

How the Best Differ From the Rest

A Review of Insights from the Strategic Brand Assessment

A few years back, Ignition Consulting Group launched a unique online strategic planning tool—the Strategic Brand Assessment—to enable companies to assess the quality and effectiveness of their marketing strategies, organizational structures and marketing executions. The SBA has company executives, employees and channel partners rate a brand on 27 factors using a battery of best practice statements (122 in total). The insights and perceptions gained pinpoint the brand’s key strategic, organizational and executional strengths and constraints.

The Strategic Brand Assessment has given us a proprietary data base from which to see what high performing brands do best and how they differ from the rest. For this paper, we’ll confine our analysis to just the responses provide by the executives of the participating companies.

The attached exhibit compares the average ratings given by executives of the top performing brands (top ten percent) to the average of all the brands surveyed. We did not breakout the ratings for the bottom ten percent separately as these brands had failing grades on all measures. (Hopefully, they have subsequently used the insights generated by the SBA to improve performance!)

The executives who participated in the SBA were not easy markers. Even the top performing brands received an overall grade of just a B (73%). The average brand received a disappointing C grade overall (58%). Here’s how the best differed from the rest.



Strategic Strengths and Constraints

The table below summarizes the strategic strengths and constraints for the top performing brands. Not surprisingly, their greatest strengths are two of the essentials for successful marketing: A vision for the business and an understanding of the brand.

Top Performers			
Strengths	Rating %	Constraints	Rating %
Clear Business Vision	82	Brand Safeguard Program	55
Clearly Defined Brand	80	Environmental Assessment	59
Effective Sales and Distribution	79	Defined Marketing Plan	64
Defined Competitive Advantage	77		

The top two constraints are weaknesses in the brand’s safeguard program and its environmental assessment. The former refers to the steps the brand has taken to counteract pressure groups and protect copyrights, trademarks and other forms of intellectual capital. The latter refers to the assessment the brand has made to identify threats and opportunities posed by economic, technological, legal or demographic changes in its markets. These are two of the lowest scoring factors of the 27 we measured.

Given that top performing brands have a vision, a well defined brand, effective sales and distribution and a defined competitive advantage, it’s disconcerting that one of their strategic constraints is the quality of their marketing plan. Now let’s look at the average brand. It had two strategic strengths in common with the top performers, business vision and effective sales and distribution, although the grades were much lower.

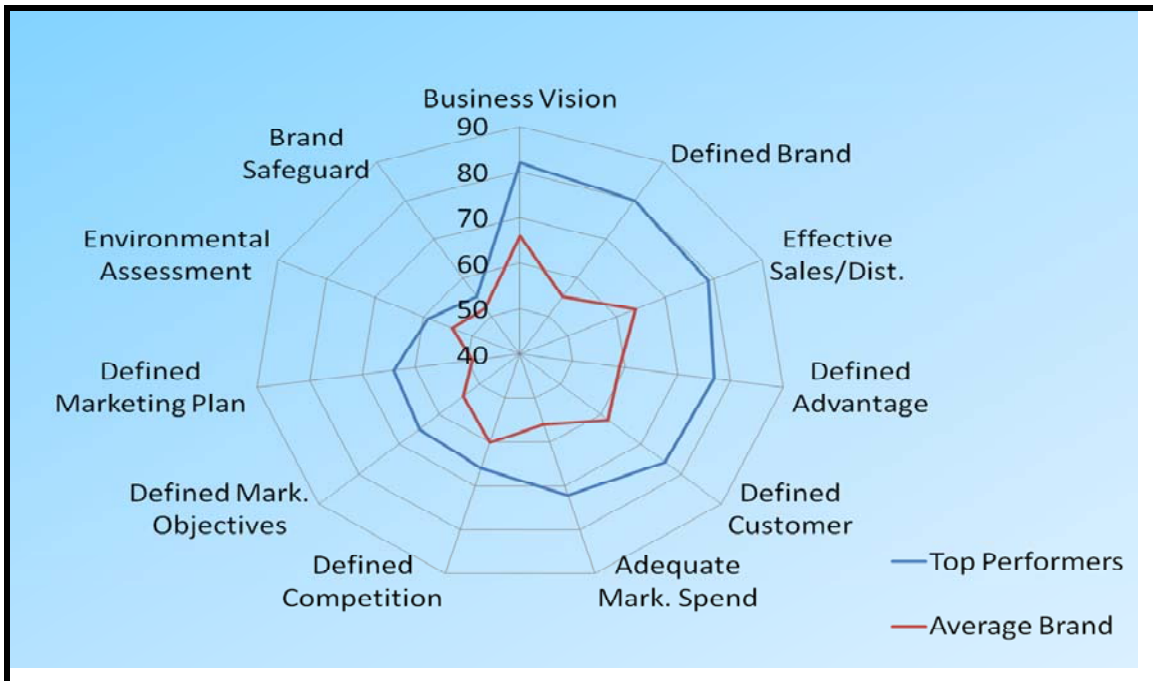
Average Brand

Strengths	Rating %	Constraints	Rating %
Clear Business Vision	66	Defined Marketing Plan	49
Effective Sales and Distribution	64	Brand Safeguard Program	52
Clearly Defined Customer	62	Environmental Assessment	54
		Defined Marketing Objectives	54

As for constraints, the average brand had many. Most critical was the failing grade (49%) for having a defined marketing plan and the C- for having defined marketing objectives. These strategic weaknesses bring to mind the Yogi Berra observation: “If you don’t know where you’re going, you may end up someplace else”.

It’s worth remembering that these are the grades company executives assigned to their own brands! These knowledgeable insiders are being brutally honest!

The following graph shows how dramatically the top performers differ from the average brand.



The gaps for having a clearly defined brand (+25 points), a defined competitive advantage (+18 points) and adequate marketing spending (+16 points) are particularly large. Note how top performers and the average brand are similarly weak on the environmental assessment and brand safeguard factors.

Structural Strengths and Constraints

Now let’s look at the top performers’ structural strengths and constraints. The 85% grade for management modeling was one of the two highest grades achieved by top performers.

Top Performers

Strengths	Rating %	Constraints	Rating %
Management Provides Modeling	85	Accountable Marketing Program	61
Collaborative Organizational Structure	82	Well Managed Strategic Alliances	62

The surprise on the constraints side was the C grade for an accountable marketing program. Given the top performers strategic strengths, it's puzzling why they perform at only a C level on this important factor.

As for the average brand, it again had the same strengths as the top performers but at much lower levels. And it also did poorly (very poorly) on having an accountable marketing program.

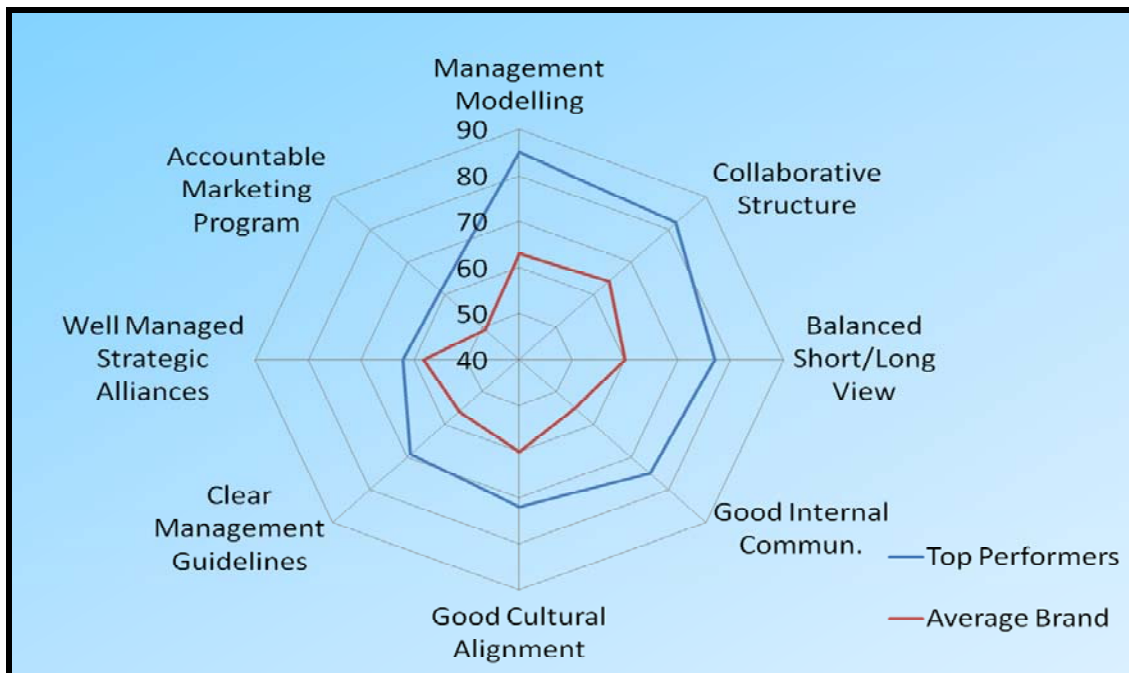
Average Brand

Strengths	Rating %	Constraints	Rating %
Collaborative Organizational Structure	64	Accountable Marketing Program	49
Management Provides Modeling	63	Good internal Communications	55

Where did the top performers and the average brand differ most? Interestingly, on two factors that were seen as strengths for each group:

- Management provides modeling (+22 points).
- Good internal communications—a constraint for the average brand (+20 points).
- Collaborative organizational structure (+18 points).

Top performers and the average brand are similarly weak on having well managed strategic alliances.



Executorial Strengths and Constraints

Overall, top performers rated highly on their executorial abilities, scoring a B+ (75% or better) on all but two factors (one of these was a close 74%). The executorial strength of consistent marketing messages was tied with management modeling as the highest rated of the 27 factors in the SBA.

Top Performers

Strengths	Rating %	Constraints	Rating %
Consistent Marketing Messages	85	Good Training and Orientation	59
Aligned Roles and Responsibilities	80		
Brand Identity Enforced	80		

On the other hand, the single executional constraint of good training and orientation was one of the three lowest scoring factors for top performers.

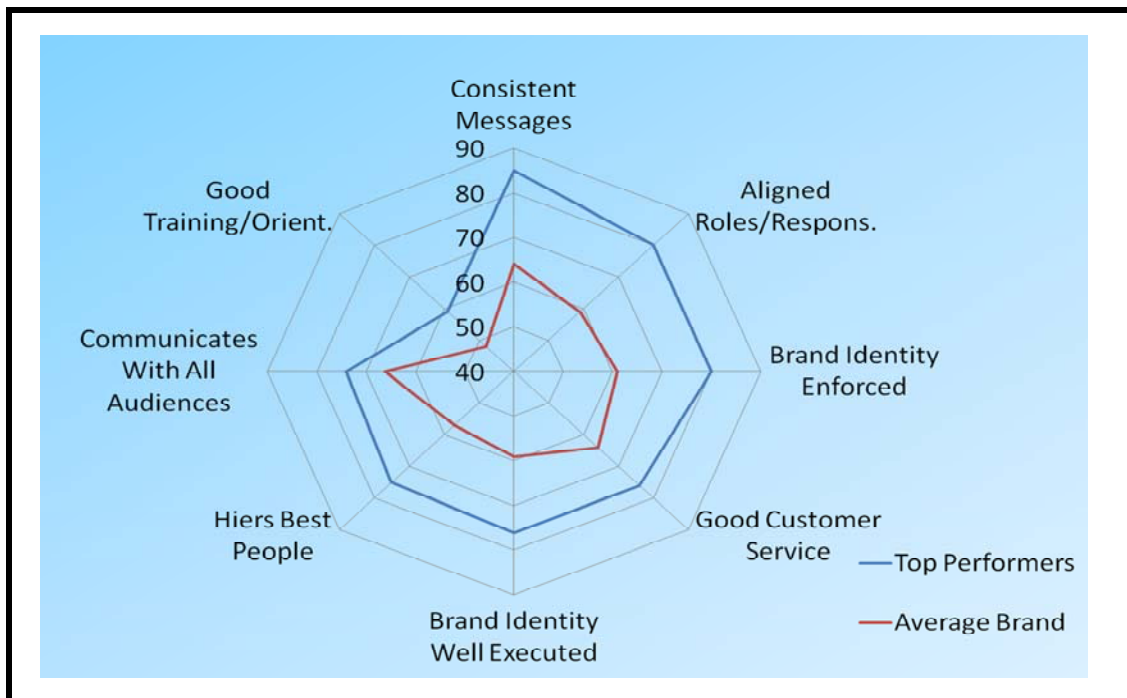
In contrast to the strong executional ability of top performers, the average brand received a B grade (and barely that) on only one factor in this category—communications with all audiences. So at best, its strengths, as shown below, are marginal.

Average Brand

Strengths	Rating %	Constraints	Rating %
Communications With All Audiences	66	Good Training and Orientation	48
Good Customer Service	64	Hires Best People	57
Consistent Marketing Messages	64	Aligned Roles and Responsibilities	59
		Brand Identity Well Executed	59

As for its executional constraints, the rating of 48% for good training and orientation was the lowest grade of any factor in the SBA. Given the average brand's relative inability to execute generally, the constraint for brand identity execution is not unexpected.

As the following graph shows, even the average brand's executional strength of consistent marketing messages trails the top performers' rating by 21 points. And it trails on its executional constraints of aligned roles and hiring the best people by 21 and 18 points respectively.



A Few Questions

As mentioned, this analysis is based solely on the ratings given by company executives to their brands. Consequently, it doesn't provide as deep an analysis as would a full SBA. For example, we haven't compared the ratings of company employees and channel partners to those of the executives to see where they agree or disagree. We haven't considered the importance rankings the three constituencies assign to the various factors. We haven't reviewed responses to specific best practice statements to understand why a particular factor received the rating it did. And we haven't gleaned additional insights from the verbatim comments respondents provide.

Still, even this limited analysis raises some interesting questions.

1. Are top performers under marketing their brands? Company executives give their brands (and themselves) high marks for their vision, brand definition, sales and distribution, competitive advantage and customer definition. Yet they rate the quality of their marketing objectives and marketing plans at only a C. What's more, their grade for an accountable marketing plan is the fourth lowest of the 27 factors measured. Even top performers could leverage their brands considerably just by enhancing these activities.
2. What if the average brand put more thought into crafting its business vision, and defining its brand and competitive advantage? It seems that these changes alone would yield a nice ROI. Add to that a cohesive marketing plan and increased spending and the brand might start to look a lot less average.
3. Are having a proper environmental assessment and a brand safeguard program as unimportant as they seem, given the low ratings they received? Are top performers and the average brand alike waiting for a crisis to happen?
4. Why the low grades for both groups for having accountable marketing programs—the lowest scoring structural factor? What's so difficult about making marketing accountable?
5. Are strategic alliances really unimportant? They don't seem to be well managed by either group. And is having good training and orientation programs (the lowest rated executional factor for both groups) also unimportant? It seems the average brand compounds this weakness by failing to hire the best people in the first place. And maybe that's the heart of their problems.

There are other questions that could be raised but we'll stop here because, as we said, this is an abbreviated version of a full SBA analysis.

Marketers, rightly, spend considerable time and effort to gain the consumers' perspective on their brands. But often the barriers to marketing success lie inside the company—strategic, structural and executional weaknesses that get little attention or, worse, are covered up.

Ignition's Strategic Brand Assessment is an innovative way for a marketer to get an "inside out" look at its brands through the eyes of executive management, employees and channel partners. By doing so, the marketer will identify the strengths to be leveraged and the constraints to be addressed to achieve greater market success.

Appendix

Strategic Brand Assessment Company Executive Ratings					
Top Ten Percent Vs. All Brands					
			Average Rating Top Ten Percent	Average Rating All Brands	Point Advantage Top Ten Percent
Strategic Factors					
Clear Business Vision			82	66	16
Clearly Defined Brand			80	55	25
Effective Sales and Distribution			79	64	15
Defined Competitive Advantage			77	59	18
Clearly Defined Customer			76	62	14
Adequate Marketing Spending			72	56	16
Clearly Defined Competition			66	60	6
Defined Marketing Objectives			65	54	11
Defined Marketing Plan			64	49	15
Environmental Assessment			59	54	5
Brand Safeguard Program			55	52	3
Strategic Average			70	57	13
			Average Rating Top Ten Percent	Average Rating All Brands	Point Advantage Top Ten Percent
Structural Factors					
Management Provides Modelling			85	63	22
Collaborative Organizational Structure			82	64	18
Balanced View of Short and Long Term			77	60	17
Good internal Communications			75	55	20
Good Cultural Alignment			72	60	12
Clear Management Guidelines			69	56	13
Well Managed Strategic Alliances			62	58	4
Accountable Marketing Program			61	49	12
Structural Average			73	58	15
			Average Rating Top Ten Percent	Average Rating All Brands	Point Advantage Top Ten Percent
Executorial Factors					
Consistent Marketing Messages			85	64	21
Aligned Roles and Responsibilities			80	59	21
Brand Identity Enforced			80	61	19
Good Customer Service			76	64	12
Brand Identity Well Executed			76	59	17
Hires Best People			75	57	18
Communications With All Audiences			74	66	8
Good Training and Orientation			59	48	11
Executorial Average			76	60	16
Average All Factors			73	58	15