

On Thursday, October 25th, the sixth meeting of the Silicon Valley Branding Forum convened at Cadence Design Systems in San Jose. The theme of this forum was "Branding in Economically Challenging Times".

The panel members were:

Jeff Pulver, Executive Vice President of Marketing at E.piphany, a leading CRM software company. He led the marketing organization at Octane Software, spent seven years with PeopleSoft and worked with IBM before that.

Gloria Kreitman, director of marketing communications at Cadence. She is responsible for AMD's corporate image, and oversees the branding, worldwide advertising, tradeshows, and sponsorships for the company.

Chris Wilhelm, Director of Corporate Communications at Western Multiplex, a connectivity solutions provider for the telco industry. He has 20 years of experience in marketing, both agency and client side. He has worked with Hal Riney, McCann Ericson, and Leo Burnett agencies. Currently the vice chairman of the American Advertising Federation, Western Region. At Western Multiplex, he is responsible for all marketing communications, including Public Relations and Investor relations.

Our moderator was Dave Roberts, a member of the advisory council for the SVBF and principal of SMC3, a brand strategy consultancy.

The meeting began with a definition of branding to ensure a consistent meaning for the term:

Your brand is the sum total of the experiences and perceptions of all of your audiences - customers, prospects, analysts, shareholders, and even employees. These audiences own your brand. You do not. You can only try to manage their experiences and perceptions. Building a strong brand takes years, not quarters. Lastly, there are two aspects to brand management: Internal - the employees of a company and how they are organized to support the brand, and external audiences outside of the organization.

We moved on to the panel questions:

Panel Question #1:

How do you justify spending on brand efforts in these times? Should branding go on hiatus for a while and things like lead generation should get all of your attention? Should we disguise it and avoid the "B" word?

Jeff Pulver. - We've never had branding as a line item in our budget. I think you have to look at the assets you have and leverage them. In our case, our CEO understands branding and is a very good speaker. So we look for speaking engagements and line up press interviews. We don't do advertising. We also focus on our sales force as our key touchpoints. We have created sales tools including a 2-CD set to ensure consistent brand messaging among the sales force.

Gloria Kreitman - As a B2B technology brand, even in the best of times, it's tough to sell branding to management. Still, we do a lot of traditional brand-building activities. When the economy started to turn we did some research to determine the touchpoints that would give us the most bang for our buck. With all of the acquisitions Cadence has gone through, consistency is a big challenge. We are currently focusing on our sales force to be sure they are representing our brand consistently,

Chris Wilhelm - Western Multiplex is a very small organization. It's an engineering company moving to a marketing company, and we knew that can take years, not quarters. We knew that with limited dollars we had to be very focused and efficient in our efforts. In order to do that we had to invest in research to find out who we were. Once we were able to define who we were in a simple phrase we had to institutionalize it. For that, we needed support from the top. Fortunately, the people at the top at WM are marketing folks who really understand branding. We then identified our key touchpoints, which are distributors and VARs, and made sure they had the tools and information to represent our brand effectively and consistently. Beyond the distributors and VARs, I also focus on my sales force to get the brand message out.

Audience Questions:

To Jeff Pulver - What feedback did you have built into the messages going out to field?

When you sent out those CDs to the sales force, did you have a way of knowing if it was effective?

Jeff: We actually did a series of interviews with key people in the sales force before we even developed the CDs, so we had a pretty good idea that we were giving them something they needed. Now we have a survey out with the sales force to measure their satisfaction with the CDs.

To the panel - What do you feel is the most effective vehicle for delivering the brand message internally?

Gloria: With our recent brand refresh at Cadence, we created a new brand guidelines website that is password protected so that vendors can access it as well. The brand team evangelized the refreshed brand worldwide with the launch of the site and we brought vendors in for brand update training. We worked with our Corporate Communications group to include brand updates in company-wide announcements. Our self-serve tools have been our most effective.

To Chris: How did you do the research to define your brand?

Chris: We used a research firm, ProBrand, who combined both qualitative and quantitative research with customers, VARs, and distributors in a very cost-effective manner. We didn't want to over-research because we believe you have to move very quickly in a high-tech market. Our biggest challenge was getting the brand messages out to all of our key touchpoints and getting them in synch.

Jeff: We do alot of webcasts at E.piphany to get the message out the sales force. They had mandatory viewing sessions that lasted about an hour.

Panel Question #2:

How do you set priorities for branding tasks?

Gloria: We're in a unique situation because we are an established brand, and we're number one in our space. So we're focusing more on retention than lead generation. We've done a lot of research to define our priorities, and we've found that differentiation. We set priorities from the top down. We look at our corporate goals and then align our strategic marketing goals.

Jeff: E.piphany is a "challenger" company. We compete with the big fish - Siebel, SAP, and PeopleSoft.

We want to take marketshare away from these companies, and we have decided that the best way to do that is through lead generation, awareness, and sales.

Chris: I have more freedom to prioritize without a committee because we're a small company. I mentioned earlier that we determined that VARs, distributors, and the sales force are our key touch points. We're also focusing on PR, talking to analysts, because we're a nascent organization.

Audience Questions:

To the panel - What kind of brand building PR activities have you used?

Gloria: We've used executive speaker opportunities and sponsorships at industry events.

Jeff: We try to get our CEO in front as much as possible. We try to focus, not on E.piphany, but on our customers with our messages. We even try to get our customers on panels at events. We'll try to tie our brand messages into hot industry topics.

The most fundamental thing is to understand the expectations of the customers.

To the panel - How has the web worked for you in managing your brand?

Chris: We started with usability studies to see what kind of experiences customers were having. We did a video clip of users telling how their web experience has been and showed it to management and relevant staff. We don't have any fluff or eye candy on our site. It's pretty straight forward and easy to use.

To Chris - Is there a separate web brand strategy?

Chris: Yes, absolutely. The web is very important - 80% of our sales are through the web. The web brand strategy does reflect the corporate brand strategy.

Gloria - We manage the look and feel of the web through Corporate Marketing, but the web is managed through our IT organization. Our problem right now is too many different sites. It's very difficult to keep track of all of them.

Panel Question #3:

Once priorities are set, how do you set a budget for branding?

Gloria - At Cadence we plan our budgets around prior year spending, plus or minus. Sometimes we need to rename branding activities as other marketing activities in order to stick with our priorities.

Chris - We don't set a budget for branding. We don't use that word. That's not to say we don't do branding. We just use other terms to be sure we'll have the budget we need.

Jeff - We don't use the word "branding" much either when it comes to establishing a budget. I think it's important to sell to senior managers who understand your business. If you have a CEO who really understands and branding and is comfortable with the terminology, that you can talk to him or her about branding.

Audience Question to Panel:

What are you doing to keep the CEO as a brand champion?

Jeff - We keep him involved in what we are doing, and he is interested. Besides getting him to speak at events, we get him to sign introductions and forwards to communications, and of course he is involved with the annual report.

Chris - The most successful companies have had visionary CEOs. Our job is to keep the brand aligned with the CEO's vision and to keep the lines of communication open with the CEO.

Panel Question #4:

You have your priorities set and a budget. Now how do you brand your company efficiently?

Chris: Our brand efforts are very centralized at Western Multiplex. This allows us to avoid duplication of efforts and consistency problems that plague decentralized organizations.

Gloria: We centralize the high impact branding activities, such as advertising, PR, and tradeshow. Marketing collateral and small tradeshow are decentralized but monitored. We are working on consolidating brands. With our numerous acquisitions, we have realized a need to produce very clearly defined brand architecture guidelines.

Jeff: I think the branding efforts have to be centralized to be efficient. Your guidelines must have a strong core with some flexibility built into it. Without a certain amount of flexibility, you run the risk of groups feeling disenfranchised, and then doing whatever they want. Communication is key. It can't feel like a dictatorship.

Audience Questions:

To Gloria:

Is your brand architecture and naming centralized? Do you manage it for the whole company?

Gloria: We have standards on our branding website. For internal programs, it is voluntary compliance. Naming for all external programs and products flows through Corporate Marketing.

To the panel:

Do you have a formal process for communicating your brand strategy?

Jeff: We have a Competitive Analysis Team that tracks our brand position. Well, actually it's one guy, but he's very good. He's like a whole team. We share the results of his research regularly with the sales force and execs. We make sure that our brand promise is providing the differentiation we want.

Chris: Not everyone in the company needs to understand the brand strategy, but it has to be communicated regularly to key people. Our product marketing people have to give competitive reports to channel marketing people regularly, because that is part of developing a product marketing plan. You can't brand a product or a company in a vacuum.

Panel Question #5:

Our final question was more tactical in nature. Are there specific things you can do to impact the touchpoints that don't cost too much money?

Gloria: One of most effective things we have done to get everyone educated about the brand is our Brand Champion Initiative. By empowering people throughout the company to evangelize the brand, we essentially enlarged our staff. Also, integrated marketing is key. We encourage people in marketing to think of ways to leverage their efforts by linking with other programs and communications. We are also working with our partners more effectively.

Jeff: You have to start by getting everyone on board with the core values. He did a new hire presentation that introduced employees to the core values. Your brand should be a reflection of those values. At PeopleSoft we gave all of the employees backpacks with the company logo on it. We tried to get the message across that they were the PeopleSoft brand when they were wearing the backpack. And people wore them everywhere. We let them know that if they went to a baseball game wearing the backpack, they were representatives of PeopleSoft. When people saw how they behaved at the game they would link that behavior with the PeopleSoft brand. AT E.piphany we also think partners are a good way to leverage costs in getting your brand message out.

Audience Questions:

To the panel:

A tradeshow is a key place for getting your brand messages across quickly to audiences. Is that a positive or a negative for you?
How is does that work for you?

Jeff: Tradeshows are a great place to test your elevator pitch. Your booth staff only have someone's attention for a minute or two, and have to tell people what the company is about in a compelling way. The booth signage, too, has to grab people and show the differentiation that our brand promises. It's a challenging opportunity.

Chris: We often partner with our distributors for tradeshows. So our challenge is fighting for space just to show our logo. But they are worthwhile.

To the panel: How do you reconcile how good your web looks to people who don't seem to care?

Gloria: On the Web, we have chosen to go with a straight-forward, functional look. Engineers are our main audience and they just want facts and functionality. They don't care about design for design sake.

Chris: It's the same for us. Form and functionality all play a role. People have no patience with design elements that do not serve a purpose on the Web.

Question to the panel:

Can you each tell me a few of your company's brand attributes? Would I be able to approach a random employee from your company and hear the same attributes from him/her?

Gloria: We have five attributes: Collaborative, straight-forward, fast-forward, trusted, and one other. I don't know that your average Cadence employee could recite the five attributes. I couldn't remember all five - but they could tell you our core values. And those values are reflected in the brand attributes. The core values are printed on every badge.

Jeff: We have a mission statement that really explains what we do - which is basically helping our customers get closer to their customers. We also consider ourselves a values-based company, so we display our values plaque on the wall whenever we talk about our company.

Chris: In my experience in advertising, clients tend to jumble mission statements, position statements and vision statements. they get used interchangeably and they shouldn't. A vision statement is the view of the CEO, and it tells where he/she hopes the company will be in 5-10 years. The mission statement is much broader. It takes in employees, shareholders, partners, etc. It may include elements of the position statement. The position statement is

about the company's place in the market. It states how the company fits into the market and it's place in relation to the competition.

With that we found we had to bring the meeting to a rapid close. The next forum will be in February. If you would like to recommend a topic for the next forum please forward ideas to me. Thank you, all of you who attended, and heartfelt thanks to the panels members - Jeff, Gloria and Chris - for leading a great discussion.

Happy branding,
Kevin

Time was up at that point. We adjourned at 11:30.