

BRAND VALUES

AND
THE

*Bottom
Line*



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EXECUTIVE SUMMARY:

The Brand Identity Crisis

*Do your customers and shareholders know what your brand stands for? How about your own employees? For too many brands, the answer is, “**They probably don’t**” according to a new study from Investis Digital and Forrester Consulting.*

We’ve found that businesses are struggling with a new kind of problem: sharing their brand values clearly and consistently across channels.

Your customers, employees, and shareholders interact with you through a multitude of touchpoints, ranging from your website to Instagram. Brands are buckling under the strain to share their values in a consistent, coherent way.

In fact, a survey of marketers that Investis Digital conducted with Forrester Consulting reveals that only 25 percent of businesses rate themselves as very effective at consistently managing their brand values across digital channels.

25%

of businesses say they are effective at managing brand values across digital channels

As a result, businesses struggle with problems such as sending muddled messages to the market and losing control of their own narrative. On the other hand, brands that do figure out how to manage and share their values realize benefits ranging from an increase in sales to improved reputation.

Read our new report, Brand Values and the Bottom Line, to understand the challenge that brands face and the opportunities to improve. Our report, drawing on the results of a comprehensive Investis Digital and Forrester Consulting survey, shares insights such as:

01

How and why businesses are struggling to share their brand values across digital channels

02

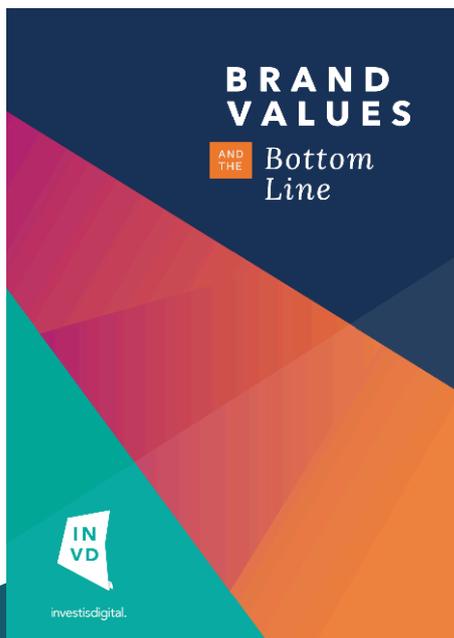
The cost of failing to share your brand values consistently

03

The reward for sharing your brand values effectively

04

What you can do to improve how you share your brand values



USE THIS AS A FIRST STEP

to build a stronger, more valuable brand with your customers, employees, and shareholders.

1.

Houston, We Have a Brand Problem

**Welcome to the great
brand disconnect.**

*It's never been more important
for businesses to articulate their
brand values or the attributes
and principles that a company
stands for. Consider these
powerful data points:*

7 / 10

businesses believe
shareholders care about
corporate brand values

According to Forrester, nearly seven out of 10 businesses believe their shareholders care about their corporate brand values, and more than half of businesses believe the same holds true for their employees and customers

1 OF THE TOP 10

factors that make or break
a brand is in the ability to
articulate the brand values

Interbrand, which publishes the highly cited Global Brands Report, believes that one of the top 10 factors that make or break a brand is the ability to clearly articulate what the brand stands for in terms of its values, positioning, and proposition.

Howard Schultz, who led Starbucks to its position as one of the world's leading brands, famously said:



If people believe they share values with a company, they will stay loyal to the brand.



And shareholders will do the same, as we saw when **Nike's market value rose \$6 billion¹** after the company rolled out a multimedia advertising campaign celebrating embattled NFL quarterback Colin Kaepernick – an action consistent with Nike's well-articulated ethos of self-empowerment.

But here's the problem: for every Nike, there are many more companies that struggle to articulate their brand values. In that same Investis Digital and Forrester Consulting study, it reveals that **many businesses do not manage their brand values well.** Nearly 40 percent of businesses surveyed admitted that they do not actively manage their corporate brands through digital channels. The number is closer to 50 percent for product brands.

This poor alignment and management results in brands sending a steady stream of confusing messages to a business's customers, investors, and employees -- which is detrimental to business growth.

Brands are struggling to align and live their values across an explosion of channels reaching micro-audiences on a global scale. **According to Google,** shoppers reference at least a dozen touch points before making a purchase – and in a high-consideration sector such as automotive, shoppers typically interact with a brand across 24 touch points. No wonder brands struggle to share their values in any consistent way. Never before has there been such a stark disconnect between what brands stand for and how they present themselves. Brands have a lot of work to do.



What are brand values?

A company's brand values consist of the attributes and principles a company stands for. For example, one of Apple's core values² is:

“

We believe that we're on the face of the Earth to make great products that will change the world.”

Brand values are important because they inform everything a company does – ranging from the products and services it provides to how it communicates with all its audiences.

For illustrative purposes, here are Investis Digital's brand values:

These brand values drive all our behaviors.

For example, the brand value of embracing clarity helps us facilitate communication between companies and their stakeholders: investors, consumers, employees, etc. We use plain language and avoid jargon to build trust.

Having brand values is not the same thing as taking a stand on social issues, commonly known as brand activism. In fact, brand activism can backfire if a business's public stance is not true to its brand values. On the other hand, as the Nike/Colin Kaepernick campaign demonstrates, brand activism can be very credible when a business's actions are consistent with its values.



Embrace **Clarity**

We clearly and simply explain to our clients how we solve problems



Bring **Passion**

We are fierce in our belief that what we do is best for our clients



Inspire **Greatness**

We aim for mastery, not mediocrity, and inspire our clients to do the same



Keep **Innovating**

We push ourselves to be the experts our clients deserve, and develop the products and solutions they need to stay ahead of the competition



Measure **Success**

We use data-based insights to inform our creative approach, and constantly measure to improve efficiencies

2.

You Talked. We Listened.

The struggle is real.

In 2018, Investis Digital commissioned Forrester Consulting to find out how well brands manage and articulate their values across multiple channels ranging from social media to their website.

Forrester conducted an online survey of 194 brand communicators, including people with roles in communications, marketing, HR, strategy, and business development. Survey respondents represented publicly traded organizations in North American and Europe. We asked them to evaluate the ways in which their businesses communicate their brand values across digital channels. We uncovered two major problems:



We asked respondents how strongly they agree with the following statements:

1. Brand values are neither aligned nor actively managed for many businesses

Nearly 40 percent of businesses surveyed said that they do not actively manage their corporate brands through digital channels. The number increases to 50 percent for product brands.

 **61%**

We actively manage our **corporate brand** through digital channels

 **51%**

We actively manage our **product brand** through digital channels

 **55%**

Our **corporate** and **product brand** values are closely aligned

Base: 194 brand/reputation management decision makers at US, Canada, UK, France, or Switzerland companies with 500+ employees. Source: a commissioned study by Forrester Consulting on behalf of Investis Digital, April 2018

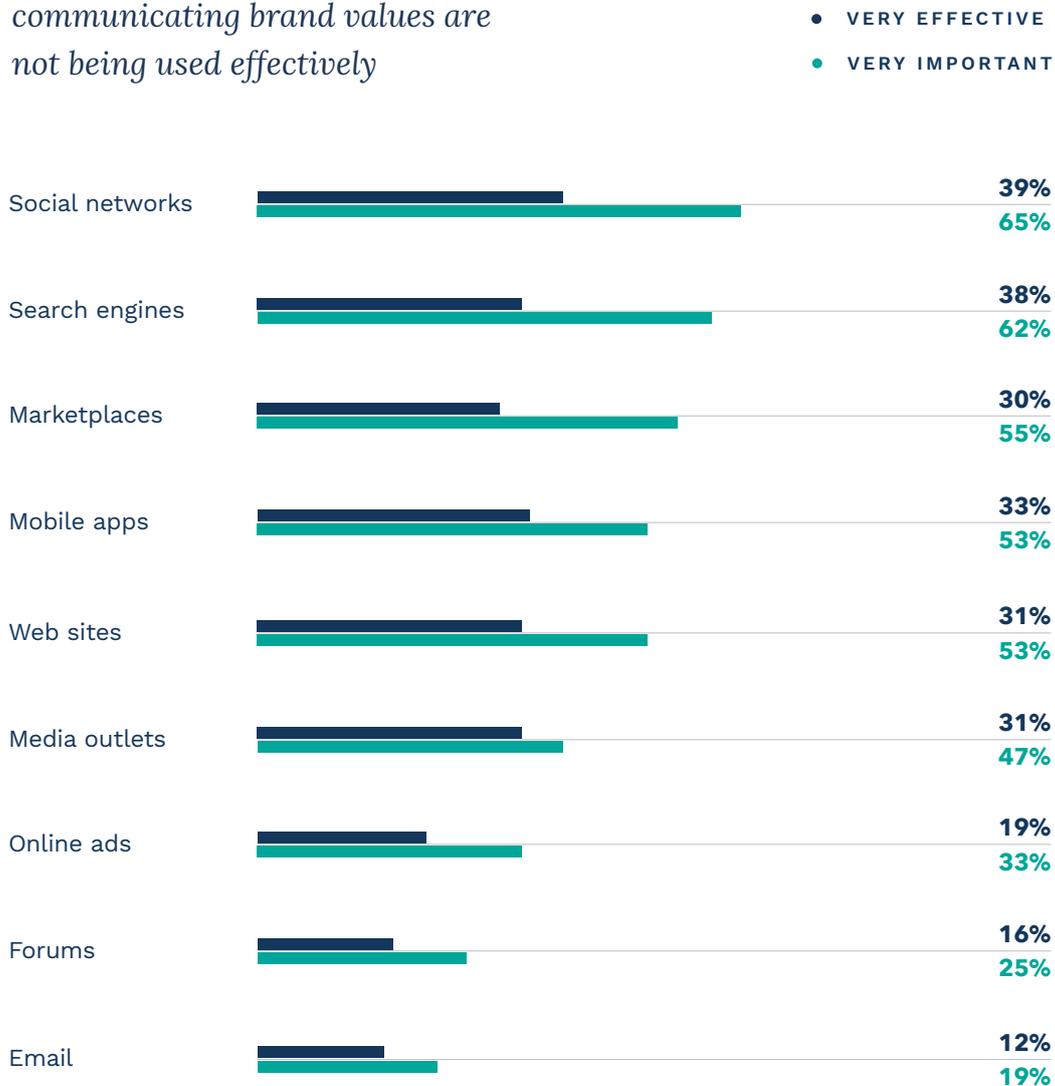
2. Communicating brand values is a major struggle

Only 25 percent of businesses rate themselves as very effective at consistently managing their brand values across digital channels.

There is a huge disconnect between channels that brands deem important

and how they actually use those channels to communicate brand values. For example, 65 percent told us social networks are very important for communicating brand values – but only 39 percent said that they use social networks very effectively to do so.

A critical gap exists: The most important channels for communicating brand values are not being used effectively



Base: 194 brand/reputation management decision makers at US, Canada, UK, France, or Switzerland companies with 500+ employees. Source: a commissioned study by Forrester Consulting on behalf of Investis Digital, April 2018

Why do brands struggle to align and share their brand values?

There are many reasons. They include:

Costs

Forty-six percent of respondents said that it's just too expensive to communicate brand values consistently across all the channels they use.

Organizational hurdles

Forty percent said they lack the buy-in of senior decision makers, and 32 percent said they lack alignment.

What are the biggest challenges you encounter as you attempt to communicate your brand values consistently across all of the different channels that you use?



Base: 194 brand/reputation management decision makers at US, Canada, UK, France, or Switzerland companies with 500+ employees. Source: a commissioned study by Forrester Consulting on behalf of Investis Digital, April 2018

Organizational alignment can be especially difficult for larger companies with complex operations. According to Thomas Stern, SVP of Performance Marketing for Investis Digital:



When we work with clients with misaligned brand values, we often find that brand values are identified at a corporate level front and center. But different departments, including marketing and HR, are usually too focused on near-term problems such as revenue and retention to align their values properly. Alignment is especially hard for big companies.

In addition, we believe that the explosion of brand channels and the content formats they require can be a challenge. Think about it: having an effective presence on Facebook alone may now mean coordinating advertising, ecommerce, organic content such as livestreaming, and both chatbots and managed chat. And across the digital world, many businesses need to literally find their brand voice as their customers increasingly rely on voice assistants to live their lives.

Our own **Futurology: The Future of Digital Communications³** examined the rapidly expanding number of devices and channels that consumers now use, ranging from wearables to connected objects, each of which open up new ways for consumers to interact with brands, such as virtual reality. Each interaction represents an opportunity for a brand to share its values – or not. As Futurology asserted: together these devices, channels, content formats, and experiences create either a multi-channel nirvana or nightmare for brands.



3. The Bad News

Actions have consequences. Poor brand alignment costs a business dearly. Here are some of the negative outcomes:

MUDDLED AND INCONSISTENT MESSAGING

Brands that fail to articulate their values lose control of their own narrative. Their messages are either incomplete or incoherent. Even worse, brands that fail to tell their own story leave it up to someone else to tell it for them.

Muddled, inconsistent messaging can be especially acute for bigger businesses that have more moving parts to manage. As Investis Digital's SVP of Sales Ian Koenig said:

“

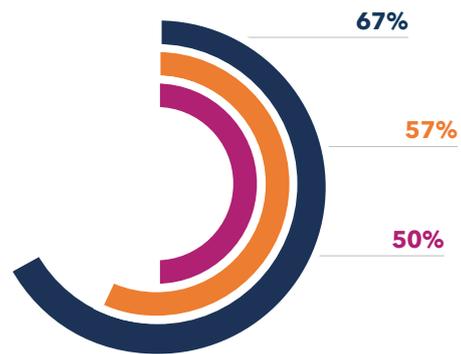
Regardless of where you do business, your message has to be clear wherever you are in the world. If your workforce is global and mobile, you have to work all that much harder to connect your people with your brand values as well as all the audiences you serve.

DAMAGED CREDIBILITY

Brand values are important to all audiences. Two-thirds of businesses Forrester Consulting surveyed said that their shareholders care about their corporate brand values, and more than half said their customers and employees also care.

Corporate brand values are most important to shareholders though customers and employees also care

- SHAREHOLDERS
- EMPLOYEES
- CUSTOMERS



When no one understands what your business stands for, your credibility becomes tarnished with all its stakeholders. According to Koenig:



Credibility is a deciding factor in whether a shareholder will invest in a brand, whether someone will choose to work at your company, and whether someone will buy your product or service. If your brand lacks credibility, you won't be trusted.

LOST CUSTOMER CONVERSIONS

According to Forrester, 52 percent of U.S. consumers say they factor brand values into their purchasing decisions, up from 43 percent in 2015. Brands that fail to share their values risk falling behind. According to Thomas Stern:

“

A disconnect in brand values can contribute to a loss in sales. Based on our own analysis of the customer's path to purchase, customers may lose trust in a brand with muddled values when they are in the consideration phase especially if customers are evaluating a brand against a competitor that articulates clearly what it stands for.

4.

The Good News

But on the other hand, strong alignment reaps rewards. As noted in Forrester Consulting's research for Investis Digital, brands that communicate their values well across channels experience benefits ranging from improved reputation to improved retention of employees, customers, and shareholders. According to our study:



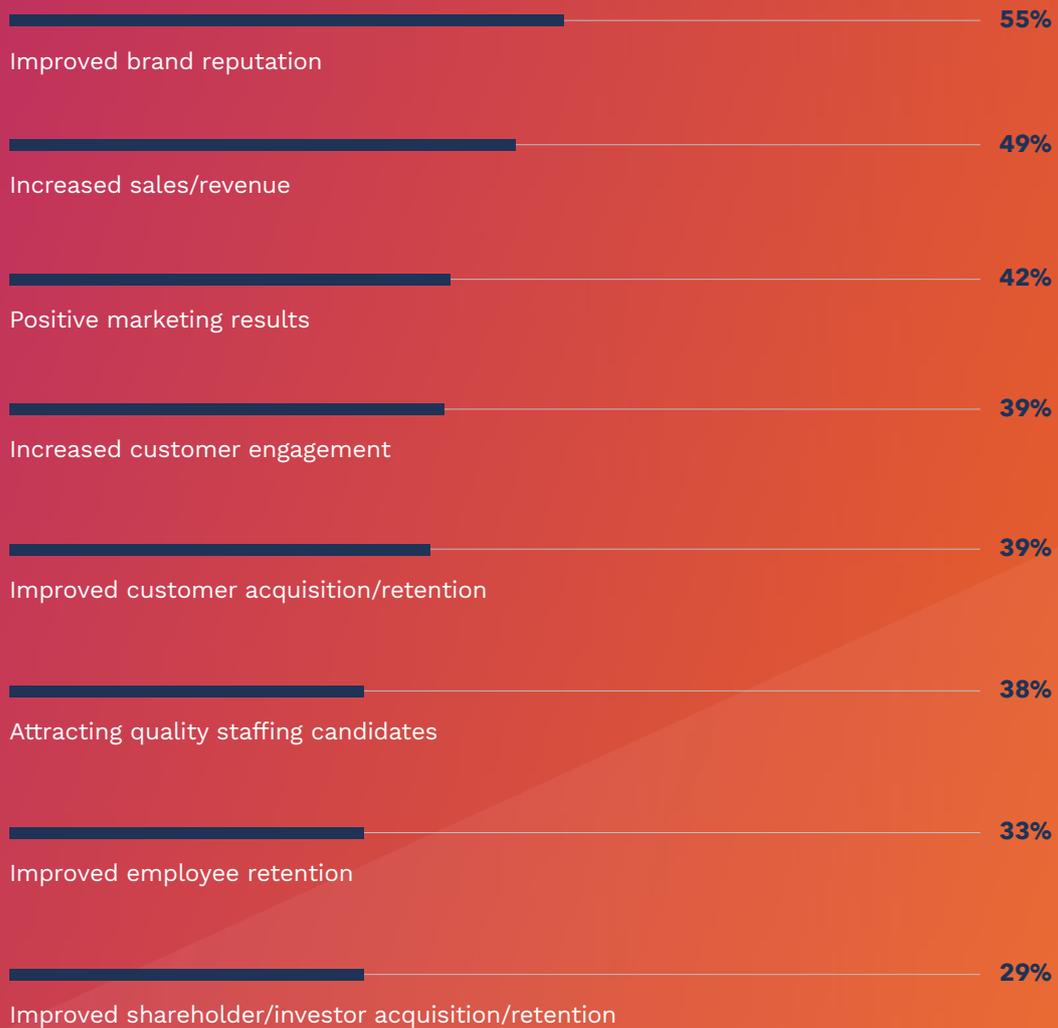
More than half of businesses see an improved reputation as a result of consistently communicating their brand values.



About half see an increase in sales / revenue.

As a result, brands that make an effort will gain an advantage over those that don't.

Consistently communicating brand values drives improved reputation and increased revenue



Base: 194 brand/reputation management decision-makers at US, Canada, UK, France or Switzerland companies with 500+ employees. Source: a commissioned study conducted by Forrester Consulting on behalf of Investis Digital, April 2018

Brands that align and share their values effectively also become more valuable in the long run. Consider Apple, Google, and Amazon. They hold the first, second, and third spots in the Interbrand Best Global Brands ranking. And they are all masters of managing their brand values:



Apple embraces values⁴ such as making great products and having an impact. Over the years, the company has done so with products such as the iPhone that have changed how people live. The Apple Watch, released in 2015, is helping Apple shape the future of healthcare, as businesses look to wearable devices to help people track and manage their health.



One of Google's main brand values focuses on earning customer loyalty and respect every day⁵. Google delivers on this value by sharing free tools that improve our lives and make us want to use Google products, whether we're searching for information through the Google search engine or using Google Maps to navigate. Google does the same for business users, an example being the creation of tools such as Google Analytics that help businesses understand the effectiveness of their websites.



Amazon, like Google, professes an obsession with making customers happy⁶. Amazon consistently delivers on this core value in all its communications and actions, ranging from CEO Jeff Bezos's annual shareholder letters to the company's advertising. Most importantly, Amazon lives up to this brand value in its operations, with a sparkling reputation for service that makes **Amazon rank consistently high for customer satisfaction⁷.**

And Interbrand's cream of the crop represent just a small sample of the many brands that consistently share and live their values. **Estée Lauder**, for instance, has seen a dramatic rise in its stock value over the past five years. It's no coincidence that Estée Lauder does a stellar job **articulating brand values⁸** such as nurturing world-class talent. And the company delivers on its values, as evidenced by the organization **being ranked as a best company for women to work for⁹**.

Another example, clothing retailer **Everlane**, demonstrates how important it is for millennial-friendly businesses to be transparent with their values. The company **publishes its values on its website¹⁰** and explains how the business delivers on its values. For instance, Everlane values "radical transparency" by sharing the true cost of all the products it makes. This kind of openness makes it easier for customers to decide whether the company's values are aligned with their own – and to choose accordingly.

5.

What You Should Do Next

The first step to building a more valuable brand across digital channels is to take stock of your values and how you share them. We recommend a number of near-term steps:

01

Identify your brand values. What are they, exactly? Has anything happened recently to update them, such as a merger or expansion into new markets?

02

Examine your customer's path to purchase. How many devices and touchpoints do they use through the journey from awareness to action? Be as thorough as you can.

03

Audit all the messages you share with your customers from one channel to the next. Look at your brand from your customer's shoes. Is your story clear? Do you share compelling evidence that you live your values wherever a customer might encounter your brand?

04

Get a read on what your customers, employees, and shareholders think of your brand. Perform sentiment analysis and conduct surveys of each type of stakeholder. Then look for disconnects in your brand story from one audience to the next.

05

Do searches for your own name and non-branded searches in your category. How does your name turn up in search results? What is said about you?

The five steps above are foundational. They will help you quickly identify how consistently or inconsistently your brand values are articulated. From there, you'll amass a body of evidence you'll need to convince company decision makers that you need to improve the way you share your values. You now face a choice: risk watching your brand lose relevance or take control of your narrative with your clients, employees, and stakeholders. The next step is up to you.

TAKE CONTROL OF YOUR

BRAND VALUES

AND
THE

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with
investisdigital.

We've been at the forefront of corporate digital communications for almost two decades. Over time we've gained deep sector knowledge, invested in leading technologies, and built lasting relationships across hundreds of organizations worldwide.

As digital communication becomes increasingly complex and critical, more and more businesses turn to us: today we're the trusted digital communications partner for more than 2,000 of the world's leading companies.

Take our Brand Values Quiz

[Research.InvestisDigital.com/
BrandValues](https://Research.InvestisDigital.com/BrandValues)

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