

Our Brand Forum at Synopsys last month was a great success thanks to a great panel and moderator and a knowledgeable and involved audience. Below is a summary of the discussion:

Summary of Silicon Valley Branding Forum
Synopsys Corporation, Sunnyvale
11/15/02

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On Friday, November 15th, the ninth meeting of the Silicon Valley Branding Forum convened at Synopsys Corporation. The theme of this forum was "CEOs Who Live the Brand".

We had a small panel, but the two panel members brought decades of experience in key branding roles to the forum.. The panel members were:

Donald E. Frischmann

Senior Vice President, Communications and Brand Management, Symantec

His responsibilities include public relations, customer and employee communications, investor relations, public affairs and brand management. Symantec is the world leader in Internet security technology. Their flagship product is Norton Utilities.

Prior to joining Symantec, Frischmann was a communications executive at the International Business Machines Corporation for 29 years. He has held a number of management and executive positions. His most recent position was vice president, Communications for IBM sales and distribution operations in the Americas with responsibility for public relations, employee and customer communications.

Mike Massaro

Mike was Chief Operating Officer at Goldberg Moser O'Neill, San Francisco. He managed all operational aspects of the agency including overall staffing, p/l, corporate policy and technology strategies. He also served as the senior manager and key new business driver on all technology-based accounts. Reported to the Chairman and was one of four GMO members on the board of directors.

Before GMO he was a senior vice president account director at Chiat/Day, San Francisco. One of the original shareholders of Chiat/Day.

In the early 80s he was an Associate Media Director at Wilton, Coombs and Colnett, San Francisco, working on the Hewlett-Packard account.

Our moderator and virtual panel member was **Ron May**, vice president of marketing communications and corporate brand at Synopsys.

In Ron May's opening comments, he said that one name came to mind immediately when he thought of CEOs who live their brand: Hugh Hefner. Ron asked if we could imagine Alan Greenspan as CEO of Playboy. He then posed the first of our questions to the panel.

Is it really necessary for a CEO to live the brand?

Two key points were made in the answer to this question:

- 1) There is a difference between living the brand internally and externally. The CEO must always live the brand internally. The CEO must show his employees that he has a plan and he is driving that plan. Externally, it is not as important that the CEO lives the brand especially overseas. Mike asked if anyone knew who the CEO of Swatch or Nissan is.
- 2) The other key point was that there are two kinds of CEOs to consider. There are founding CEOs and there are 2nd and 3rd generation CEOs. Founding CEOs introduced the flagship products and the company to the world, and people expect them to live the brand. They almost always do.

Ron pointed out that Ben and Jerry's is a good example of founding CEOs who lived the brand so well that the brand lives on without them. They're both retired, and no one could name the current CEO, but the brand values that they created live on.

Don made the point that it is important to be clear on what you are trying to brand. A CEO does not have to live a product brand, but if you're trying to brand a company the company must have clear values, and the CEO must live those values.

How does a CEO lead a company full of engineers – people who are generally not interested in “soft” concepts like branding – to live the brand?

A key point made here was the challenge to the premise that engineers do not care about brands. All panelists agreed that engineers are brand-driven, and they want to feel that they are making a difference in a company. If a company has a sense of purpose, the engineers – and everyone – in a company will feel that they can help the company achieve that purpose.

No one gets excited about going to work to get the stock price up, except for some of the financial team. But if someone feels like they are creating something cool and helping the company make life easier for people, they will have a sense of purpose, and they will live the brand.

Mike pointed out the biggest issue with engineers is the idea of simplification. They tend to want to consider the vast array of variables and keep things very complex.

Do the CEOs of technology companies generally see branding as an investment or an expense?

Speaking for Symantec, Don said that when he came there to work he saw immediately that the CEO saw branding as an investment. That made his job much much easier than it

could have been. Doors are opening for their salespeople because of the brand they have built.

Mike argued that a brand should perhaps be thought of as neither an investment nor an expense. When he worked on the Symantec account 10 years ago, hardly a meeting went by where someone didn't mention killing the color yellow as the primary corporate color. Now, 10 years later, people associate that yellow with Symantec the way people associate the color blue with IBM. That choice to stick with yellow cost the company nothing, but it made a huge difference in building a recognizable brand.

Related question: Can the case be made that brand is an investment by measurement and ROI?

You can certainly measure brand awareness. Ron said that they just started measuring awareness with the launch of a new ad campaign at Synopsys. They plan to do follow-up studies every six months.

Don said that Symantec has increased awareness of their brand through PR and industry analysts.

What do you do if you have a CEO who is lacking in charisma but wants to be heavily exposed like Bill Gates?

Don suggested you videotape him/her and have him take the tape home and show it to his kids. After that, you have to get him some coaching. This question takes us back to the difference between a founding CEO or a 2nd or 3rd generation CEO. Founders tend to be more dynamic from the start. If you keep them in an environment where they are comfortable and let them talk about things they know, they'll do well.

Mike said that CEOs can be taught to be dynamic, if they don't start out that way. Bill Gates, Michael Dell and Charles Schwab were all pretty geeky guys when they started out. And they're still a little awkward when they speak. But when they speak about things they know, they can be pretty passionate and compelling.

Examples were offered of companies that kept a very tight control over messages that went to the public, either from the CEO or any other member of the corporate staff. At Digital anyone who spoke to the media, had to go through "charm school." At Pactel, they had a 'Last Breath' policy: if you approached the media without going through the proper briefing channels, your next breath would be your last.

What if you have a CEO who just wants to keep a low profile and avoid the media altogether?

Don: I find that most CEOs WANT to step into the limelight. It's also important that the CEO builds and shows "bench strength". He's got to have staff members that can step in deliver a strong message when he's not available, but he still has to show the world that he is in control of the company. Especially, he has to be strong inside. He cannot keep a low profile internally.

Mike: I agree. He must show his troops that he is in charge and communicate with the employees regularly. It's also important that he speaks to the analysts and Wall Street. Beyond that it's not as crucial, depending on the situation and whether he is the founder or a later generation CEO.

If you follow a real star, just by the nature of the situation, you have to take a more subdued role. Imagine trying to follow Jack Welch at GE. Sometimes you just have to let the brand take over and focus internally, rather than try to compete with a legacy.

There were quite a few questions from the audience that covered the whole spectrum of branding topics and some good discussion ensued. Here are a few:

How long does it take to build a brand? I work for a start-up and we're wondering how soon we should expect to see brand awareness in the marketplace.

Depends on what your expectations are and how broad your audience is.

I've heard \$60 million and one year will get you brand awareness for a new product,

The answer is forever. It's like the old Nike tagline: "There is no finish line."

Once you establish a dominant brand in one area you need to expand into new areas.

How much impact does a CEO have on the strength of the brand overseas?

It depends on the size of the market you're after. The smaller the audience, the greater the impact the CEO will have on the brand. If you're dealing with all buyers of autos worldwide, it doesn't matter. I don't know who the CEO of Nissan is.

Overseas the strength of the brand isn't as important as relationships. Brand might get you in the door, but relationships are the most important thing in business overseas.

What if you are the highest ranking brand officer in a company and the CEO does not believe in or support branding efforts?

Either leave or educate the CEO. Figure out what influences there are on the CEO and use them to get him to understand the value of the brand. Mike said when he worked with Cisco and suggested a branding study to John Chambers, he said, "I don't need all those fancy tracking studies. I've done enough of those to know you just work the figures to tell the company what they want to know. If I want to know what's working I just ask my salespeople."

Then we knew who influenced him. So we surveyed his salesforce.

Don added that CEOs have to start branding their company at some point in order to survive. You start out building products and creating brands for them, but eventually you have too many products to avoid confusing your customers. You have to brand the company.

Mike added that it also doesn't necessarily cost money to do branding. The little things are crucial. It may not be fun to go through PR messages to make sure everything is consistent, but that's where branding meets the road.

Ron added that it is important to look at how branding fits into the company organizationally. The highest ranking brand manager has to have a direct line to the CEO.

How would you manage brand for a smaller company – one that only has a budget of \$100 to 250K?

Mike said that the first thing is to do the little things well. Make sure you have consistent messaging and identity.

Ron said \$100k won't buy you a good ad. You should develop "brand fans" among your customers. Have them quoted in pubs and press releases.

Don suggested that you make sure you have a good inhouse PR and AR team..
It was also noted that your core messaging is truly relevant to your audience before you invest in branding activities.

And finally...

Given that you all have decades of experience, what changes have you seen in acceptance of branding among companies in Silicon Valley? Are companies more brand- sophisticated now?

Ron: It's a lot more open now than it has been in the past, but it still has a long way to go.

Don: I've seen more branding of companies in the tech industry. I used to see just products getting branded, but as tech companies have matured they've had to learn how to brand their company.

Mike: It has improved some. People tend to understand and value the process of branding a lot more. Intel has grown a huge amount in branding awareness over the past 20 years. But I feel that, in general, we're only on the 20 yard line. There is still a huge lack of the 3 most important things: patience, consistency and simplicity.

Our next forum will be in February. We will diverge from our normal format with a presentation of the results of a two year study of over 1000 brands by Bob Nelson and Bill MacElroy. Stay tuned for more information about this event.

The results of the survey to our Branding Forum list indicated that you would like to get updates on other branding events and reading material. Here are a few resources of interest:

1. "Why Doesn't Branding Get More Respect?"
article by Dave Roberts

Based on research among 30 local technology companies, the article focuses on how well companies understand -- and misunderstand -- the many dimensions of brand management. These brand dimensions are both ³external² to the company (customers, competitors, communications and measurement, etc.), as well as ³internal² (role of CEO, stakeholders, aligning of departments, etc.). This most recent article is one of more than two dozen written about branding. All articles can be found at this page on my site:

<http://www.smc-frogpond.com/library.htm>

"Momentum: How Companies Become Unstoppable Market Forces" is out and available in most book stores! Ron Ricci from Cisco has been writing this book over the past two years at night, on weekends and on vacation, and the result is a book that will spark conversations. Reviews have been very positive.

Ron's description:

My partner in this project was John Volkmann, my friend and colleague for more than a decade; and our publisher is Harvard Business School Press.

Many of you played a part in the professional experiences that lead to the development of our momentum model for companies, their products and their brands. Our goal in writing Momentum was to help companies harness the market forces unique to digital markets to build and sustain differentiated positions with customers. We're looking forward to hearing your comments about our ideas and models.

You'll see Momentum in bookstores over the next month. It is available immediately online. To find out more information about Momentum, you can visit the website, www.momentumbook.com <<http://www.momentumbook.com>>.

I came across a site for an Asian Branding Forum that had viewable clips from the keynote speaker from Landor and other companies. I couldn't get the sound to work, but maybe you'll have better luck. <http://www.b2bcast.com/brc/conf/conference.asp>

Happy holidays, and a joyful and prosperous new year to you all! I look forward to seeing you all in February.

Kevin