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## **BRANDING > Brands: Who Needs Them?**

My name is Clay Timon. I'm Chairman and Chief Executive Officer of Landor Associates. We are a branding consultancy and design firm. We've been in business for sixty years. We started out originally as a packaging graphics firm but over time, as we understood the power of brands, we've evolved into a full-fledged branding consultancy. And in the last five to ten years have created such brands as Lucent Technologies, FedEx, Agilent and Vistian, just to name a couple, and very recently rebranded British Petroleum Amoco into BP again.

Why do corporations need what it is we do? I think more and more today - and this is a very recent phenomenon - it goes back not more than eight to ten years. You go through the 70's and the 80's and very early 90's, corporations were faced with a lot of difficult times if you recall. There was a lot of downsizing, right sizing, focusing on core business activities, spinning off a lot of non-core businesses and everything. Downsizing the work force, getting down to the balance sheet that was as tight as possible, maximizing profits through cutting costs, top line bottom line.

That can only go so far and what corporations came to understand was they still needed to grow. And they had to look to other assets. And came to understand that the one, one asset or assets that they owned were brands, either their corporate brand and, or product brands or service brands.

Brands are something that are ownable, leverageable, and sustainable. And they're exclusive to the corporation - no one can take those away from you. And in the last five years coming to this realization, corporations have turned to firms such as ours to help them better understand their brands. Develop and grow and further leverage them.

There are four basic building blocks of brands. There are differentiation, relevance, esteem and knowledge. Differentiation is literally how different you are from everyone else in your category or area of business. Relevance is how relevant are you to your ultimate customers. Esteem is what do your customers think of you - how they regard you emotionally. And finally knowledge is how they regard the brand from a factual standpoint. How knowledgeable are they of what that brand stands for.

## **BRANDING > Building Emotional And Intellectual Bonds**

One of the objectives of branding is to create both an emotional and intellectual bond not purely emotional. The two core aspects that come to us from the consumers from a brand are esteem and knowledge. The esteem part has an

emotional aspect or component to it but knowledge, which is equally important is one based on fact. It's based on understanding.

Not all brands need or have an emotional component. Some brands do, some brands do not. B to B brands, business to business brands, have a much stronger intellectual component to the branding. Some aspects of emotion but emotion more around quality of service, friendliness of service but not much more than that.

Consumer brands, consumer service brands where you are trying to build a connection with a larger group of consumers, there may be a larger emotional component. Again it has to first come from the core of the brand, the brand driver. Then it is manifest in the colours, the name, the typography, the look, the feel of the brand as well as the public relations, the advertising and other marketing sales promotion direct marketing components around it.

What is key is that they all must be consistent. And if any one of those, or two of those components are not consistent with the whole, then you start to get fragmentation and then you can actually work against yourself. And the emotion becomes confusing, the knowledge becomes confused. The strength of the brand then deteriorates.

## **BRANDING > The Church: The First Brand**

One of the earliest brands was the church. And if you think of the tools and the aspects that the church used, they understood branding principles well before most others in society did. They created a symbol or symbols. They created a, what in our vernacular would be a branded environment, meaning that when you entered a town and you saw in some places a steeple you knew that there was a, that was the, there was an environment there that you had some idea of what was there.

When you saw the symbol sitting on the top of that spire it gave you an idea of what kind of brand that environment was. They used early forms of marketing and advertising. They had a call to arms if you will of the sermons whether they be on Saturday or Sunday, again depending on what symbol was over the church. They used sound. In many cases there is a bell that rings. Or there six times a day in Muslim countries there is the call to prayer. They're the very earliest forms of branding.

## **THE NATURE OF THE CORPORATION > Corp-Utopia**

I think in many cases corporations can stand for a not a new form of society, but an example of what society set out to do and maybe hasn't been able to

accomplish completely. And corporations operate for the most part with tremendous integrity on a worldwide basis.

And as they, and they do that without internal police forces, without a lot of internal laws restrictions and whatever. And people participate voluntarily in those organizations. Wouldn't it be great if society was like that? And that you could walk down the street and we didn't need the police, and we didn't need all of the laws about don't walk on the grass, and don't do this and don't do that. And people voluntarily responded and led their lives the way they do voluntarily in corporations.