

Branding is the key to unlocking company innovation

By <u>Mathew Weiss</u> 8 Jan 2018

Amazon recently blew away its earnings forecast making Jeff Bezos (for now) the world's richest person. The interesting call out here was that Amazon's growth wasn't necessarily to the detriment of everyone else. The economy in which we're operating post-2007 needs to be rethought as an evolution of a zero-sum game.



Mathew Weiss, The Brand Union Africa managing director.

If the right fundamentals are in place, there can be a positive net for all players. But, again, only if the companies involved are prepared for the new economy.

So what does this have to do with marketing and media trends?

Perhaps the biggest trend isn't a trend at all. At Brand Union we've been tracking how brands manage to survive, thrive and adapt to their markets over the long-term. While there are obviously many aspects to a company that make it a success, one determining factor rose above all others.

Back to Amazon. When we unpack what exactly other brands and companies are competing against, we realise that Amazon's most significant points of difference are not the usual suspects. They are not distribution models, scale, logistics systems or even their e-commerce engines. In fact, Amazon's most profitable business line isn't even their e-commerce arm – it's their SAAS (Software as a Service) offering.

What sets them apart is how they have embedded their philosophy, and their brand into their DNA. They call themselves Pioneers. When hiring employees, they lay down how they expect everyone to push the envelope, to explore, and to pioneer. They have built their structures around accommodating and encouraging this learning. And, they are in fact more akin to a commercial laboratory, experimenting, trialling and building on what works.

Amazingly over a quarter of their new products or services fail, but they can always say that they have tried, failed and learnt – relentlessly driving on with first-to-market initiatives. What really distinguishes them is that they are an innovations engine.

Innovation is the basic survival gene

Innovation is what breaks the zero-sum model for companies. It's the basic survival gene that will allow brands to adapt, to pivot, to evolve, to learn and to apply faster than their competitors.

Take Netflix for example. Here is a brand that started life as an online DVD rental company. No stranger to innovative ideas, it was their brand DNA that allowed them to successfully make the crucial pivot into online content streaming.

It's rather passé to call innovation a trend, but it is the most fundamental aspect that brands need to engage with in order to secure their futures. It's what will allow categories and industries to sustain themselves or change to secure their longevity.

All too often when we discuss media and marketing trends we think within a silo, focusing on what will make for more compelling forms of communication, but we sometimes miss the bigger challenge of whether marketing is simply tactical attempts at awareness versus true experiential opportunities.

Everyone seems to have bought into the idea of 'experiential marketing', but in order to provide it, we need the support, buy-in and collaboration of more than just the marketing department. Marketing sometimes gets referred to as being 360°. This showcases an outward focus. For true innovation to exist within a company the brand needs to drive innovation as a cultural and systemic attribute, 360° within the company. Marketing therefore potentially has a powerful new position to play in shepherding the efforts of multiple facets of a company in realising innovative experiences.

Marketing is the ideal playground for innovation

There is plenty of information to suggest that there exists an inherent tension between branding and marketing. The one is trying to build consistency, coherence and valuable equity over the long-term. The other is trying to resonate with customers in the short term, building relevancy, awareness and consideration.

Through this lens we could imagine that marketing is the ideal playground for innovation – that its role is to disrupt. We would be half right. It's a great vehicle for innovation, but its goal isn't disruption. We live in a disruptive world. It's the context or the landscape for our efforts. In that case we require some kind of coherence.

Marketing rightfully will seek innovative means, form and content in order to connect with consumers, but branding will need to provide some form of stability that allows the marketing to sometimes miss the mark knowing that the long-term branding will course-correct efforts both internally and externally.

So, here's the trend: branding is the key to unlocking company innovation.

Branding will increasingly be used as an articulate platform upon which a company can build internal capabilities for innovative thought and from which external marketing can safely push the envelope. Branding will finally be acknowledged as a business fundamental and not as a marketing function.

ABOUT MATHEW WEISS

Mathew is the Managing Director for Superunion Africa. He has accumulated broad experience in both design and advertising in the US, Central America and EMEA where he built brands across a range of industries including FMCG, Financial Services, Hospitality and Tourism

#BizTrends2022: Africa's business revolution powered by technology - 5 Jan 2022

#BizTrends2018: Branding is the key to unlocking company innovation - 8 Jan 2018

What does my future look like? Ask a branding agency - 1 Sep 2017

View my profile and articles...

For more, visit: https://www.bizcommunity.com