



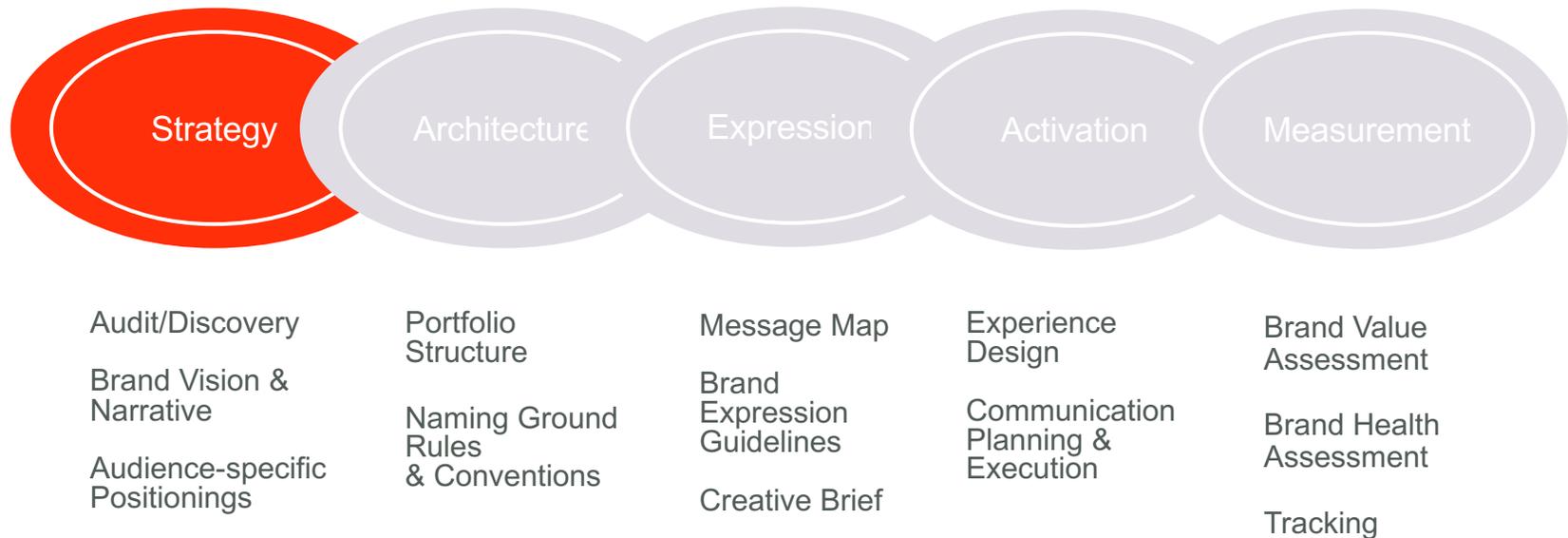
# Brand Strategy Toolkit: Establishing A Foundation for Brand Building

July 2017



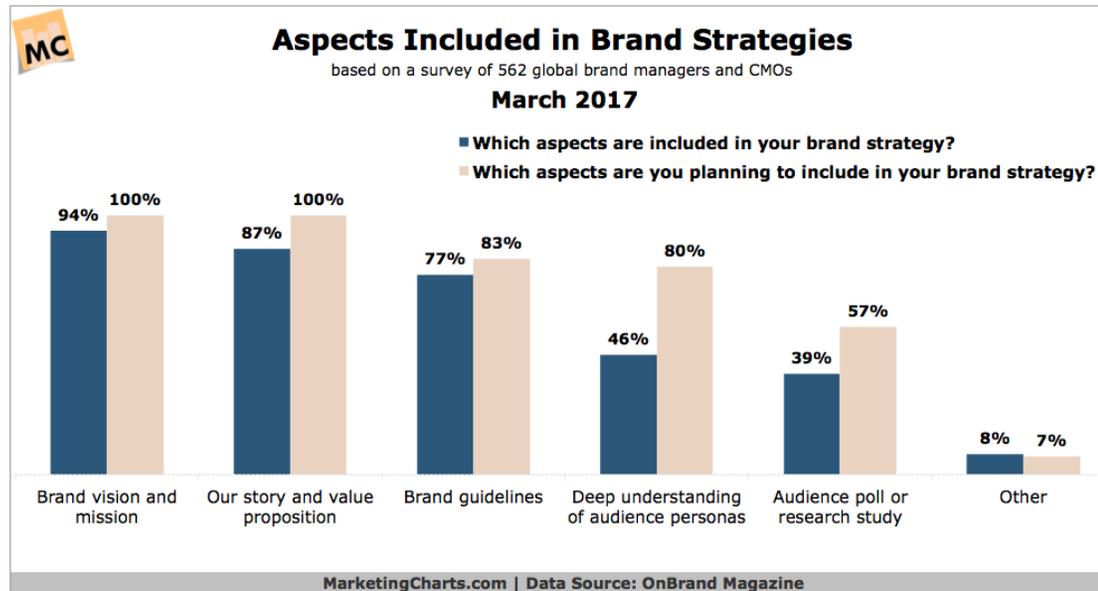
# What is Brand Strategy?

Brand strategy is the first step in the process of defining and activating a brand. It involves auditing and distilling key brand insights, and translating them to a compelling brand platform to guide brand development.



# Brand Strategy in Practice

Marketing practitioners are in general agreement on the key components of a brand strategy, but many firms lag in developing theirs.



# Key Brand Strategy Frameworks

Several frameworks are useful in developing the insights and direction for a compelling brand platform. Each is outlined in this toolkit.

## Audit/Discovery

- ✓ SWOT Analysis
- ✓ 3-Circle Analysis
- ✓ Brand Strategy Palette
- ✓ Competitive Landscape Map
- ✓ Competitive Assessment Framework
- ✓ Brand Conversion Funnel
- ✓ Customer Profiles and Personas
- ✓ Customer Segmentation

## Brand Vision & Narrative

- ✓ Brand Development Roadmap
- ✓ Brand Vision Framework
- ✓ Brand Narrative Framework
- ✓ Brand Narrative Template

## Audience-specific Positionings

- ✓ Brand Benefits Hierarchy
- ✓ Differentiator Identification Checklist
- ✓ Classic Brand Positioning Framework
- ✓ Brand Positioning Statement
- ✓ Brand Positioning Evaluation Framework

# What is a Brand Audit?

A brand audit lays the foundation for identifying brand strengths and opportunities. It systematically addresses questions about the overall category, the company and its offerings, competitors and customers.



# Brand Audit / Discovery

Much of the information for a brand audit exists outside of marketing.

## Corporate Information

- Company mission, vision and values statements
- Business plans, financial performance and trends (e.g., revenue, profits, margins)
- Customer service records
- Patents and other intellectual property, awards/areas of distinction

## Industry Information

- Third party research about the competitors (e.g., financial analysts, syndicated market research, government agencies, industry associations)
- Your company's own customer research (e.g., tracking research, focus groups)

## Marketing Information

- Current and past advertising and promotional collateral for your brand and competitors (within and beyond your specific category)
- Social media reports and conversation analyses

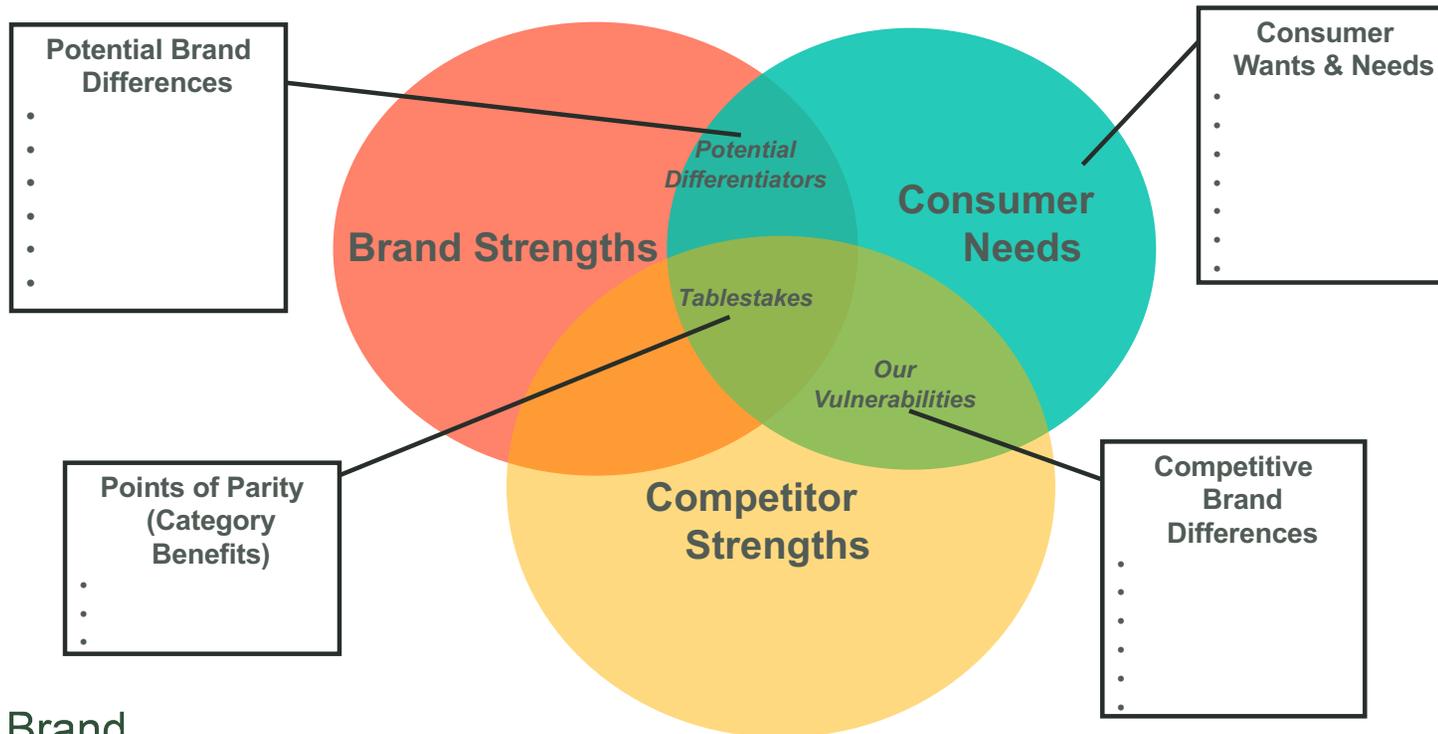
# SWOT Analysis

This is a classic way to summarize key information on one page. It highlights insights and points to ways to strengthen the brand.

	Strengths	Weaknesses
Internal	Existing or potential assets that provide leverageable competitive advantage	Assets where we are at a competitive disadvantage and could choose to invest in overcoming or mitigating
	Opportunities	Threats
External	Existing or potential market forces that could provide competitive advantage if a company capitalizes on them	Existing or potential market forces that could inhibit the company from maintaining or attaining competitive advantage

# 3-Circle Analysis

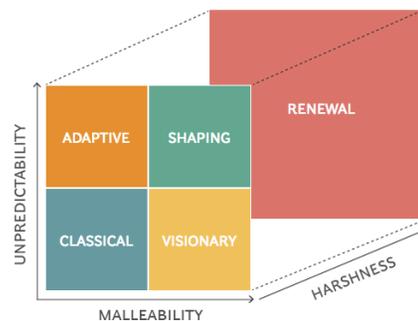
This analysis complements the SWOT by highlighting the specific insights needed to create and sustain differentiation.



# The Brand Strategy Palette

The Strategy Palette describes the type of business environments brands face and helps describe what it will take to succeed in each.

## Strategy Palette Framework



### ENVIRONMENTAL DIMENSIONS:

- Predictability = You can forecast it confidently
- Malleability = Alone or together with others, you can shape it
- Harshness = It's tough but you can survive it



## Strategy Archetype Descriptions & Success Factors

Key Elements	Classical	Adaptive	Visionary	Shaping	Renewal
<b>Dimensions</b>	<ul style="list-style-type: none"> <li>• Predictable</li> <li>• Non-malleable</li> </ul>	<ul style="list-style-type: none"> <li>• Unpredictable</li> <li>• Non-malleable</li> </ul>	<ul style="list-style-type: none"> <li>• Predictable</li> <li>• Malleable</li> </ul>	<ul style="list-style-type: none"> <li>• Unpredictable</li> <li>• Malleable</li> </ul>	<ul style="list-style-type: none"> <li>• Harsh</li> </ul>
<b>Growth &amp; Maturity</b>	<ul style="list-style-type: none"> <li>• Low growth</li> <li>• Mature industry</li> </ul>	<ul style="list-style-type: none"> <li>• Volatile growth</li> <li>• Young industry</li> <li>• Technological change</li> </ul>	<ul style="list-style-type: none"> <li>• High growth potential</li> <li>• White space, no direct competition</li> </ul>	<ul style="list-style-type: none"> <li>• No dominant player platform</li> </ul>	<ul style="list-style-type: none"> <li>• Low/negative growth,</li> <li>• Restricted financing</li> <li>• Negative cash flows</li> </ul>
<b>Concentration</b>	<ul style="list-style-type: none"> <li>• High</li> </ul>	<ul style="list-style-type: none"> <li>• Limited</li> </ul>		<ul style="list-style-type: none"> <li>• Fragmented</li> </ul>	
<b>Regulation</b>	<ul style="list-style-type: none"> <li>• Stable</li> </ul>		<ul style="list-style-type: none"> <li>• Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Shapable</li> </ul>	
<b>Success Measures</b>	<ul style="list-style-type: none"> <li>• Scale</li> <li>• Market share</li> </ul>	<ul style="list-style-type: none"> <li>• Cycle time</li> <li>• New product vitality index (NPVI)</li> </ul>	<ul style="list-style-type: none"> <li>• First to market</li> <li>• New user satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Ecosystem growth and profitability</li> <li>• NPVI</li> </ul>	<ul style="list-style-type: none"> <li>• Cost savings</li> <li>• Cash flow</li> </ul>
<b>Core Idea</b>	<ul style="list-style-type: none"> <li>• Be big</li> </ul>	<ul style="list-style-type: none"> <li>• Be fast</li> </ul>	<ul style="list-style-type: none"> <li>• Be first</li> </ul>	<ul style="list-style-type: none"> <li>• Be the orchestrator</li> </ul>	<ul style="list-style-type: none"> <li>• Be viable</li> </ul>

# Strategy Palette Archetypes & Positioning

Brand strategy archetypes are helpful in understanding the nature of the brand’s positioning challenge.

**Strategy Palette Archetypes: Positioning Implications**

Key Elements	Classical	Adaptive	Visionary	Shaping	Renewal
<b>Core Idea</b>	Be big	Be fast	Be first	Be the orchestrator	Be viable
<b>Positioning Goal</b>	Convince customers of clear and credible superiority on the key benefit	Assure customers we can anticipate their needs and respond fastest to emerging trends	Introduce customers to a new category that addresses an unmet need	Convince customers that together, we and our partners deliver more value than any other solution	Convince customers the brand offers an innovative solution to address their need(s)
<b>How Differentiation Is Achieved</b>	Proof of a performance advantage	<ul style="list-style-type: none"> <li>• Understanding of changing customer needs</li> <li>• Ability to respond quickly</li> </ul>	<ul style="list-style-type: none"> <li>• Creation of a whole new frame of reference – a ‘category of one’</li> <li>• Understanding the unmet needs of customers</li> </ul>	Partnerships with other eco-system players to rewrite rules and achieve a network effect through collaboration	Reinvention of the brand around a relevant key benefit

# Brand Asset Inventory

This framework captures and assesses the leveragability of each brand asset, including what makes it distinctive.

**Brand Asset Inventory Framework**

<b>Asset</b>	<b>Description</b>	<b>Assessment (Distinctive? Memorable? Likable? Relevant?)</b>
Names/Identifiers		
Awareness		
Brand Perceptions		
Key Partnerships		
Branded Programs		
Intellectual Properties		
Endorsements		

# Competitive Assessment

We use this assessment to highlight which competitors pose the greatest threat to a brand's growth.

## Competitive Assessment Framework

Profile Highlights	Degree of Threat	Rationale
Key Competitor #1 Strengths, strategies and key messages	High / Med / Low	What poses the greatest threat to our brand?
Key Competitor #2 Strengths, strategies and key messages	High / Med / Low	What poses the greatest threat to our brand?
Key Competitor #3 Strengths, strategies and key messages	High / Med / Low	What poses the greatest threat to our brand?

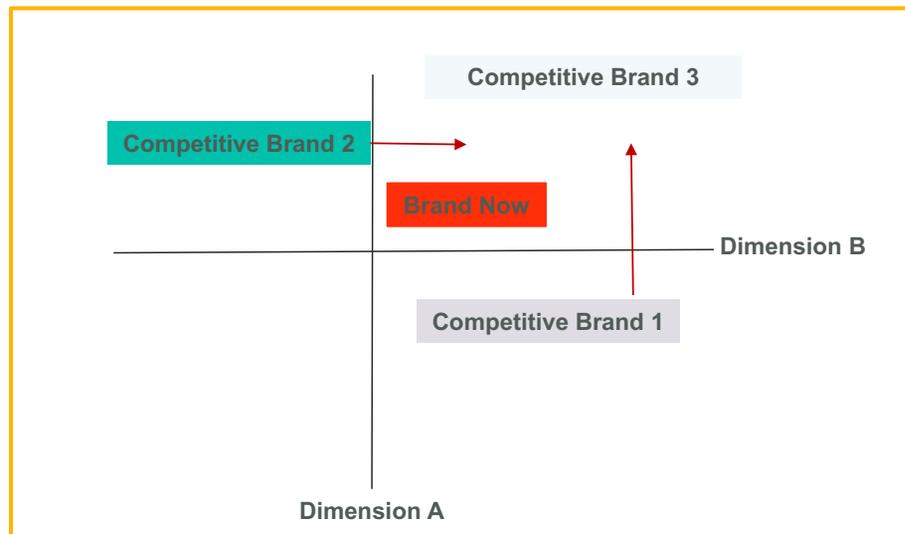
## Key Inputs

- ✓ **Company & product**
  - ✓ Offering
  - ✓ Growth strategy
  - ✓ Reputation & reviews
  - ✓ Key partners
- ✓ **Market share trends**
  - ✓ Revenue
  - ✓ Units
  - ✓ Customers
- ✓ **Messaging & marketing mix**
  - ✓ Target audience
  - ✓ Key benefits/support
  - ✓ Points of difference
- ✓ **Likely scenarios**
  - ✓ Product changes & enhancements
  - ✓ New categories
  - ✓ New geographies

# Competitive Landscape

This map shows where a brand is perceived relative to its competition along key dimensions, and how those perceptions may evolve over time.

Competitive Landscape Map



## 3-Step Process

1. Identify the dimensions each competitor uses to create greater differentiation and anticipate their strategies
2. Place brands where they are today and indicate their strategy to evolve
3. Distill the brand implications

# Identifying Customer Insights

Many of the most powerful insights are not brand specific, and come from a deep understanding of category needs and customer choice drivers.

## Profile

- ✓ **Customer Needs**
  - ✓ Values
  - ✓ Motivations
- ✓ **Customer Profiles**
  - ✓ Demographics
  - ✓ Personas
- ✓ **Decision-makers**
  - ✓ Who decides
  - ✓ Who else is involved

## Path to Purchase

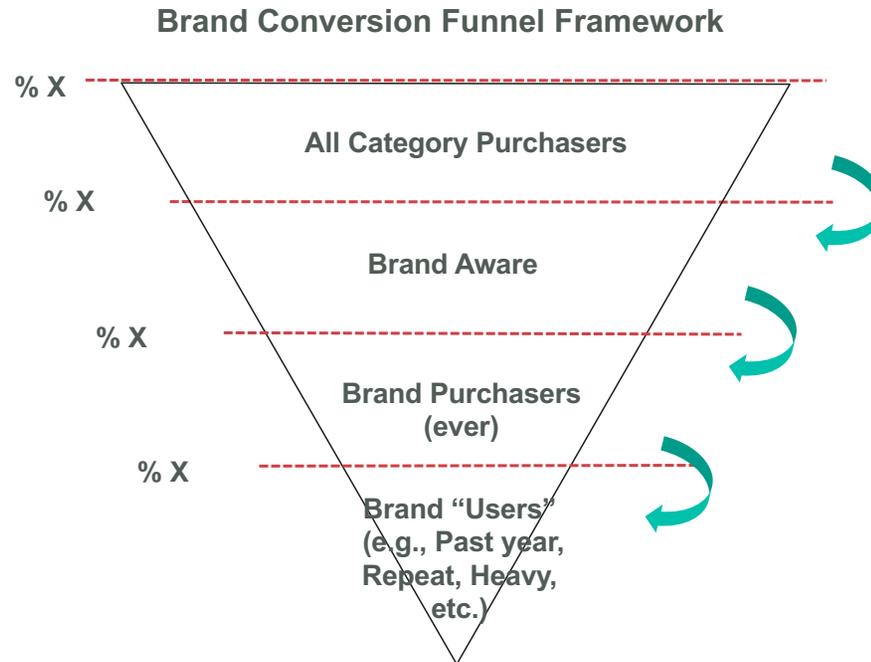
- ✓ **Situational variables**
  - ✓ Usage occasions
  - ✓ Purchase occasions
- ✓ **Purchase Attitudes**
  - ✓ Desired product and usage experience
  - ✓ Beliefs and associations influencing behavior
- ✓ **Purchase Behavior**
  - ✓ Buying process

## Brand Drivers

- ✓ **Choice Drivers**
  - ✓ Criteria/reasons for choice
  - ✓ Importance ratings
- ✓ **User Experience**
  - ✓ When/Where
  - ✓ Satisfaction
- ✓ **Conversion/Repurchase**
  - ✓ Retention/renewal

# Brand Conversion Funnel

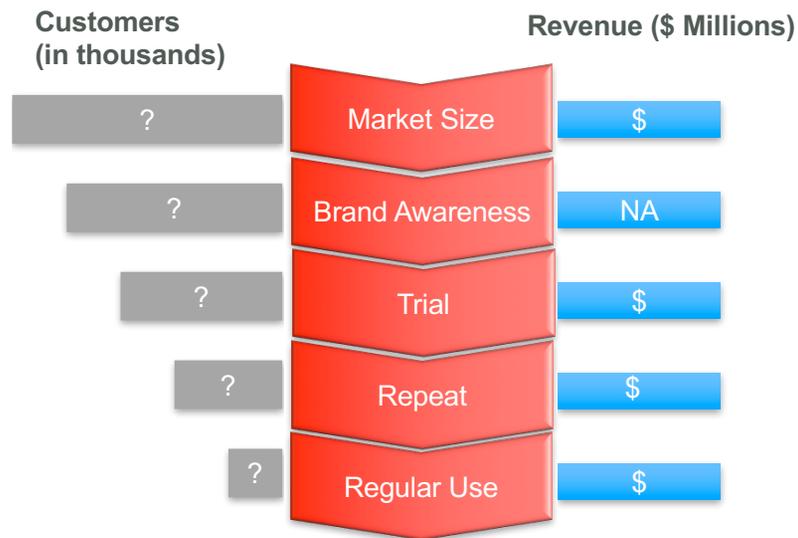
The Brand Conversion Funnel mirrors the customer buying process. It shows potential roadblocks to growth and suggests where marketing should focus to overcome them.



# Market Funnel

The Market Funnel is useful for sizing opportunities to grow share and for identifying leverage points.

Market Funnel Framework



# Customer Profiles & Personas

A deep understanding of the customer provides direction for positioning and messaging.

## Category Penetration



## Category Purchase Behavior

Mean # Purchased/Year	#
% Buying X+ per year	%
% Using as XXX	%

% that shop at channel type	xx%
% that purchased at channel type	xx%

## Category Demographics

*illustrative*

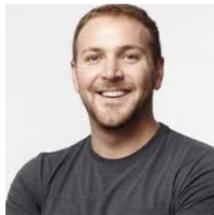
Gender	
Male	48%
Female	52%
Age	
21-34	22%
35-44	18%
45-54	21%
55+	39%
HH Income	
\$40,000 - \$74,999	31%
\$75,000 - \$99,999	33%
\$100,000 - \$149,999	26%
\$150,000 or more	10%
Ethnicity	
White, not of Hispanic origin	82%
Other	18%
Household Size	
1-2	44%
3-4	41%
5+	14%
Presence of Children	
Children age 0-5	17%
Children age 6-12	28%
Children age 12-18	24%
None	54%

## Category Personas - *illustrative*



**Avid Adam**

**Age:** 38  
**Work:** Digital Ad Sales Manager  
**Family:** Married, 2 Kids  
**Rounds Per Year:** 25+  
**Character:** Organizer, Tech Friendly



**Casual Carl**

**Age:** 35  
**Work:** Real-Estate Broker  
**Family:** Married, 2 Kids  
**Rounds Per Year:** 20+  
**Character:** Follower, Tech Friendly



**Single Mike**

**Age:** 27  
**Work:** Sales, Logistics  
**Family:** Single, No Kids  
**Rounds Per Year:** 15+  
**Character:** Organizer, Tech Friendly



**Retired Robert**

**Age:** 60  
**Work:** Retired  
**Family:** Married, 3 kids in college  
**Rounds Per Year:** 30+  
**Character:** Organizer/Follower, Tech Averse

# Customer Segmentation

Customer segmentation ensures positionings and acquisition efforts are targeted to the most promising audiences.

## Strategic Segmentation Framework

	Segment 1	Segment 2	Segment 3
Characteristic 1	A	B	
Characteristic 2	C	D	
Characteristic 3			
Other ...			

## 3-Step Process

1. Identify key stakeholder characteristics that lead to different behaviors relative to the category. Focus on those that are:
  - Actionable – easy to act on
  - Meaningful – lead to observable differences in behavior
2. Divide the market into distinct groups of customers (segments) and evaluate their attractiveness (% of market, heaviness of purchase, etc.).
3. Collapse segments that behave similarly to increase marketing efficiency.

## What Are the Brand Vision & Narrative?

A Brand Vision describes how a brand wants to be understood by customers, consumers, employees and other stakeholders. It articulates the values, culture and needs of its constituencies, both internal and external.

The Brand Narrative is the basis for telling your story.

*When the brand vision clicks – is spot on – it will reflect and support the business strategy, differentiate from competitors, resonate with customers, generate and inspire the employees and partners, and precipitate a gush of ideas for marketing programs.*

*- David Aaker*

# Brand Vision

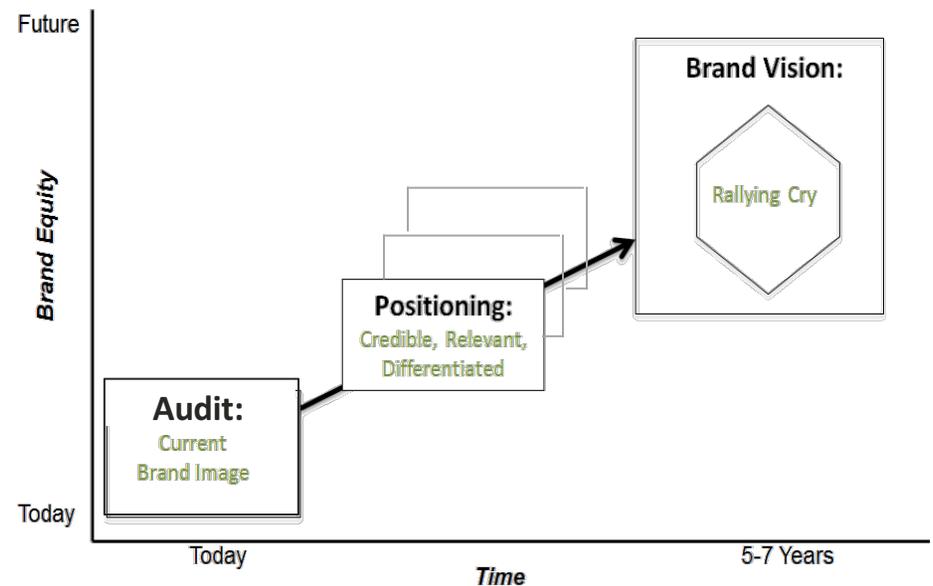
- The Vision and Positionings are based on Audit findings. They work together:

Vision provides the long term aspirational view of what the brand can be across all audiences

Positionings are the basis of target-specific messages to move the brand closer to the vision



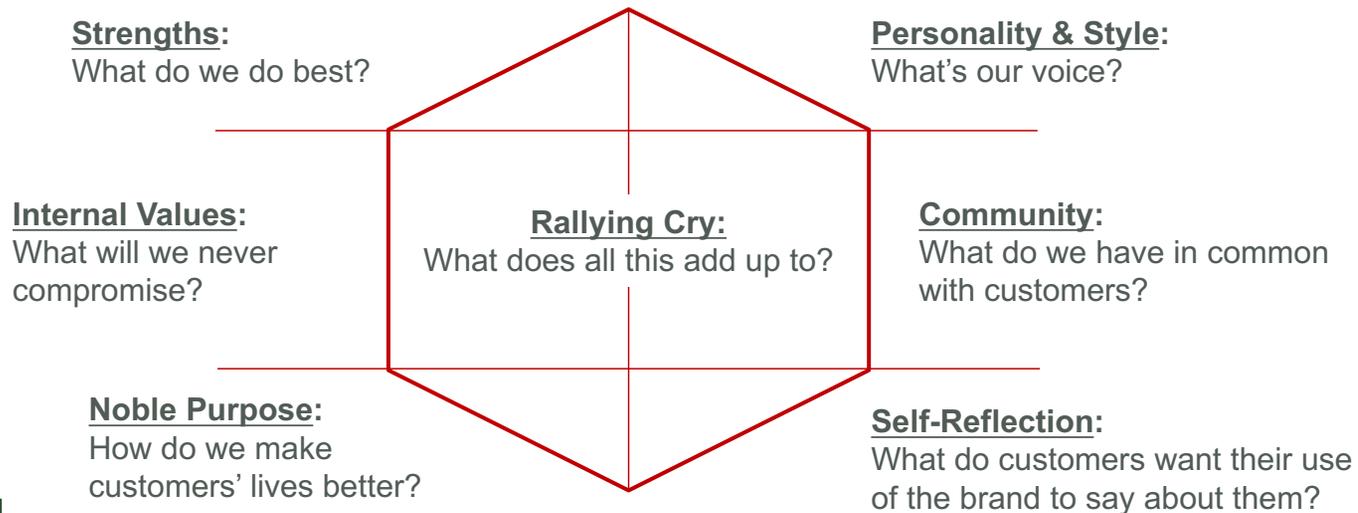
## Brand Development Timeline



# Brand Vision Framework

The Brand Vision is aspirational and multi-dimensional. It guides brand development by serving as the north star for determining what is on or off brand. The distance from the current image to the brand's Vision's suggests the changes required to achieve it.

## Brand Amplitude Brand Vision Framework



# Strengths

Strengths describe what the brand does – or needs to do – well to create value.

## Strengths

- What the brand does best (may not be distinctive)
- How well it performs
- Quality or performance standards

## Angie's list.

- **We build *Community***: 23 million homeowners and 3 million service providers
- **We instill *Confidence***: Matching algorithm to connect homeowners to the best local service providers
- **We provide *Convenience***: Technology to enable homeowners to hire the right professional for their job on the spot

WHAT DO WE  
DO BEST?

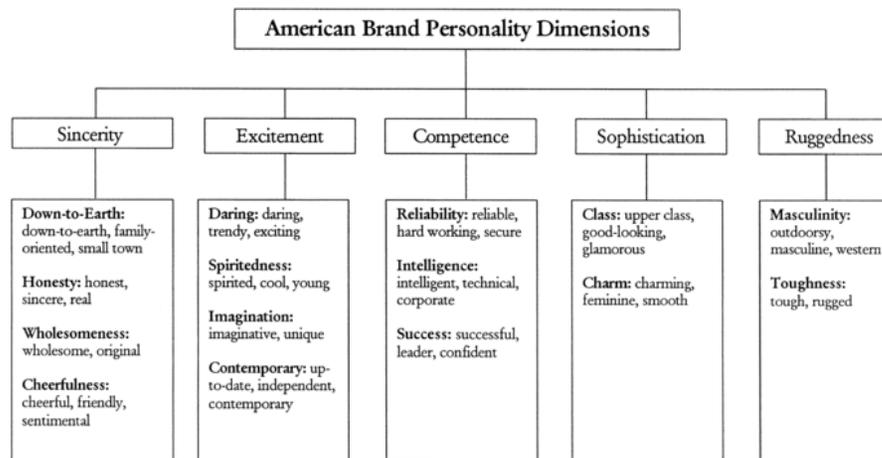


# Brand Personality & Style

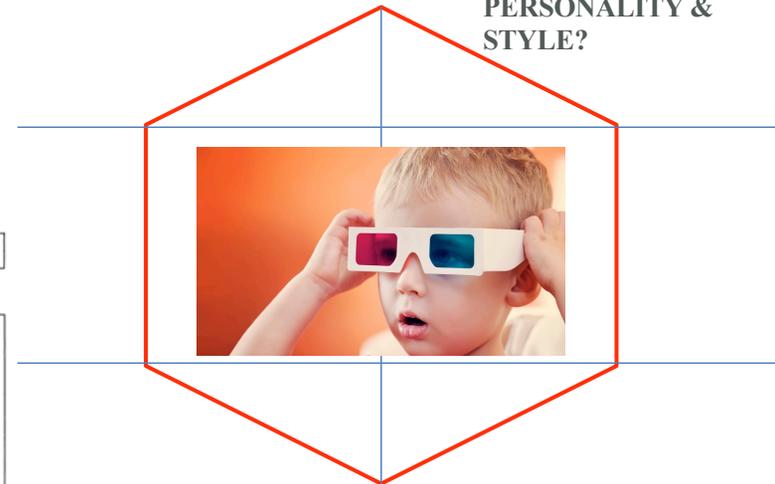
Personality & style describe the brand's tone and voice. These can be long-term differentiators as they are difficult to duplicate.

## Personality & Style

- Often expressed as human traits
- The way the brand delivers on its strengths
- Style, tone and voice



WHAT'S OUR PERSONALITY & STYLE?



# Internal Values

Internal Values describe the organization's culture and core beliefs. They matter because today, brands compete on ideology as well as functionality.

## Internal Values

- Core beliefs
- What the brand will never compromise on

“Culture is what people do when no one is looking.”

- Herb Kelleher, Chairman  
Southwest Airlines

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WHAT WILL  
WE NEVER  
COMPROMISE?



# Community

Community connects the brand, employees and customers by expressing what they all have in common. Community provides a sense of belonging. Whether it's formal or grassroots, it can be a powerful bond and source of distinction.

## Community

- Things customers and the brand both find important
- Passions and affinities
- Ideals the brand can authentically champion

Many Brands Have Built Communities based on Shared Values:



# Self-Reflection

This facet of the Vision describes how the brand makes the target audience feel about their own identity. Most luxury brands and many sports brands rely on self-reflection to build customer affinity.

### Self-Reflection

- What using the brand tells others about the customer
- How customers want to be seen

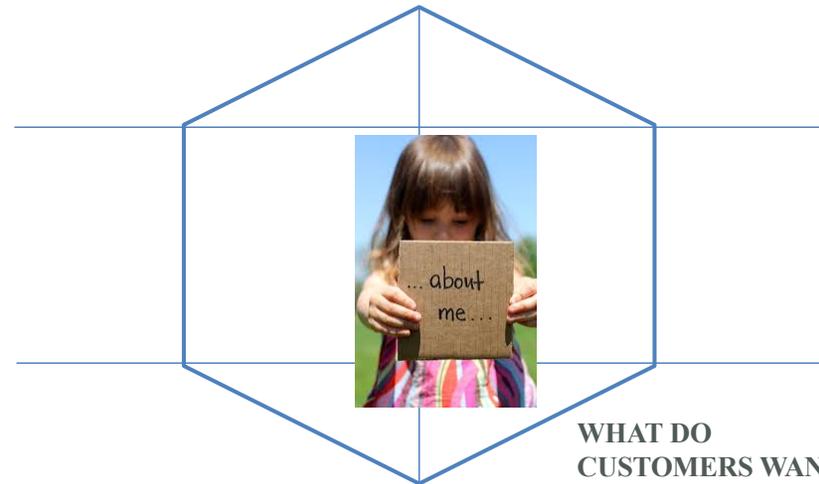
Many Brands Are Based on Self-Reflection:



**BURBERRY**  
LONDON



Brand  
Amplitude.



**WHAT DO  
CUSTOMERS WANT  
THEIR USE OF THE  
BRAND TO SAY  
ABOUT THEM?**

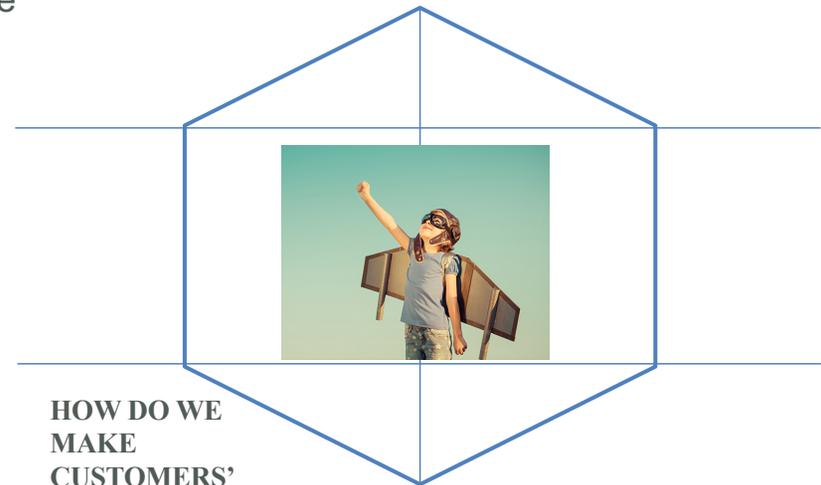
# Noble Purpose

The brand's Noble Purpose answers the question "Why do we exist?" and is a source of motivation and alignment for employees, recruits, and other stakeholders.

## Noble Purpose

- Larger goal or cause the brand aspires to serve
- Ambition, what the brand wants to improve in peoples' lives
- More than signing on to a cause marketing event

Many Brands Have Incorporated Powerful Purposes:



HOW DO WE  
MAKE  
CUSTOMERS'  
LIVES  
BETTER?



# Brand Narrative Framework

The Brand Narrative is the blueprint for brand storytelling. It describes the brand's core value proposition for all audiences and stakeholder groups.

## Brand Narrative Elements & Summary Sentence

### Who Are We?

We are ...

- **Begin with a noun:**
- Describe the brand in human terms.
- Examples: Experts, authorities, founders, visionaries, mavericks

### What Do We Do?

Our actions ...

- **Begin with a verb:**
- Describe the brand's actions. Refrain from describing how it works.
- Examples: Create, facilitate, challenge, champion, build, solve

### Why Do We Do It?

So that ...

- **Begin with 'in order to' or 'so that':**
- Indicate the brand's desired impact or purpose. It's okay to be lofty.
- Examples: Customers can, The world will, No one has to

We are \_\_\_\_\_ who \_\_\_\_\_ so that \_\_\_\_\_.

# Brand Narrative Template

Use the summary sentence and Brand Vision to create a story using this adaptable template.

## Brand Narrative Template

**Who Are We?** \_\_\_\_ is an X years old company/organization dedicated to \_\_\_\_\_. Our \_\_\_\_\_ is a one of a kind solution to \_\_\_\_\_ in situations where \_\_\_\_\_ is a challenge, such as \_\_\_\_\_.

**What drives us?** We believe everyone deserves to \_\_\_\_\_.

**How did we get started?** \_\_\_\_ was inspired by \_\_\_\_\_. Our founder, \_\_\_\_\_, who was \_\_\_\_\_, created the \_\_\_\_\_ to \_\_\_\_\_.

**What's the big idea?** \_\_\_\_\_ uses XXX, to accomplish (or eliminate) \_\_\_\_\_. Here's why it's so brilliant. \_\_\_\_\_

**What makes us special?** \_\_\_\_\_ is the secret to our effectiveness. No other \_\_\_\_\_ is as \_\_\_\_\_ or as \_\_\_\_\_.

**How do we know it works?** The effectiveness of \_\_\_\_ in \_\_\_\_\_ has been repeatedly demonstrated. Results show \_\_\_\_\_% improvement in \_\_\_\_\_.

**Who needs us the most?** All \_\_\_\_\_ who \_\_\_\_\_.

**Who else could benefit?** Tomorrow, we plan to expand to serve \_\_\_\_\_.

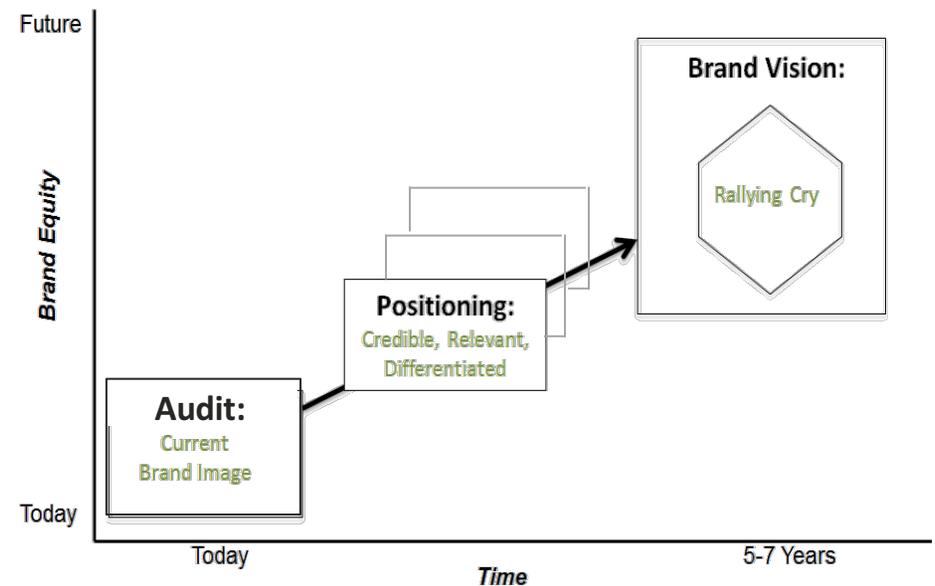
# Brand Positioning

- Positionings are basis of target-specific messages. They inform brand messaging.

They are designed to move brand closer to the vision, and several may be needed over time to accomplish that goal.

Different audiences may require unique positionings.

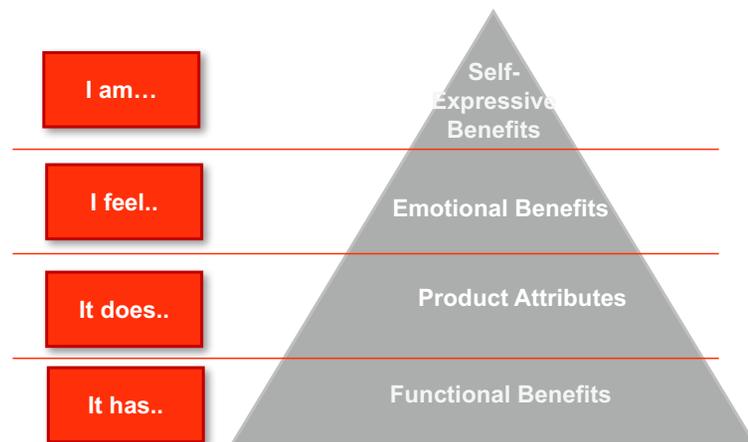
## Brand Development Timeline



# Brand Benefits Hierarchy

The Benefits Hierarchy is used to identify the key benefits that will best position the brand. It articulates the motivations underlying customer behavior.

## Benefits Hierarchy Framework



## 2-Step Process

1. Create a comprehensive list of the reasons customers choose the brand.
2. Classify each reason by level:
  - Attributes describe characteristics of the product or service.
  - Benefits are the results or consequences of those attributes to the customer

# Differentiator Identification Checklist

Differentiators are characteristics of the brand that set it apart from competitors. Ideally, they are unique to the brand and relevant to customer decisions.

## Differentiator Identification Checklist

### Types of Differentiators

- ✓ Product attributes
- ✓ Brand strengths
- ✓ Competitive weaknesses

### Points of Difference (Current & Potential Distinguishers)

*What customers value that we offer uniquely.*

### Leverageable Points of Parity (Potentially Ownable Tablestakes)

*What customers need to be reassured about to consider any brand that we can uniquely own or talk about.*

# Classic Brand Positioning Framework

The framework's five components describe the brand's unique value to customers relative to their perceived choice set. Each target audience requires its own positioning. Many brands have a positioning for employees as well as for external audiences.

## Classic Brand Positioning Elements

GOAL (OPTIONAL): How the brand supports business goals.	In order ...	<i>Describe how the positioning supports the brand's overall business goal in its specific environment (i.e., strategy archetype).</i>
TARGET: Customer segment or group	For...	<i>Select the target segment based on the size of the opportunity and the feasibility of achieving the desired behavior change. This is the group the brand will actively address.</i>
FRAME OF REFERENCE: Category or customer choice set	Is the...	<i>Describes the target's choice set, as well as the category.</i>
KEY BENEFIT: Distinctive functional, emotional or self-expressive benefit	That...	<i>The single most compelling and relevant outcome the target is trying to achieve by using the brand. Choose from among the benefits described by the benefits hierarchy.</i>
REASONS TO BELIEVE: Attributes that support the key benefit	Because...	<i>Generally attributes that deliver the benefit. Revisit competitive differentiation analysis and choose reasons to believe based on credibility, uniqueness and relevance to the benefit.</i>

# Brand Positioning Statement & Worksheet

It's often helpful to have a single sentence or two that articulates the Brand Positioning.

## Brand Positioning Worksheet

GOAL (OPTIONAL) – The way the brand supports the business goals.			
TARGET - The customer segment that will use the brand.	FRAME OF REFERENCE: The category in which the brand competes, represents customer choice set.	KEY BENEFIT- The most relevant and distinctive functional, emotional and/or self-expressive benefit the brand provides.	REASONS TO BELIEVE - The key features (attributes) that make the promised benefit credible.



**BRAND POSITIONING STATEMENT**  
In order to [goal], for [target] our brand is the [frame] that [key benefit] because it is the only/best brand with [reasons to believe].

# Brand Positioning Evaluation Framework

Five criteria help to identify ways to select or strengthen the brand's positioning.

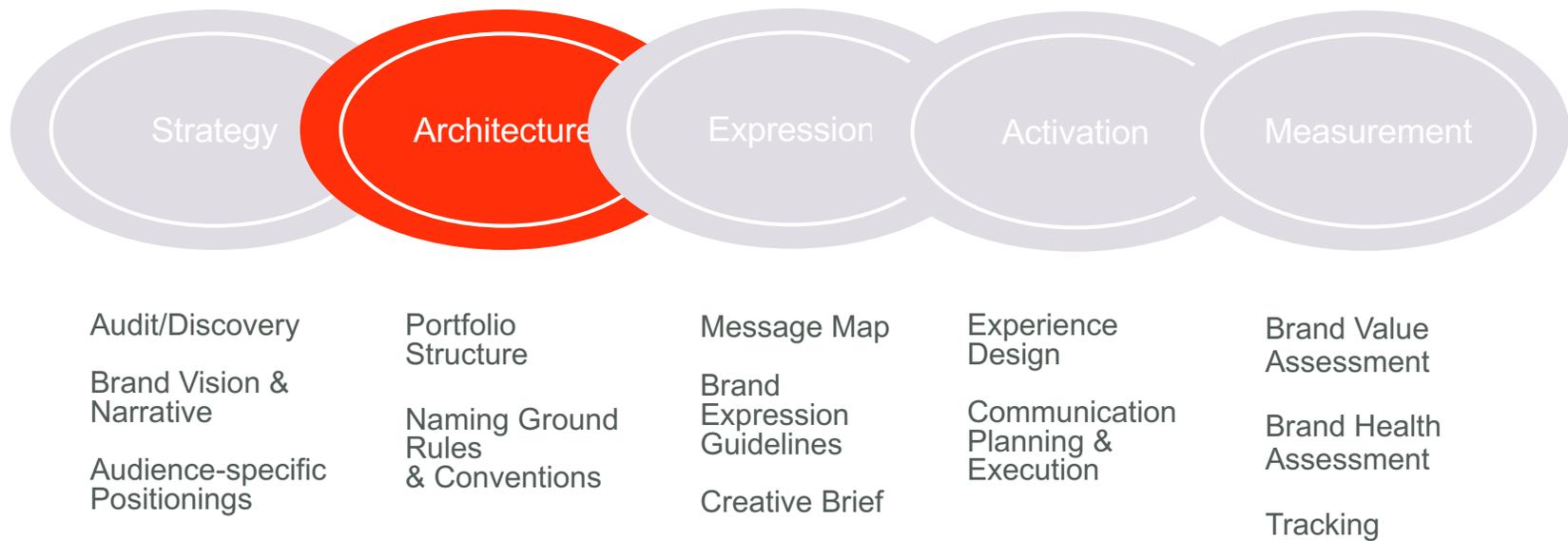
**For each positioning being considered, ask:**

1. **Strategic Fit:** Does it support the business goals and fit the environment described by the strategy archetype?
2. **Relevance:** Is it compelling to the target customer? Does it address factors that are important to their decision to choose or use the brand?
3. **Distinctiveness:** Is it unique? Will it set the brand apart from competitors in the minds of its target customers?
4. **Credibility:** Is it believable? Will customers accept that the brand can make this promise?
5. **Defensibility:** Is it ownable? Can it be sustained over time if challenged by competitors?

*If answer is 'Yes' to these questions, it's a strong positioning!*

# Looking Ahead

## Brand Development Process: Key Deliverables by Stage



## About Us

- ✓ Partners in insights-based brand strategy consulting firm, Brand Amplitude
- ✓ Work with range of B2B and B2C clients to strengthen and develop their brand assets
- ✓ Teach MBA and undergraduate courses in Brand Strategy at leading Business Schools and develop and conduct marketing training curricula for leading US corporations



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