

THE BRAND AND CORPORATE PHILOSOPHY

I have a slide on the brand's relationship to corporate philosophy, among my presentation material. It's the first slide in the set, so it probably isn't well remembered after all the exciting slides that follow. In essence, what it says is that the brand is a 'managed translation' of corporate philosophy into bottom-line outcomes

For this piece, I will define corporate philosophy as three interlinked components: vision, mission and values.

The vision is easy enough. For my personal taste, I prefer it to be a quantifiable goal with a timeline, for instance 'lead the segment in terms of sales, five years from now'. Deadlines and measures make life easier and more trackable. Values are the qualities that we need embedded in the organization's character that will enable us to get there.

Mission is a bit more complex. I'm old school and prefer a 'multiple questions' analysis. Using these methods, the first question is inevitably 'Why are we in business?' The first question about business should ask about measurable gain. In other words, 'what's in it for the people operating the business'? If the interests of investors, owners and employees aren't satisfied, there is hardly any reason to do business which doesn't bode well for operational sustainability.

Newer methods translate that into 'What is our purpose?' That's the tricky bit. Purpose is more all-encompassing, for instance offering the whole world a cold drink, or alleviating climate change with renewable energy.

If you reread the two paragraphs above, you will understand how easy it is to confuse a vision and purpose.

If well-developed, purpose acknowledges expectations of the entity on the part of stakeholders and consumers, which is not necessarily a vision. Purpose translates into positive bottom-line outcomes of stakeholder assent and market sustainability. So watertight is the need for these outcomes, that the purpose is now being linked directly to the brand, renamed 'brand purpose' and upweighted to sit in the same tier as vision, mission and values.

However, for the sake of tradition, let's put the triumvirate of vision, mission and values into the corporate philosophy box, extend with a fat, red arrow to a clear and succinct purpose in a second column and use that as the guiding principle for satisfying stakeholders and customers in a third column.

The synthesis of vision, mission and values into a purpose may be informed by exco or C-suite, but given the fundamental strategic impact, the accountability for formulation of purpose must be handled at the level of the board or owners. Standing that statement on its head, we arrive at the fact that the board and owners must have necessary and sufficient understanding of what is a brand.

Given that the brand is multi-functional, spanning various departments, the board must also take responsibility for directing the C-suite and exco on departmental aspects.

What is implicit to this is the aspect of differentiation and barriers to substitution in the purpose. There are very few enterprises that will not compete for perceptual resources. Those resources will tend towards the intangible, whether they are the goodwill of consumers, willingness of equity to commit or the attention of stakeholders.

If the purpose is neither clear nor compelling, nor translatable into self-interested consumer and stakeholder outcomes, it will be substitutable (read perceptually disposable). There are times when good enough is good enough, but a strong differential in corporate philosophy will strengthen the bottom-line.

That seems like a decent reason for another round of CPD.

Takeaways

The brand is the managed transition of vision, mission and values into bottom line outcomes.

Vision mission and values are now being supplemented by statement of purpose which is an adjunct of the brand.

Purpose acknowledges expectations of the entity on the part of stakeholders and consumers, which is not necessarily a vision.

The brand must be the responsibility of stewards of corporate philosophy: owners or the board.

WHAT'S THE DIFFERENCE? STANDING OUT IN THE CONSIDERATION SET

A consumer makes a choice from a variety of brands within a subcategory. A consumer may want fast food. Their choice may be burgers, chicken, pizza, to name a few styles of food. The range of choice may be deepened by whether the outlet is a takeaway, or if it is a sit-down, proximity to the consumer, cultural attitudes, lifestyle preferences, even available parking.

The range of choices that satisfies the consumer's preference is the consideration set. The set is also the terrain in which multiple brands must compete for space in the consumer's wallet. The tasks of the brand manager are to understand the awareness set (those of which the consumer is aware) and competing individual brands in the narrower consideration set, ensure that their brand has the appropriate degree of parity in the group, then come up with a differential and position that favors the brand in the mind of the consumer.

The methods of achieving an effective differential are as diverse as the facets of consumer preference. Their identification and ranking will probably devolve to aggregates, significant data clusters and gut feel. It's a matter of operational creativity and calculated long-term feasibility. Note the use of 'long-term': a promo is short-term and may be expensive.

The differential matrix and positioning statement, based on the work of Al Ries and Jack Trout, is a very useful tool for broadly defining, codifying and managing the differential. By codifying it, the management principles can be formalized, and the differentials and position can be tracked, managed and evolved. The position must also be correlated to the enterprise's purpose in its corporate philosophy.

The method of setting up a differential matrix is easy enough. Set up a two-by-two table and proceed to codify your differences thusly…

In the top left cell place the headline 'Who?' Use this block to note the characteristics of the appropriate consumer. Using the fast food example, it might be parents with kids, a single person or an employee. The definition of the person excludes parts of the market, which makes for more focused marketing.

In the top right cell, describe 'Why?' The parents might want to treat their kids or escape from household drudgery. The single person may not be able to cook. The employee may need a quick snack to recoup energy lost during the working day.

In the bottom left cell, your title is 'When?' The parents might decide on a meal with their children when there is a need to escape the chore of an evening meal, or a desire to treat the children. The single person would use the outlet several times a week to avoid cooking. The employee would likely use the outlet over lunch or for a midday snack.

These three cells, 'who, when and why' define the position you will want to occupy and will be distilled into the positioning statement.

In the bottom right cell, name and / or describe competitors. Observing your competitors and their positions will give you the ability to validate your position in terms of your differential or evolve it depending on the degree of parity.

As you will be able to tell, the differential matrix and positioning statement are immensely powerful tools across the board. They will guide operational management, communication and inform corporate philosophy and strategy. It's also a major contributor to the bottom line.

I have referred to parity several times in this article. It's an important element of strategy that runs parallel to differentiation. I will explain it in the next article.

Takeaways

Differential matrix and statement of position

Who?	Why?
When?	Competitors: consideration set
Statement of position	

BRAND PARITY. CAN GOOD ENOUGH BE GOOD ENOUGH?

My journey into branding began when working in ad agencies, with questions I had about parity. If two products are the same, have brand parity, what makes one sell better than the other? That led me to the ideas of parity, identity and the differential, as the brand theories and practices emerged.

Let's use teabags. Teabags can contain different varieties of tea: black tea, green tea, flavored and scented, herbal (like rooibos or chamomile) and oolong teas. The choices of varietals fall within consumer preference as a basis for a broad differential, and the identity and image complex.

Now let's narrow the consideration set down and focus on black tea, the kind you reach for in the early morning, to widen your eyes and make your heart beat a bit faster. You have plenty of choices, all of which are very similar.

Competitive parity says companies must have the same performance and capability. The tea could be loose, or it could be in tea bags. Loose tea is not a major feature on the shop shelves, so we can read into it that competitive parity requires companies to have the ability to produce teabags.

Category parity says competing products must have the same features: similar or equal attributes to the products.

I don't make tea often, so I notice things when I do make it. I made a cup a few days ago and observed that once I poured in the water, the bag produced a dark brew in about 30 seconds, not the three minutes I normally expect for the tea to brew. That gain on time is particularly important if you need the tea to help you wake up, and no doubt, every brand of tea uses 30 seconds as a benchmark now. Those that don't or haven't will lose market share to their lack of convenience.

In short, parity means that a company is a) able to match a competitor's product, and b) uses that ability operationally. If not, it will likely lose market share. The caveat to this is that the identity and differential make the difference when products are in parity, so parity is the baseline.

Obviously, although necessary, parity is not sufficient to drive the bottom line. If not used by competitors with the support of their own brand differentials, products become substitutable. Other routes to breaking the parity deadlock are innovation, pricing and specialization of purpose.

Product innovation is a necessary short-term solution. As one company attains disproportionate product-led growth, other companies emulate the innovation to catch up. The innovation may be patented, companies need to emulate the innovation using other proprietary designs, to reach parity again.

Pricing is difficult as it causes loss of potential revenue and denies the firm the financial resource that should be used to innovate, effectively setting it back strategically. On the other hand, there are niches that can be filled with low-budget, price-led products, depending on market structure.

Specialization of purpose offers the best route to a market détente, assuming the market is mature and there is enough demand to accommodate all the competitors. Consider three types of toothpastes, the whitener, the cavity-fighter and the toothpaste for sensitive teeth.

A market détente will emerge in one of two ways. The firm may recognize that its business model can be destabilized if it chooses to split its competitive focus into two product lines. This may also lead to a split differential, which can cannibalize a firm's own market, especially dangerous if a firm loses its revenue to a premium product in favor of a price-led product. In this case the firm should choose the status quo. The second détente is cartel behavior in which firms consciously maintain the status quo.

Parity is a prerequisite for sustainable participation in a market, however good enough will not be good enough unless backed by a strong set of differentials and position.

Takeaways

Firms that do not have parity will not be able to compete, so must rapidly regain parity to survive.

There are two types of parity:

1. Product parity
2. Competitive parity

Parity can be broken with differentiation and / or specialization of purpose.

DOUBLE VISION. MANAGING THE PRESENT AND FUTURE BRAND

How much is your brand worth to your organization, and how do you manage it? What role does it play in contributing to the bottom line and when? Important questions.

Look at things through a different lens. The brand is not a magical thing made of hyped tactics and creative mystique. It is a managed, intangible asset that pulls people to spend money on your offering and keeps your stakeholders happy.

It should have a quantifiable value, but that value is near impossible to ascertain. In the present it is worth your market cap less intangibles such as IP, the value of your human capital, goodwill compounded by IFRS9 and other factors. Even if you can measure your market cap with equity, how do you accurately quantify the impact of your intangibles?

It gets more complex. The brand is one of your current operational factors, one of the underpinnings of current top line growth, but it also has a future value. What you do now ripples into future results, months, or years down the line. How do you quantify that value?

In short, your brand is an unquantifiable but valuable asset, now and years down the line. The obvious implication is that you need an expense item in the income statement to achieve present and future value, for which you can't account.

This coincidentally sits comfortably with elements of corporate philosophy such as the vision, mission and values which undeniably contribute value in unquantifiable ways. It's a fair argument for lumping the brand purpose together with the other elements of philosophy.

Like the value embedded in corporate philosophy, the brand can be managed programmatically, in the present as well as with a long-term view. This requires the use of brand equity schemas which develop and control the strength of elements of the brand, as opposed to brand valuation which attempts to assign a financial value to the brand.

In the short-term, programmatic strategy must use tactics to leverage and convert the brand into volumes or gaining and holding the acceptance of stakeholders. A combination of Kevin Lane Keller's customer-based brand equity schema and the various elements of 8P-marketing are the tools you can use to attain the outcomes. They offer highly operational methods and immediacy. I will go into Keller in detail in future columns.

The medium to long-term view needs to be obtained and planned for now but with a high degree of vision. An operational bias such as Keller may not adequately determine the long-term outcome, so I tend toward David Aaker who identifies his brand equity schema with longer term outcomes. The key elements will be brand awareness, brand associations and brand loyalty. More detailed descriptions of the three elements, which I will also cover later, reveal how they can be used to construct what amounts to a vision for the brand.

The trick will be to correlate Keller and Aaker, using the idealized outcomes of Aaker's purpose to map out an operational brand equity management plan using Keller's method, which can be tracked, tested and adjusted as time goes by.

The combination of Aaker and Keller provides a medium-term opportunity to develop the brand. As the brand is at the core of the future bottom line the ongoing activity of development and medium-term planning and management is as significant to sustainability as the set of short-term activities.

Don't worry if the complexity gives you a headache and double vision. It affects me the same way.

Takeaways

The value of your brand is your market cap less intangibles, so it is nearly impossible to quantify.

However, the brand has a strong bottom-line impact, and must be budgeted for annually.

The brand must be planned with a long-term view (future sales and organizational development) and a short-term view (to support current marketing).

The long-term view can be obtained using David Aaker's schema.

Short-term programmatic management should reference Kevin Lane Keller.

BRAND PERSONALITY AND HAIRY BIKERS

Let's talk Harley-Davidson motorbikes. I'm not a biker, but the brand's personality fascinates me for all the right and wrong reasons. Harley has one of the strongest, most characteristic brand personalities. Personified, Harley wears a big bushy beard and disreputable leathers. The persona is a rough-and-tumble rebel who has taken to the open road. It epitomizes freedom. What's wrong with the picture?

Brand personality personifies products and services by giving them a human face. The buyer recognizes themselves in the projected identity and forms an image on which is based an emotional attachment. It creates an association with the buyer, and builds loyalty, trust and a differential.

Harley-Davidson is an expensive brand. Its element of wish-fulfillment through freedom and its legacy rebellion is at odds with the reality of those who can afford it, individuals with high salaries and professional commitments. The brand also needs to expand its market. That means shifting the market into the realms of women and individuals of color, again at odds with its archetype. Finally, the brand has to shift into the EV market, something which it is struggling with according to 2023 reports.

Harley-Davidson evolved into a personality rooted in the Jungian archetype of the rebel. The Jungian archetypes fix character archetypes into stories. If you watch or read stories regularly, you will know that the combination of a story and a character have a generally predictable outcome. The rigid confines of personality and story do not sit well with Harley's need, even though it is taking the long-term route of shifting to the idea of freedom. Jungian archetypes can become a trap.

Let me introduce you to an alternative personality schema. Jennifer Aaker (not to be confused with David Aaker), a behavioral scientist, developed a methodology for assigning personality that is worthy of consideration. Aaker used a research process to identify five dimensions of personality that are generally common and trigger positive identification in the audience.

Her five broad dimensions are sincerity, excitement, competence, sophistication and ruggedness.

Each of these dimensions can be viewed as a silo, holding characteristics. For instance, Harley would fall into the rugged silo which contains two characteristics, outdoorsy and tough. The interesting thing is that there are multiple dimensions, so alongside the rugged dimension, you might select a characteristic from the excitement dimension, for instance, spiritedness.

Use of primary dimension characteristics and characteristics from wing dimensions will give a more multifaceted personality in which characteristics can be managed both holistically and individually, outside of the confines of the Jungian story.

What I find interesting is that Jennifer Aaker has provided a universal model which is based on the responses of respondents from the USA. As it is a model, it might with a bit of research, be confidently adapted to regional dimensions and characteristics.

Since the advent of social media, I have regularly been confronted with the characteristic of humility (I am humble). What is the social benefit of being humble, what are its characteristics, where might this sit in Jennifer Aaker's scale of dimensions and how might it transfer to the identity and image complex?

If you want to find out more about this, use the search prompts 'Jungian character archetypes' and 'Jennifer Aaker brand personality dimensions'.

Takeaways

Brand personality personifies products and services by giving them a human face.

A rigid personality will restrict sales to target markets that identify with the image, and may exclude other target markets.

Jennifer Aaker provides a dynamic personality system consisting of five dimensions: sincerity, excitement competence, sophistication and ruggedness.

Aaker's research respondents were from the USA, so the model may need to change to incorporate regional differences.

VALUES. TEARING DOWN THE POSTERS ON OFFICE WALLS

Values are a relatively new addition to the pantheon of corporate philosophy, supplementing the traditional vision and mission. More than the vision and mission, values are expected to be the experiential aspect of philosophy and so become the link to the brand. However, in truth, this often fails.

There are multiple reasons for this failure, chief among them being that they remain in the abstract realm of statements on posters, communicated but not experienced. Consider this… if the values need to be communicated, they are almost certainly not being experienced. LinkedIn wit Dave Harland took it a step further, saying that the only time values will be mentioned is when there is a major corporate scandal or crisis.

Value formulation has a tendency to produce huge and auspicious concepts like 'accountability' and 'transparency', which have noble intent but are often avoided due to their inconvenience in real life. The solution must be to work with values that are operationally manageable and can easily be experienced.

There are two types of values.

The first is a set of internal values that govern internal behavior. Teamwork, for instance, has multiple uses. It can be the basis for coordination of activities and cooperation. It can also be an instruction to provide support, for instance, step in and help if a member of the unit is not able to handle the workload or is having a personal crisis. That's useful.

The second type is more important, the outward looking value, the value that the customer experiences. A positive experience is the absolute prerequisite for the brand and the basis for pull marketing. Consider Virgin's outward looking value of 'delightfully surprising'.

What is important to understand is that both the inward and outward looking values have a bottom-line impact, immediately and in the long-term. They are investments and need to be planned and managed. They are not something that can be bottled to be drunk when needed.

The method of planning the values is known as a values audit. It's time consuming but will produce better results. The first step is to assess which values are desirable for stakeholders, be they internal of external. The second step is to obtain internal buy-in while assessing feasibility. Buy-in must be obtained across the organization and at all levels. Feasibility and exercise of the values may differ from department to department and may also have cross-functional impact. Once values are agreed upon, they need to be trained and retrained.

These values will not only serve as a guideline for behavior, but must also serve as an underpinning of delegation, something that every member of the team can use as a basis for decisions and activities. In effect, well-planned and implemented values will improve efficiency.

The values should be reflected in policy and may also be one of the factors that can be included in decisions concerning recruitment, not just from the point of view of the recruiter, but also by the applicant.

With so much riding on them, values should not be relegated to 15 minutes of board discussion and snap decisions. Failed values come at a cost, not just in wasted expenditure on training but also wasted productivity and brand effects.

Takeaways

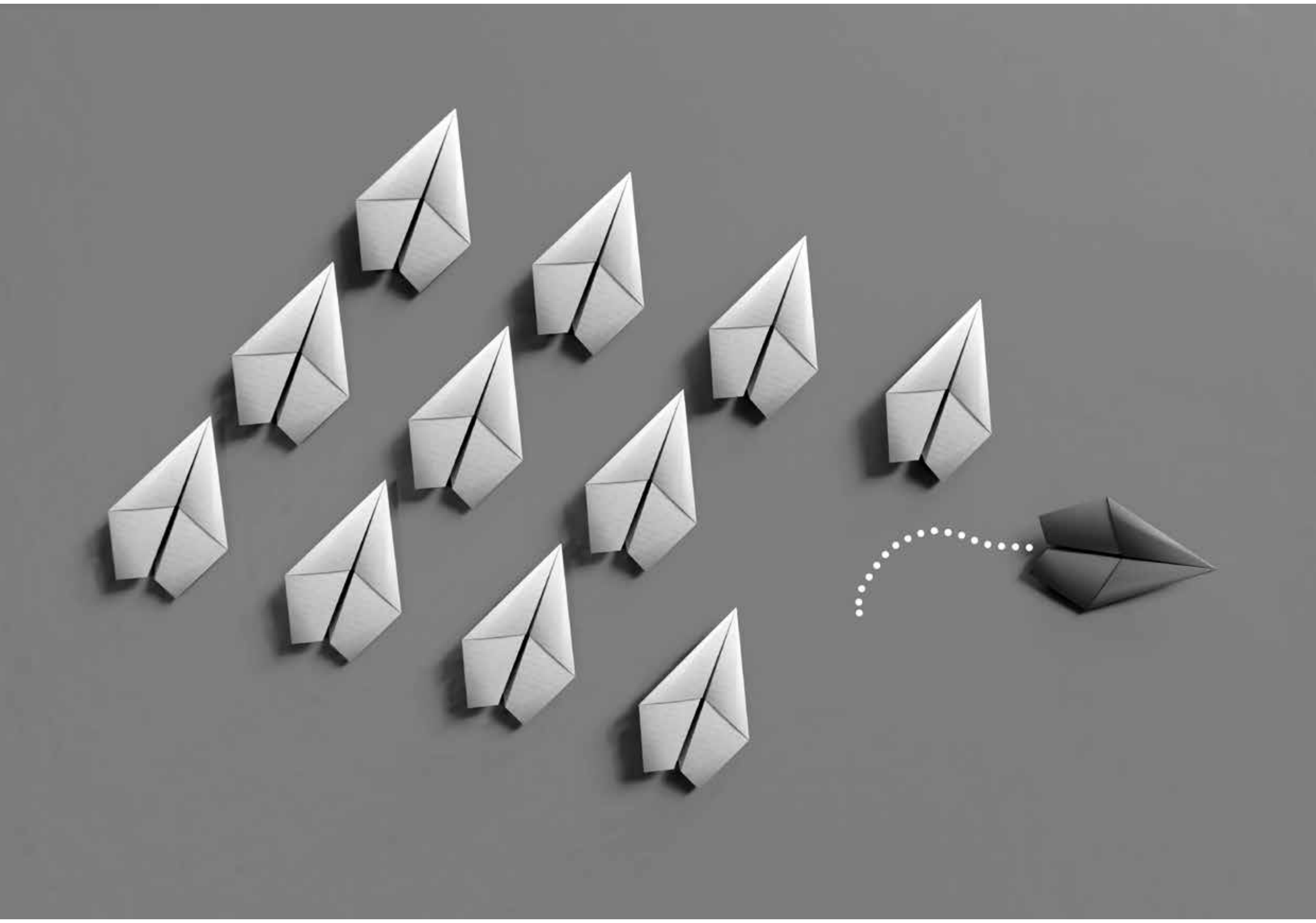
Values have a bottom-line impact on operations and can streamline delegation and decision making.

There are two types of values.

1. Internal values govern internal behavior.
2. The outward looking value influences customer experience.

Values must be researched and planned, then trained and habituated.

If values rely on statements on posters, they are almost certainly not being experienced.



THOUGHT LEADERSHIP AND ADVOCACY

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SOCIAL BANKING HOLDS POTENTIAL BENEFITS FOR NAMIBIA
BY ROBERT EIMAN

Namibia's economy is poised to evolve and grow. New sources of economic activity and revenue streams are imminent, and impetus for development of well-being and capital formation at the household level is growing.

Recognition of and support for informal enterprise, and structural reforms that give momentum to ultra-affordable housing, are on the immediate horizon. In the coming decade, economic activity will be driven by development of green hydrogen, oil extraction, natural gas and associated infrastructure, as well as upstream and downstream industrialization and service expansion.

However, the promise of the future economy is not only dependent on expansion of economic activity but needs a translation of newfound national wealth into the economies of individual households. Key to this will be the distributive capacity of the banking subsector.

Namibia has made exceptional strides in developing services for the unbanked since the early 2000s. In fact, due to expansion of Nampost Savings Bank, and the rise of electronic and mobile banking, 78% of economically active Namibians, and many of their dependents, now have access to a banking product, formal or informal financial products.

However, access to basic banking is necessary, but not sufficient. The focus must now shift to the quality of services, and the narrative must shift from the unbanked to the underserved. The nature and quality of financial products and services will have a material influence on socio-economic development.

The current commercial banking sector justifiably focuses on its mandate of delivering returns to shareholders. This is the nature of private sector enterprise. However, the focus on profitability favors the affluent in terms of services, and often excludes less affluent segments of society.

Capital formation through provision of finance for ultra-affordable housing is a case in point. Commercial banking may provide finance for this category of housing, but the risk and return configuration of the commercial banking model might favor short-term finance of 60 months or less for the amounts envisaged (72 months was trialed for Covid-19 relief).

The backdrop of need for ultra-affordable housing (also referred to as social housing) is an income of N$5,000 or less which is currently earned by 62% of the Namibian population. This figure was reported by Centre for Affordable Housing Finance in Africa in 2023. According to local commercial bank calculators, the monthly repayment on N$120,000 for an ultra-affordable house over 60 months at 11.5% (N$2,639) will probably not be affordable for the intended beneficiary. However, over 120 months, the repayment becomes N$1,687. Despite the lower accumulated value of the shorter-term loan, the higher repayment still places ultra-affordable housing out of reach for the less affluent, and inequality continues to burden the economy.

To address the issue, the most successful approach will be to introduce an intermediate banking model, social banking, to fill the gap between postal banking (offered by Nampost) and commercial banking. Social banking, in this case, will combine financial services with social objectives, promoting community development for positive social and development impact.

The social banking model offers a complete suite of banking services, however with a flexible focus on growth of capacity

through the balance sheet, rather than extraction of value to recompense shareholders. As the risk return profile of social banking is capped by the balance sheet and can absorb risk in the longer term, not within the parameters of standard duration commercial loans, this type of bank can be more flexible in its terms, for instance offering longer repayment terms for the lower capital amounts that are required for ultra-affordable housing.

The model does not compete with commercial banking, a pillar of the current economy. Rather, through growth of capital formation and expansion of economic activity, it has potential to augment the base market through graduation from informal and subsistence economies into the market for commercial banking.

The net development impact will be a reduction in equality and material gains in socio-economic well-being.

In conclusion, the introduction of intermediate social banking will be a win-win scenario for the endeavor of national development and reduction of inequality, commercial banking, and most importantly the socio-economic well-being of Namibians

Robert Eiman, formerly Head of SMEs at FNB Namibia, and Head of SME Finance at Development Bank of Namibia, is CEO of Nampost Financial Brokers / Postfin, a division of Nampost Savings Bank. He writes on social banking in his personal capacity.

MICROENTERPRISE INCUBATION IS A ROUTE TO ECONOMIC GROWTH
BY PAUL EGELSER

Many people come up with business ideas and use those ideas to start enterprises. The benefits of those businesses that succeed are prosperity for the owner, employment through staffing, innovation, and economic growth. Unfortunately, many new businesses fail, creating poverty for the owner and unemployment for the staff.

There is obviously a need to help businesses succeed, and business incubation is one of the most effective ways to achieve this. In an incubator, small businesses and startups, often owned by people with little or no business skills and experience, are supported until they become sustainable. The incubator does this by providing resources, guidance, and mentorship to help new entrepreneurs succeed.

Incubators also offer services such as business development training, affordable office space, mentorship, and networking opportunities. This helps entrepreneurs develop their business models and understand the complexity of running a business.

Once the businesses mature and the entrepreneurs become more confident, they become attractive prospects for debt and equity finance, and can leave the incubator with confidence, knowing that they have sustainable futures ahead of them. The incubation process also helps such small businesses to develop a market and potential clientele through open days and by assisting them with marketing.

Business incubation is so successful that it is now used around the world to grow businesses, and support entrepreneurship and economic growth. Incubation levels in various countries are different and the entry requirements is usually different depending on the sectors of interest. While incubation in some countries might be for smaller businesses, in other countries big startups could be incubated as a country seeks to develop a particular industry.

In the Namibian context, incubation can play a very important role in developing the economy, by empowering businesses with technical know-how. Firstly, it can create jobs and incomes. Secondly, businesses in incubators can source goods and services from other enterprises and in their turn, sell goods and services onwards. In this way, they are multipliers in the economic environment with significant ripple effects

One of the key points of interest for Namibia is the conversion of informal enterprises into formalized microenterprises, and even SMEs. In a recent statement, Finance Minister Iipumbu Shiimi acknowledged that large enterprises can bring in revenue, but microenterprises are more efficient at job creation.

By nurturing, stabilizing and formalizing informal enterprises, Namibia will sustainably grow its economy.

As small businesses grow, they hire local staff, purchase goods and services from nearby suppliers, and generate income for their community. This, in turn, leads to poverty reduction and improved living for the community.

Microenterprises fulfill a further need. Namibia has thrown its weight behind innovation as a further way to grow the economy. Innovation brings efficiency. It also adds new products and services to the business environment. However, innovation is a high-risk activity, and innovative enterprises run the risk of rapid failure as they try to gain toeholds in the market with acceptance of their activities and ideas. Incubation stabilizes innovative microenterprises and improves their sustainability.

An incubation center provides further opportunity for innovation by allowing microenterprises to introduce ideas to fellow enterprises in the center, as well as refine prototyping.

Examining the needs of fellow enterprises also allows innovators to come up with new ideas.

The high failure rate of SMEs, and limited creation of new mass employment by larger enterprises points to the need for more incubators in Namibia.

The lesson to draw from the phenomenal success of incubators is that access to finance and mentoring and coaching are not enough on their own.

Many MSMEs and the broader business fraternity believe access to finance is a challenge, yet there are billions available that cannot find ventures to finance. When businesses empower themselves with technical know-how and convince financiers they know their business then funds will naturally flow to finances their ventures.

By stabilizing the microenterprise environment through incubation, Namibia's economic growth will be enhanced.

Paul Egelser is a former board member of Bokamoso Entrepreneurial Center, an incubator in Windhoek. He is Manager of the Development Bank of Namibia's mentoring and coaching unit and was one of the developers of Namibia's national mentoring and coaching plan. He writes this in his personal capacity.

PERSONAL DRIFT

ON MY MIND: AI

The hysteria about AI is reaching fever pitch. I have used AI several times and I have no fears, nor have I been made redundant.

The first time I used it, I set it a test to tell me about the need for finance for youth enterprises in Namibia. It spat back a single paragraph at me. I repeated the test the next day and got back five paragraphs, summarizing stuff I knew I wrote. The attribution was Bank of Namibia, so I also knew I had to redo the SEO on the site on which I published the pieces.

I have subsequently used it for preliminary research orientation (it beats going through umpteen sites that Google provides, and attains coherency of the source rapidly). Using the raw information, I was able to synthesize my own ideas and insights. I do not use the anodyne body text that the AI provides. I have also used it for prompts on the value of teamwork, and to rate my own writing (it really liked a slogan I wrote).

I use it as a highly efficient convenience to provide ingredients, much the same way a baker uses flour, but does not mill the wheat.

Here's an analogy. In the Nineties, Excel replaced the Ledger Clerk. However, it did not replace the Accountant or Financial Manager.

If you feel threatened by AI, feel that it can replace you, you need to up your game.


YES.
NO.
MAYBE LATER.
I DON'T KNOW.

THE STORY BRAND AND BRAND FADS

The advent of social media means that the spread of information is rapid, and that comes with the spread of fads. These fads are often dubious at best. The latest fad appears to be the 'brand story', a corruption of 'story brand' from the title of Donald Miller's bestseller, 'Building a Story Brand'.

It's easy enough to see the allure of the thing. It doesn't take much managerial know-how to build a story brand, just an awareness of stories and their power. You can name-check it to look good, without understanding much. However, in the absence of solid managerial techniques, it becomes a creative communication tactic, not a strong brand management model. For a guide on how to use it, read the guide below.

Fads come and go. Like the craze for influencers. Like social media management. Like desktop publishing. Which new item will stick? Sound managerial methodology is a place to begin, preferably with metrics. And ask yourself if it is a dead-end or can it be evolved? If you can't give positive answers to those questions, it's probably going to be a fad.

HOW TO CONSTRUCT A STORY BRAND

Story brands use basic 7-step scripted (SB7) narrative elements. Here's an example...

1. **Character:** lovable protagonist lacks confidence due to acne.
2. **Problem:** protagonist can't get a date.
3. Meets a guide: enter wise old dermatologist.
4. **Call to action:** "Use this acne cream!"
5. **Helps them avoid failure:** "Read the instructions and apply twice daily."
6. **Ends in success:** protagonist gets a date.
7. **Transformation:** protagonist voted schools most datable person, all thanks to the wise old dermatologist and the acne cream.

Now develop your own script. Begin with "well-meaning enterprise lacks confidence due to stakeholders", or whatever fits. Plan and implement according to that.

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ON MY MIND: COMMUNICATING WITH EMOJIS

We learn early on that we communicate most effectively if we use the language of the person with who we are communicating.

On the flipside, most business communication is overly formal and stilted: we avoid emotion and go with ornate, archaic language. So how should we handle it if someone expresses gratitude of anger with an emoji?

There is nothing wrong with expression of emotion in business communication, and pictorial language is as old as civilization itself.

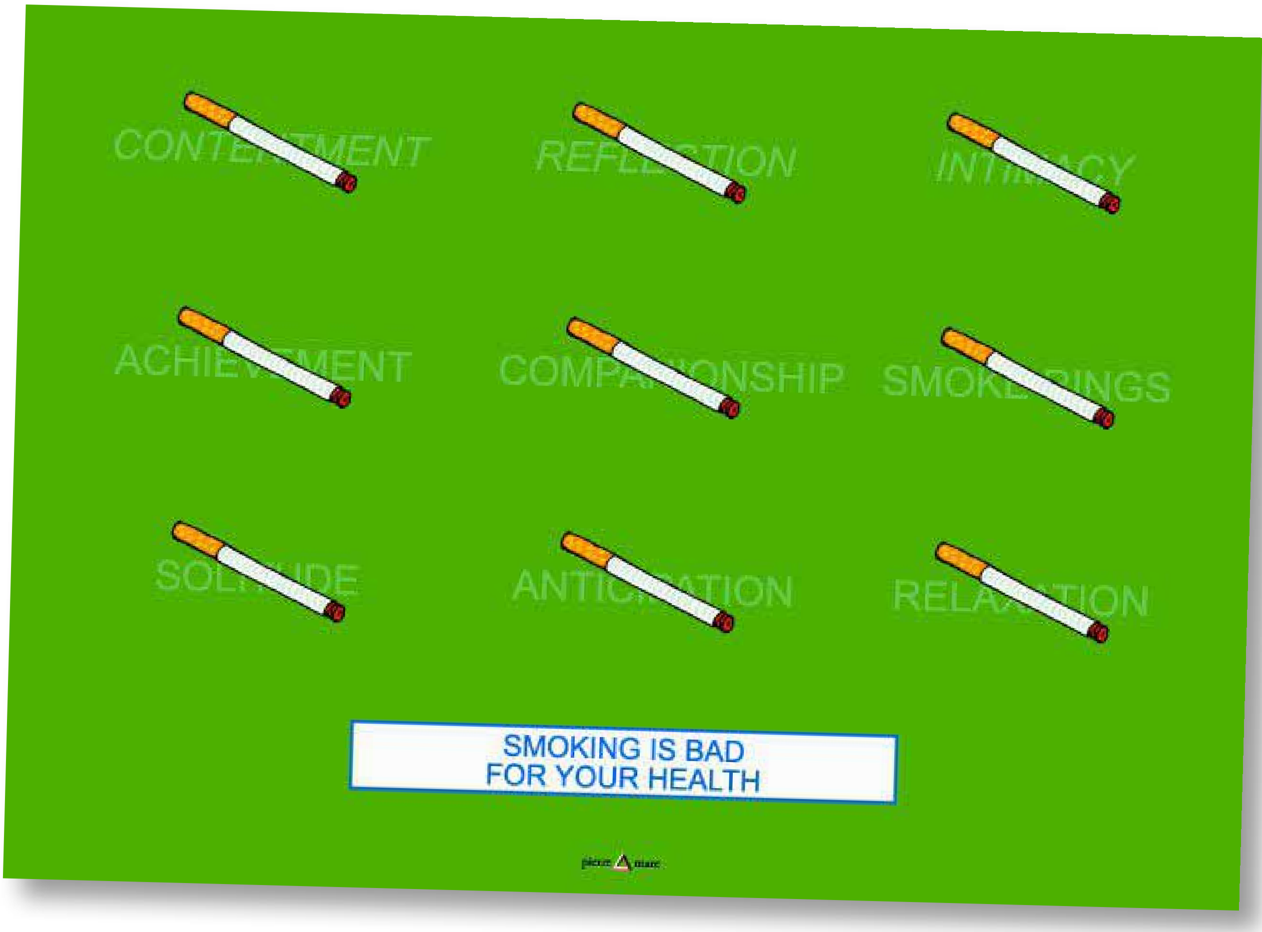
The chances are that the employee answering the routine communication will respond with an emoji, a smiley and praying / steepled hands in the case of gratitude, or a crying or puzzled emoji in the case of anger. The employee should be commended for the emotional intelligence in using the emoji to respond.

Finding the correct emoji may be a matter of nuance. A simple smiley may be interpreted as forbearance, and a toothy grin or red-cheeked smile may be more appropriate to communicate happy sentiment.

There may also be regional nuances. Perhaps, if communication pauses, the simple, classic smiley will give encouragement to continue.

The answer for now is to communicate with the equivalent amount of emotion as the client provides. Three dancing ladies, two glasses of wine and some party hats and streamers deserve a red-cheeked smiley and praying hands. A red-faced smiley for a complaint should probably earn a crying emoji response. It's a matter of emotional intelligence in the choice of words, bounded by prudence.

For more on the linguistics, read The Semiotics of the Emoji by Marcel Danesi.



(I just quit cigarettes for a vape. Same difference but healthier.)

THE DISCOUNT ARMS RACE

The 2023 discount season is almost over, or is it? This year Black Friday sales began in mid-October. Christmas hats appeared in early November, and the ads for Christmas specials began immediately after Black Friday. Somehow, Cyber Monday slipped through the cracks.

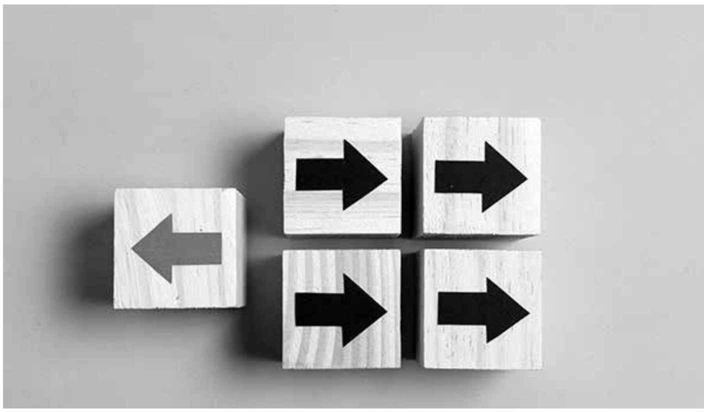
The sales are continuing uninterrupted with Back-to-School campaigns already commencing, to be followed by Valentine's in the middle of January and subsequent chocolate eggs. Everybody will frantically spend what they have to save. It reminds me of the arms race.

The thing about discounts is that they do not deliver premium value to either the retailer or the consumer. In fact, they attract fickle bargain seekers attempting to maximize value by spreading spend over a range of discounts on cheap, plastic products.

With no let-up in these specials, I am halfway expecting a detente to emerge at some stage. The discount arms race can only be perpetuated through buyers who are depleting their budgets, and retailers and sellers who are sacrificing premium turnover to move low value goods..

(I test this once or twice a year.)

THE WORKSPACE



WHAT MAKES PRESS OFFICE 7 DIFFERENT

PRESS OFFICE 7 LEARNS

From learning we gain understanding. Understanding gives us the ability to develop strategy and communicate. With shared strategic interests and communication we can form alliances rooted in similar interests, and gather friends around us.

PRESS OFFICE 7 IMMERSES ITSELF IN ECONOMIC DEVELOPMENT

Our fields of interest are development, development impact, development finance, sectoral, micro and behavioral economics, and informal enterprise and informal enterprise finance.

PRESS OFFICE 7 UNDERSTANDS ENTERPRISE

Our practical experience ranges from large financial enterprises to manufacturing enterprises, ICT, broadcast communication and tourism and hospitality.

THE FIELDS IN WHICH PRESS OFFICE 7 WORKS

Although learning is a progression and never finite, we have a broad understanding and experience of the following operational fields:

Corporate philosophy

Strategy formulation

Business development

Governance

Value creation & integrated reporting

Environmental, social and governance

Development and development impact

Sectoral, behavioral and micro-economics

Informal enterprise, SME development and large enterprise formation

Finance

Stakeholder relationships

Risk identification and mitigation

Strategic brand management

Product branding and marketing

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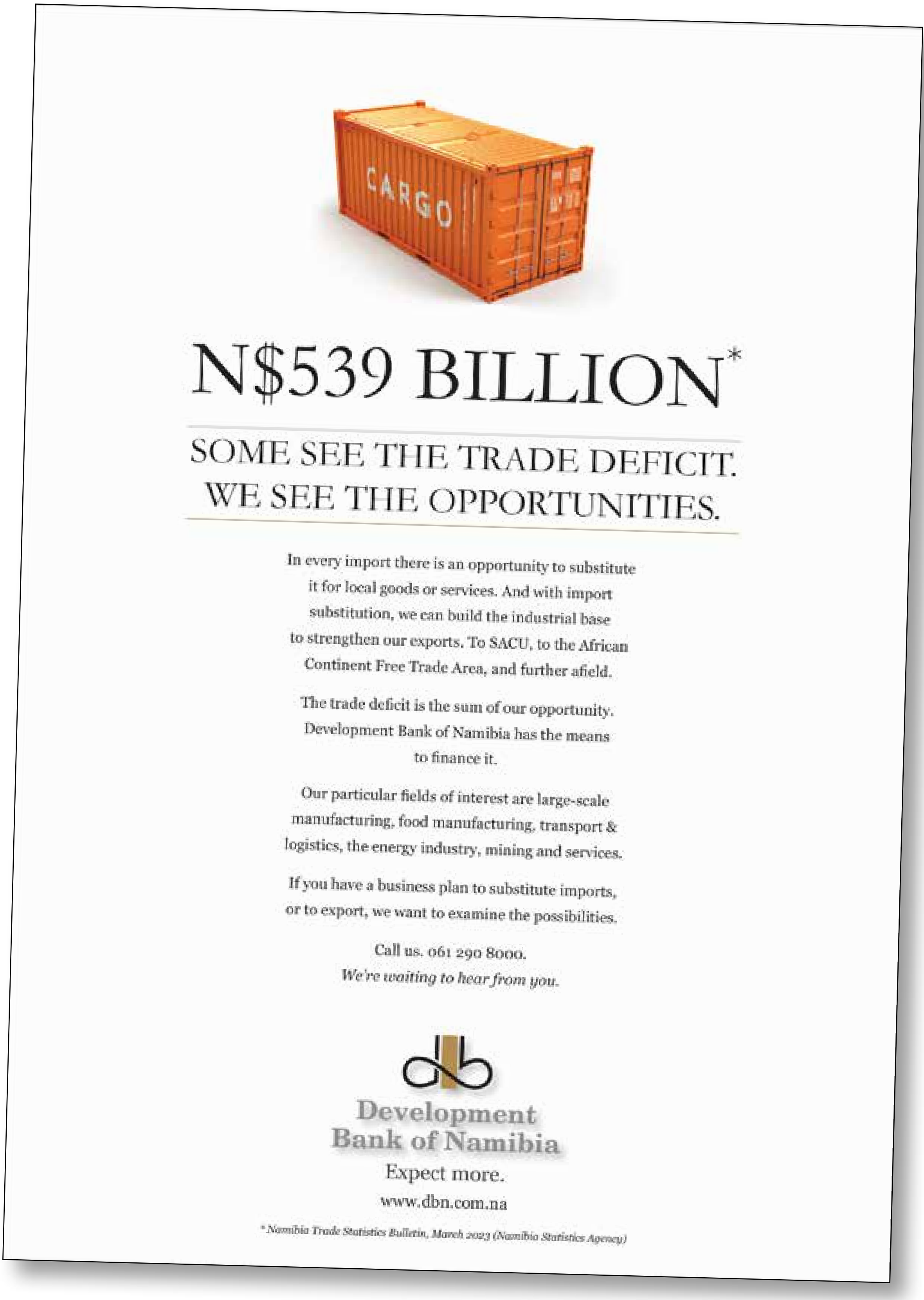
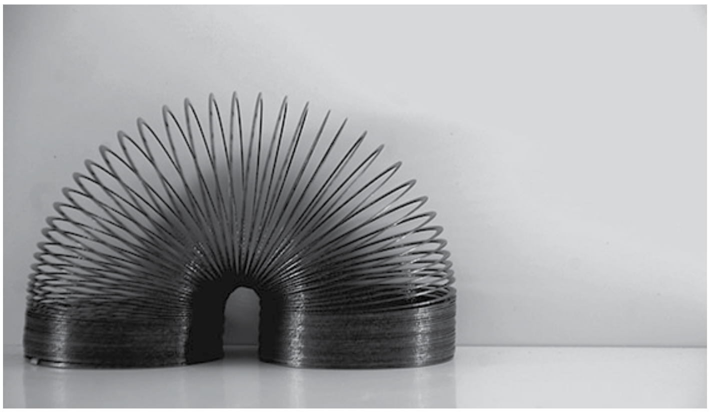
CORPORATE ADVERTISEMENT FOR DEVELOPMENT BANK OF NAMIBIA





BIO: ABOUT THE BRAND GUY

Pierre Mare is a brand, strategy, economics and presentation junkie.

He has contributed to formalization of the Reinheitsgebot in the NBL brand portfolio and development of the Pepsi AfriCan (Hothouse), Meme Mahangu (Ogilvy), MTC prepaid SMS proliferation (Advantage), NeoPaints PA!NT NAMIBIA (Headspace Brands), RFS Fund Administrators and Benchmark Retirement Fund.

He introduced the concepts of values-based branding, mentoring & coaching and impact reporting to Development Bank of Namibia. He pioneered e-mail marketing in Namibia (Africa Online, One Africa Television, Tour Brief and RFS), introduced Kwaito to Namibian television advertising (Pera Jackpot) and was a founding member and conceptualized the first agile, small-form brand agency in Namibia (Headspace Brands).

His career has spanned roles that include Copywriter, Creative Director, Studio Manager, Agency Strategist and Brand Marketing Specialist.

He holds a B. Com with majors in Economics, Statistics and Business Economics from UNAM (The Academy) and has short course certification in Brand Management, Business Strategy (UCT) and Digital Transformation (UCT Graduate School of Business).

His fields of economic absorbtion and advocacy are development, development finance, sectoral, micro and behavioral economics and informal enterprise formation and finance.

His workstyle is to flatten hierarchies and listen respectfully to all, but reserve the right of veto.

He is a fearless adventurer who once made Christmas dinner for a Moslem, a Catholic and a Jew.

In his spare time, he reads genre fiction, cooks, does designs and sleeps.

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Corporate communication

Pierre Maré
0813 969 166
contact@pressoffice7.com
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TESTIMONIALS

"I consider myself lucky to have had the opportunity to work alongside and learn from you Pierre Mare (The Brand Guy). Your guidance has been invaluable."

Adelaide Mutjavikua
Marketing & Corporate Communications Practitioner

"You are good at what you do! Let the creativity flow! I will subscribe just to be kept informed about the changing trends and the environment we are in!"

Kai Geschke
Owner-manager, non-executive director with many interests
on The Brand Guy Newsletter on LinkedIn.

"Pierre was instrumental in defining and developing the brand identities of the company and the Benchmark Retirement Fund. Through his technical expertise and exceptionally creative mind, RFS Fund Administrators and the Benchmark Retirement Fund have established themselves as leaders in the industry."

Tilman Friedrich
Chairman, RFS Administrators

"Thank you Pierre Mare, impacting others for the greater good is the goal... Excited."

Paul Egelser
Manager Client Support at Development Bank of Namibia

"We should have listened to you."

Gordon Sparrow
Former Deputy CEO of Banking Operations, First National Bank
on stakeholder relationships

"Very very good thoughts indeed!."

Dr Michael Humavindu
Deputy Executive Director: Industrialization & Enterprise Development
Ministry of Industrialisation, Trade and SME Development
on comments and proposals for inclusion in the Draft National Informal Enterprise Policy

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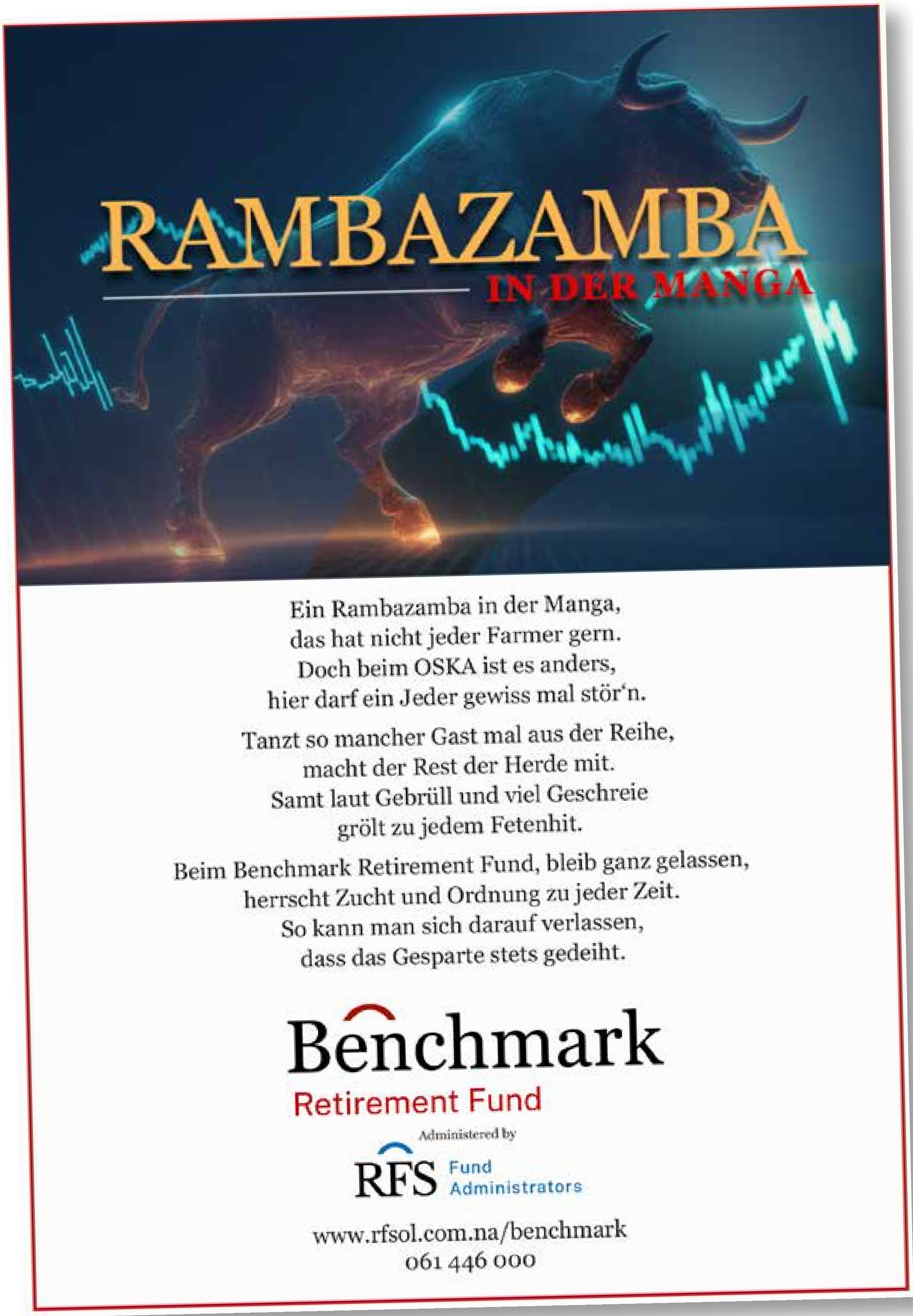
AD LINKING PENSION RESULTS TO A BULL RUN
FOR A CARNIVAL IN THE RURAL CATTLE FARMING TOWN OF WITVLEI



Conceived,and designed by Pierre Mare
Traditional carnival poem written by RFS Fund Administrators.

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Please give your name, company name and industry (sector).

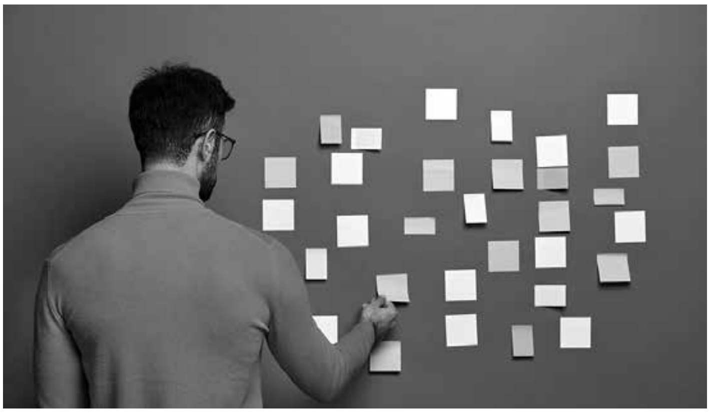
If possible give a nutshell description of the challenge you need to deal with.

RETAINERS AND SPECIFIC OFFERS

Significant discounts are available under retainers.

We are also willing to partner with **agencies** and will respect pre-existing relationships.

THE BOOKSHELF



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