

# The Brand Council

Stewarding your brand to create long-term value

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### Introduction

It is now commonly understood that brands represent significant corporate value and are among an organization's most valuable assets. This value has been demonstrated in brand valuation rankings and acquisition prices worldwide. Brands therefore require ongoing attention, management and investment to grow and generate an economic return to the business.

Properly created and managed, your brand helps generate operational and economic value by:

- Enhancing awareness, consideration, trial and loyalty
- Attracting and retaining customers with an engaging promise and experience
- Guiding and informing business decisions and activities
- Attracting and retaining top-tier talent and partners
- Easing entry into new markets
- Commanding price premiums
- Facilitating brand extensions into new products and categories

One of the most pressing challenges we address with clients is how to make business decisions that are consistent with what the brand stands for. Companies in many industries struggle to enhance the power of their brands by aligning their activities to deliver a fulfilling customer experience.

Without proper stewardship, your brand can languish and result in a diminished or detrimental impact on your business.

In this paper, we introduce the concept of the Brand Council and discuss the role it can play in developing, safeguarding and managing your brand across the organization.

Specifically, we:

- Define the Brand Council
- Identify specific issues your Brand Council may address

- Discuss who should be on your Brand Council
- Describe the steps for the typical Brand Council process
- Review typical Brand Council responsibilities (in a hypothetical scenario)
- Suggest how to “turbocharge” or maximize your Brand Council's impact on your organization
- Pinpoint potential “bumps in the road” or barriers to success that your organization may encounter in establishing its Brand Council

### Why should you have a Brand Council?

“At The Walt Disney Company, for several years, we had an individual in the role of Brand Steward at the strategic planning – not the C-suite or Board – level. She was a deeply thoughtful and internally networked veteran marketing exec who was asked to add her perspective on strategic decisions. This was helpful, but (she) only had the decision-driving weight that was assigned her by the senior executive at any given point in time.”

– Marshall Monroe  
Former Creative Executive, The Walt Disney Company

A common misconception is that the brand is the responsibility of the Marketing department or a select few. In some cases, the success of a brand can depend solely on the stance of the CEO – for better or worse.

We encourage you to view the brand as the sum total of your organization's promises and activities. A brand is too precious to leave to just one department or senior executive.

Consider the following questions:

- Our organization has developed a new offering/product/service. Do we need a separate brand? Why or why not?
- One or more aspects of our performance may be hurting our brand image. How can we prioritize where we should take corrective action to protect and build our brand?
- We're considering a merger, partnership or divestiture. How might that affect our brand?

**Without proper stewardship, your brand can languish and result in a diminished impact on your business.**

**A common misconception is that the brand is solely the Marketing department's responsibility.**

Your organization is collectively responsible for creating an expected and consistent brand experience. The challenge becomes how your organization, with its multiple layers, multiple divisions and multiple markets, comes together to address the strategic and tactical issues related to brand management.

**Enter: Your Brand Council.**

## The Brand Council defined

A Brand Council is a group, representative of your larger organization, with one mandate:

**To ensure that business strategies, processes, decisions and actions are aligned with the brand's positioning and values – namely, your organization's unique promise and point of difference.**

This, in turn, focuses the entire organization on delivering the fulfilling customer experience that secures loyalty and future earnings.

The Brand Council provides strategic brand governance in four categories:

1. Creation/management of the brand
2. Challenges and opportunities for the brand
3. Brand compliance
4. Brand measurement and refinement
5. Brand culture

## Beyond “Logo Police”

Following are the types of issues that you may encounter in your Brand Council, grouped into the four categories introduced above.

### 1. Creation/management of the brand

#### *a. Alignment between business strategy and brand strategy*

What is our business strategy, including our short- and long-term business objectives? How does the brand strategy bring this business strategy to life?

*b. Business objectives formulation and assessment*  
How can we leverage the brand to achieve our business objectives (i.e., revenue growth, cost reduction, market share growth, etc.)? How have these objectives changed in the last year/quarter and what impact could these have on the brand?

*c. Product and /or service portfolio decisions*  
Which products/services complement the brand direction and, therefore, warrant a current or future investment? Conversely, which products/services should be rationalized because they no longer match with the brand promise? What is the best ongoing process to review our portfolio?

### 2. Challenges and opportunities for the brand

*a. Operational choices and decisions*  
How should the brand promise guide everyday operational issues and/or decisions (e.g., work quality, defect rates, product design, response times, communication gaps, product line or service gaps)? Conversely, how do these operational issues and/or decisions affect the brand?

*b. Customer targeting*  
Which new customers are most likely to benefit from the values, objectives and promise that our brand stands for?

*c. Merger and acquisition evaluation*  
When evaluating potential mergers or acquisitions, which organization(s) would complement our existing brand promise? How do these organizations fit into our existing portfolio? What would be the brand implications of merging with or acquiring these organizations? How can we manage the brand to maximize value for an upcoming liquidity or merger event?

*d. Prospective partner assessment*  
Which potential co-branding partnerships will align with our brand promise and values? Which of these partnerships might be most beneficial for building brand equity?

**Ideally, your Brand Council should have key people from all functional areas, since they all contribute to the delivery of your brand promise.**

## *e. Competitive analysis and response*

How does the brand help us differentiate ourselves and de-position our competitors? How can the brand dictate our response to competitive activity? (See Exhibit B, “The Brand Council at Cool Tech Inc.”)

### 3. Brand compliance

#### *Visual and verbal expression*

How do advertising, communications, signage, online and other applications of our identity (e.g., logo, visual vocabulary, language and tone of voice) align with our guidelines for consistent brand expression? Should there be differences in brand expression in the organization and, if so, what are these differences? What are the challenge areas (e.g., too many versions of the logo, inconsistent execution across applications) in the expression of the brand?

### 4. Brand measurement and refinement

#### *General brand assessment*

What is the state of the brand (e.g., metrics definition and tracking, findings and implications from any recent brand research, recent media mentions, share of brand choice, etc.)? How do we measure the brand’s performance against the competition in a changing marketplace?

### 5. Brand culture

#### *a. Brand culture assessment*

How deeply are our employees engaged with the brand? How well are our brand attributes being embraced internally to help shape desired behaviors and attitudes? What new programs should we develop to keep people engaged and “living” the brand?

#### *b. Customer touchpoint management*

How well have the multiple interactions that customers have with the organization been considered and aligned with the brand? Have touchpoints been mapped and analyzed for improvement so that investment can be directed to those that have the greatest potential for positive impact on the customer experience?

## Constituting the Council

“You have to examine the environment(s) the business is competing in and the organism of the organization to understand what is the best structure of the Brand Council.”

– Kevin McSpadden  
Senior Director, Brand Marketing  
eBay (North America)

We suggest following two guiding principles to determine who should be a member of your Brand Council:

#### **1. Have organization-wide representation with members from each of your key strategic functions.**

Ideally, your Brand Council should have a senior representative from each functional area, since all areas impact the delivery of your brand promise. These include:

- C-suite management (including a senior marketing executive)
- Operations
- Human Capital Resources
- Finance
- Marketing
- Sales
- Legal
- Public/Investor Relations
- Research and Development
- Administration

We recommend that you also retain an external brand consulting partner to maintain an objective point of view and provide your Brand Council with the most current best practices in branding.

#### **2. A member of senior management should be your Brand Council Leader.**

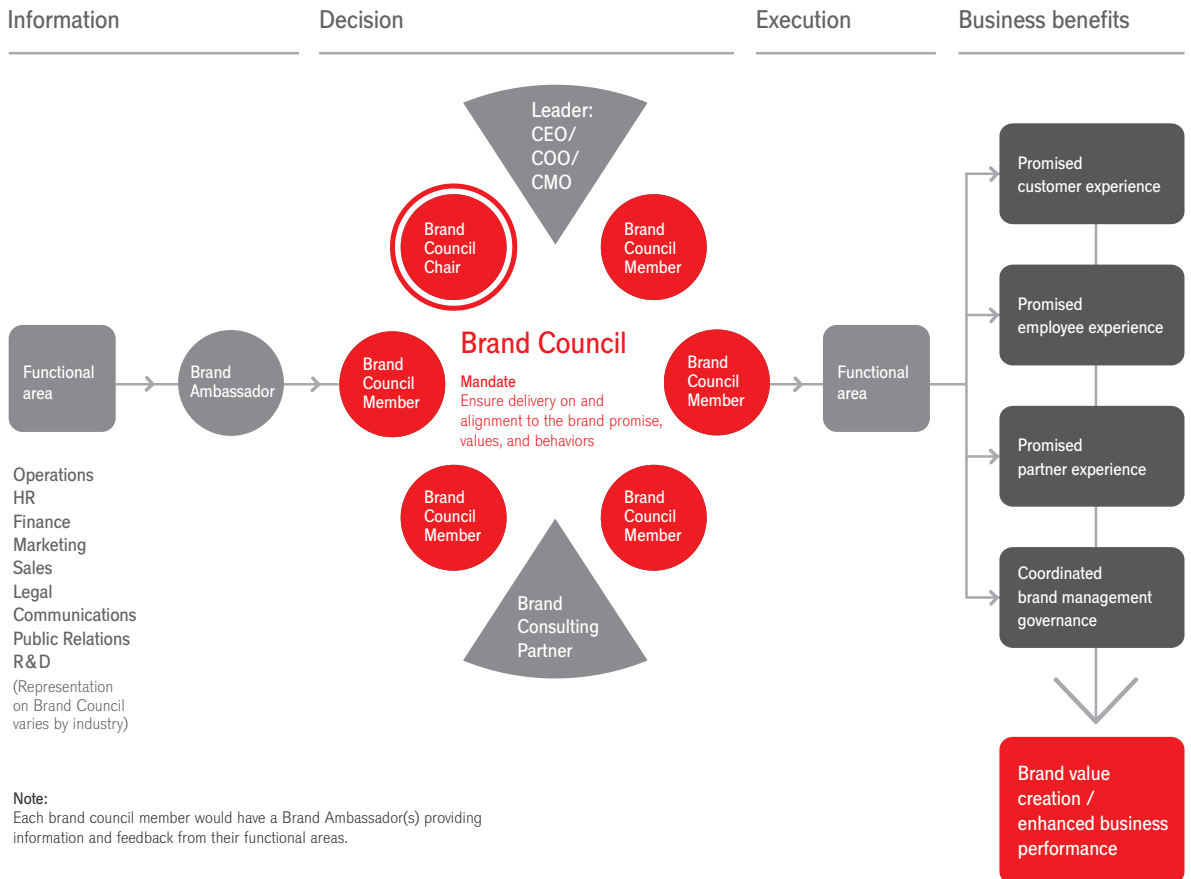
The Brand Council Leader should represent the importance and visibility that your organization wishes to give to the brand. We recommend that your CEO or COO lead your Brand Council.

#### **3. The Brand Council should also have a Chair.**

The Brand Council Chair is responsible for setting the agendas and directing the meetings.

Brand Council’s responsibilities extend beyond “logo-policing” to a much deeper involvement in addressing brand-related issues – issues that have strategic implications for your organization.

## Exhibit A: Brand Council's Information Flow



Brand Ambassadors are the “ground-level” champions of the brand.

### Brand Ambassadors:<sup>1</sup> Your “ground-level team of designated” brand champions

Brand Ambassadors form the critical information flow channel between the Brand Council and the rest of the organization. Especially in larger organizations, the Brand Council needs a team of communicators and brand champions to assist with implementation and communication to and from the Council. (See Exhibit A, “Brand Council’s Information Flow.”)

Brand Ambassadors embody and champion the brand at the ground level. Every employee is expected to live the values of the brand, but Brand Ambassadors go a step further and promote its

<sup>1</sup> A forthcoming white paper will address the concept of Brand Ambassadors in greater detail.

values throughout the organization, regardless of whether they work in marketing, finance, operations, logistics, or other functional areas.

### Steps in the Brand Council Process

#### Step 1. Mandate and Formation

The first step is to agree on your Brand Council’s mandate and membership. All key functional areas should be represented, and the critical roles of Chair and/or Leader should be assigned and agreed. The roles and functions of Brand Council should be announced to the rest of the company to validate its importance and to clarify how people can and will be expected to contribute. Taking this step will also prepare the organization to view brand-related decisions as an output of the Brand Council, giving it the visibility it needs to thrive in the long term.

## Step 2. Communication

Issues and information are communicated from the functional area. Depending on the size and structure of the functional area and/or the organizational culture, people from a functional area may wish to directly communicate with their Brand Council Member. In these cases, we recommend that the Brand Ambassador(s) be advised of the communication, if appropriate.

## Step 3. Forwarding

The Brand Ambassador(s) forward the information to the Brand Council Member for review. The Brand Council Member should then assess how the issue might impact the corporate brand and whether or not it is appropriate to address it to the Brand Council for discussion. The Brand Council Member may already have the knowledge and/or authority to make a decision without Brand Council review, as defined by the Brand Council Mandate.

## Step 4. Review

The issue is raised for discussion and resolution at the regular or special Brand Council meetings. The Leader oversees the Brand Council and is the final decision-maker in case of a tie vote and/or makes the final recommendations, depending on the Council's mandate and recommendation process. The Chair of the Brand Council runs the Brand Council meetings, sets the agenda, directs the discussion and helps the group to reach decisions and recommendations.

## Step 5. Decision

Once the Brand Council reaches a decision/resolution, the Brand Council Member communicates it, either directly or to the Brand Ambassadors in the appropriate functional area.

## Step 6. Distribution

If applicable, the Brand Ambassador communicates the decision/resolution to all or part of the functional area, as appropriate.

## Step 7. Implementation

The Member, Brand Ambassador(s) and other leaders within the functional area(s) prepare an implementation plan on the decision/resolution and deploy the required resources to produce business benefit for the organization.

## Step 8. Results

The Brand Council guides the consistent delivery of the brand promise throughout the organization. But that alone is not enough. To create tangible value, Brand Council decisions must be supported by effective implementation from the functional area(s). Over time, this process will institutionalize the brand, helping build customer loyalty and ensure future revenue.

### Hypothetical scenario: The Brand Council at Cool Tech Inc.

The following hypothetical scenario will provide you with additional dimension and insight on the role each functional area might play in the Brand Council. We've chosen a manufacturer as our hypothetical organization, but the principles apply to any business or organization.

*Imagine that Cool Tech Inc. is a leading manufacturer of audio technology. Its products – headphones, speakers, etc. – are world-renowned for their premium quality and design. One of their medium-to-high-end product lines operates under the sub-brand, Vibe.*

*A major competitor to Cool Tech has just flooded the market with a lower-cost alternative to the Vibe product line.*

*How should Cool Tech Inc.'s Brand Council help it to protect its Vibe product line's market share?*

*Senior management needs to consider its options and has asked the Brand Council to analyze what the various outcomes might be for the premium image of the Cool Tech brand.*

**We recommend that your CEO or COO lead your Brand Council.**

**Exhibit B:  
The Brand Council at  
Cool Tech Inc.**

Functional Area	Role in Cool Tech's Brand Council	Areas of concern in evaluating the best response
C-Suite (e.g., CEO, COO)	<ul style="list-style-type: none"> <li>• Lead Brand Council meetings</li> <li>• Promote brand visibility within the organization</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Potential implications on share price, brand defensive value, competitive position</li> </ul>
Senior Marketing executive (e.g., CMO)	<ul style="list-style-type: none"> <li>• Prepare meeting agendas</li> <li>• Monitor that organization discussions and activities are consistent with the brand positioning</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Product portfolio implications</li> <li>• Pricing implications on Vibe line and other sub-brands</li> <li>• Distribution implications for the Vibe line to protect market share</li> <li>• Promotion issues including budget, media, and choice of partners</li> </ul>
Operations	<ul style="list-style-type: none"> <li>• Provide operational implications to Brand Council discussions and decisions</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Production capabilities and restrictions</li> <li>• Raw material procurement</li> <li>• Capital asset changes</li> </ul>
Human Capital Resources	<ul style="list-style-type: none"> <li>• Contribute the employees' perspective to Brand Council discussions and decisions</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Talent requirements or dispositions</li> <li>• Training</li> <li>• Development</li> </ul>
Finance	<ul style="list-style-type: none"> <li>• Bring a financial perspective to Brand Council discussions and decisions</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Financial resource requirements</li> <li>• Capital structuring implications (e.g., increase in debt, issue equity)</li> <li>• Compliance with corporate financial hurdles (e.g., ROI, ROS)</li> </ul>
Product Marketing	<ul style="list-style-type: none"> <li>• Give product-specific insight to Brand Council discussions and decisions</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Vibe positioning implications</li> <li>• Vibe market share implications</li> <li>• Changes to Vibe consumer loyalty and brand equity index scores</li> </ul>

**The Brand Council should bring a brand lens to organization-wide decisions and activities to protect and build brand value.**

Functional Area	Role in Cool Tech's Brand Council	Areas of concern in evaluating the best response
Sales	<ul style="list-style-type: none"> <li>• Provide insight on sales opportunities/challenges and on major customer accounts</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to meet Vibe's sales targets</li> <li>• Ability to manage customer inquiries and expectations</li> </ul>
Legal	<ul style="list-style-type: none"> <li>• Provide the legal perspective and ramifications to Brand Council's discussions and decisions</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Cool Tech's legal recourse against its competitor</li> <li>• Potential lawsuits on Cool Tech towards competitive response (e.g., anti-competition, exceeding production quota, union-related)</li> </ul>
Public/Investor Relations	<ul style="list-style-type: none"> <li>• Inform the Brand Council with potential public and investor reactions to discussions and decisions</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Public and shareholder perception</li> </ul>
Research and Development	<ul style="list-style-type: none"> <li>• Contribute a research and product development perspective to Brand Council discussions and decisions</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Impact on speed of next generation of Vibe product development</li> <li>• Continuing innovation on Vibe line for long-term competitive advantage</li> </ul>
Brand consulting partners	<ul style="list-style-type: none"> <li>• Bring an objective point of view as a branding subject matter expert</li> </ul>	<ul style="list-style-type: none"> <li>• Previous branding cases in client or similar industry</li> <li>• Advice to Brand Council on suggested course of action</li> </ul>
Administration	<ul style="list-style-type: none"> <li>• Provide the administrative perspective to Brand Council discussions and decisions</li> <li>• Represent the brand in actions and behaviors</li> </ul>	<ul style="list-style-type: none"> <li>• Municipal, environmental or other permits for increased factory production (if necessary)</li> <li>• Arrangement of appropriate security, maintenance and administrative support staff to oversee increased level of factory production (if necessary)</li> </ul>

You can see from this scenario that the Brand Council should bring a brand lens to organization-wide decisions and activities to ensure adherence to the brand promise and to protect and build brand value.

## How to “turbocharge” your Brand Council

### 1. Define the right Mandate for you.

We suggest that your Brand Council clearly articulate its Mandate and have the authority to hold your organization's people accountable for decisions, actions and behaviors that align with the brand. Your Mandate can be simple (“To consider corporate decisions from the point of view of their impact on and alignment with the brand”) or elaborate (with

tactical objectives and metrics to evaluate business decisions). Your mandate should also specify the rules and conditions under which issues are brought to the Brand Council for discussion, resolution and communication to the broader organization.

**“Our expectation is that the Brand Council be a stakeholder-led control and implementation of the brand against a clear set of guidelines.”**  
 – Managing Director  
 Leading European retailer

The following examples from two industry sectors illustrate the types of Mandates, membership and business issues that a Brand Council can address.

Your brand must have a high profile within your organization. This responsibility typically lies with your C-suite.

Industry	Insurance	Telecommunications
Mandate	<ul style="list-style-type: none"> <li>To manage, grow and measure the brand while acting as a liaison to the Board of Directors on issues of brand management</li> </ul>	<ul style="list-style-type: none"> <li>To vet strategy development and approve brand decisions</li> </ul>
Membership	<ul style="list-style-type: none"> <li>CEO (Chair)</li> <li>Regional VPs</li> <li>Functional VPs (COO, CMO)</li> <li>Directors</li> <li>External Consultants</li> </ul>	<ul style="list-style-type: none"> <li>Head of Branding (Chair)</li> <li>10 representatives from:                             <ul style="list-style-type: none"> <li>– Manufacturing</li> <li>– Logistics</li> <li>– Legal</li> <li>– Marketing</li> <li>– Product Development</li> </ul> </li> </ul>
Meeting Frequency	<ul style="list-style-type: none"> <li>Weekly for tactical issues.</li> <li>Monthly/quarterly for strategic issues</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
Types of Issues Addressed	<ul style="list-style-type: none"> <li>Implementation of brand measurement metrics and training programs to promote on-brand behavior</li> <li>Development and management of process to integrate new products into portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Development of new product naming system</li> <li>Evaluation of merger from perspective of brand</li> </ul>

## 2. Meet regularly.

Frequency and continuity are vital to institutionalize the Brand Council into your organization's culture. To establish continuity, the Brand Council should meet at least once every quarter on strategic issues and even more frequently on tactical issues.

In addition to regular meetings, the Council should have the flexibility to convene as the need arises (e.g., events or operations that impact the brand, responses to recent competitive and/or internal developments: analyst report releases, new hires, customer satisfaction surveys, etc.).

## 3. Be "brand-centered."

- a. Your brand must have a high profile inside your organization. This responsibility typically lies with your C-suite. They must maintain a high profile for your brand by first making a business investment in the brand and supporting that investment by demonstrating a personal pride in what the brand stands for. Simply, they need to lead by example in living your brand.
- b. Your brand lives beyond Marketing. View brand building as a holistic organizational responsibility as opposed to the responsibility of your Marketing department. The functional areas and business units within your organization need to understand, through their leaders on the Brand Council, how they contribute to brand value.

## 4. Inspire your organization through Brand Ambassadors.

"The key is to ensure that the Council is controlling the brand but, also, that it provides the freedom to work within a defined set of parameters."

– Managing Director  
Leading European retailer

The Brand Council also guides and manages the activities of your Brand Ambassadors. Your employees can make or break your brand. When properly inspired and empowered, your Brand Ambassadors will lead your employees to make the brand thrive in your organization and, ultimately, with your customers.

## Potential bumps in the road

### 1. A lack of consensus on the importance of the brand to the organization.

The Brand Council is representative of the organization holistically. Therefore, its members, regardless of functional area, should believe in the brand as a vital corporate asset that merits the time, discussion and collaboration of the organization's senior-most people.

### 2. The absence of a clear mandate.

Branding can be abstract, even to experienced leaders and managers. Part of the Brand Council's role is to educate its members and the wider organization about the role and potential value of the brand. A clear, well defined and well communicated Brand Council Mandate ensures that the organization understands the purpose of the Brand Council and the value it can bring.

### 3. Infrequent meetings.

A lack of regular Brand Council meetings hinders the momentum on brand-related discussions and sends the message that the brand is a lower business priority.

### 4. The absence of C-suite support.

C-suite support of the Brand Council is critical, especially at the outset, in order to give the Brand Council the credibility and visibility it needs to enable effective strategic brand decisions. Without this support, the Brand Council runs the risk of losing relevance among the organization's functional leaders.

### 5. A highly fragmented organizational culture that favors operation in "silos" over enterprise-wide communication and collaboration.

"People want to re-interpret and re-invent things."

– Managing Director, Leading European retailer

Organizations predisposed to working as autonomous functions, divisions or markets will need to commit themselves to greater intra-company collaboration in order to benefit from creating a Brand Council.

Like any organization and its functional areas, the Brand Council should be evaluated on business results.

## **6. Incomplete execution on Brand Council decisions.**

Like any organization and its functional areas, the Brand Council should be evaluated on business results. Leadership can only make this assessment if the organization consistently executes on the Brand Council's decisions, and monitors the resulting impact on performance.

### **Conclusion**

The Brand Council oversees the activities whereby the brand contributes to shareholder value. When your Brand Council guides business activities to align with the brand promise, your organization will benefit from satisfied customers. Over time, consistent and satisfying brand experiences will transform satisfied customers to loyal customers, which, in turn, helps you secure and grow future earnings and create economic value.

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## About Interbrand

Founded in 1974, Interbrand serves the world with over 30 offices in over 20 countries. Working in partnership with our clients we combine rigorous strategy and analysis with world-class design and creativity.

We recognize the importance of brand in this increasingly competitive business environment and tailor our services to client needs. Our services include brand analytics, brand valuation, strategy, naming and verbal identity, corporate identity, packaging design, retail design, integrated brand communications and digital branding tools.

We enable our clients to achieve greater success by helping them to create and manage brand value.

Visit [www.interbrand.com](http://www.interbrand.com) and [www.brandchannel.com](http://www.brandchannel.com) for the latest brand thinking.

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