



## Unit 3

## Performing a SWOT Analysis

Staff Training Solutions

### Learning Outcomes

**By the end of this unit the learner will be able to:**

- ✓ Help your employees live the brand by empowering them to be ambassadors and creating strong brand touchpoints
- ✓ Effectively plan an internal and external brand launch
- ✓ Monitor and evaluate your brand, and understand how to respond to the results

## Unit 3

### Performing a SWOT Analysis

#### What Does SWOT Stand For?

SWOT stands for the strengths, weaknesses, opportunities, and threats facing your brand. The strengths and weaknesses are usually considered to be internal, while the opportunities and threats are generally external to the company. This analysis helps you ask yourself, “Where are you now?” It can also help you identify where you need to go.

You can perform a SWOT analysis using a matrix like the following:

	INTERNAL	EXTERNAL
POSITIVE	Strengths	Opportunities
NEGATIVE	Weaknesses	Threats

A SWOT analysis should consider:

- Your company and its strengths and its weaknesses
- Your products and/or services and their strengths and weaknesses
- The community and what is currently going on that may affect future planning
- Your primary and secondary target markets and what they want/need
- The competition and what they are doing

- The external forces that will affect your business
- Opportunities that are available to you and your company
- Environment and market factors that could threaten your business

### Sample SWOT Analysis

Perform a SWOT analysis on your pre-assignment brand or on your company's brand.

	INTERNAL	EXTERNAL
POSITIVE	Strengths	Opportunities
NEGATIVE	Weaknesses	Threats

### Measuring Brand Health with a Balanced Scorecard

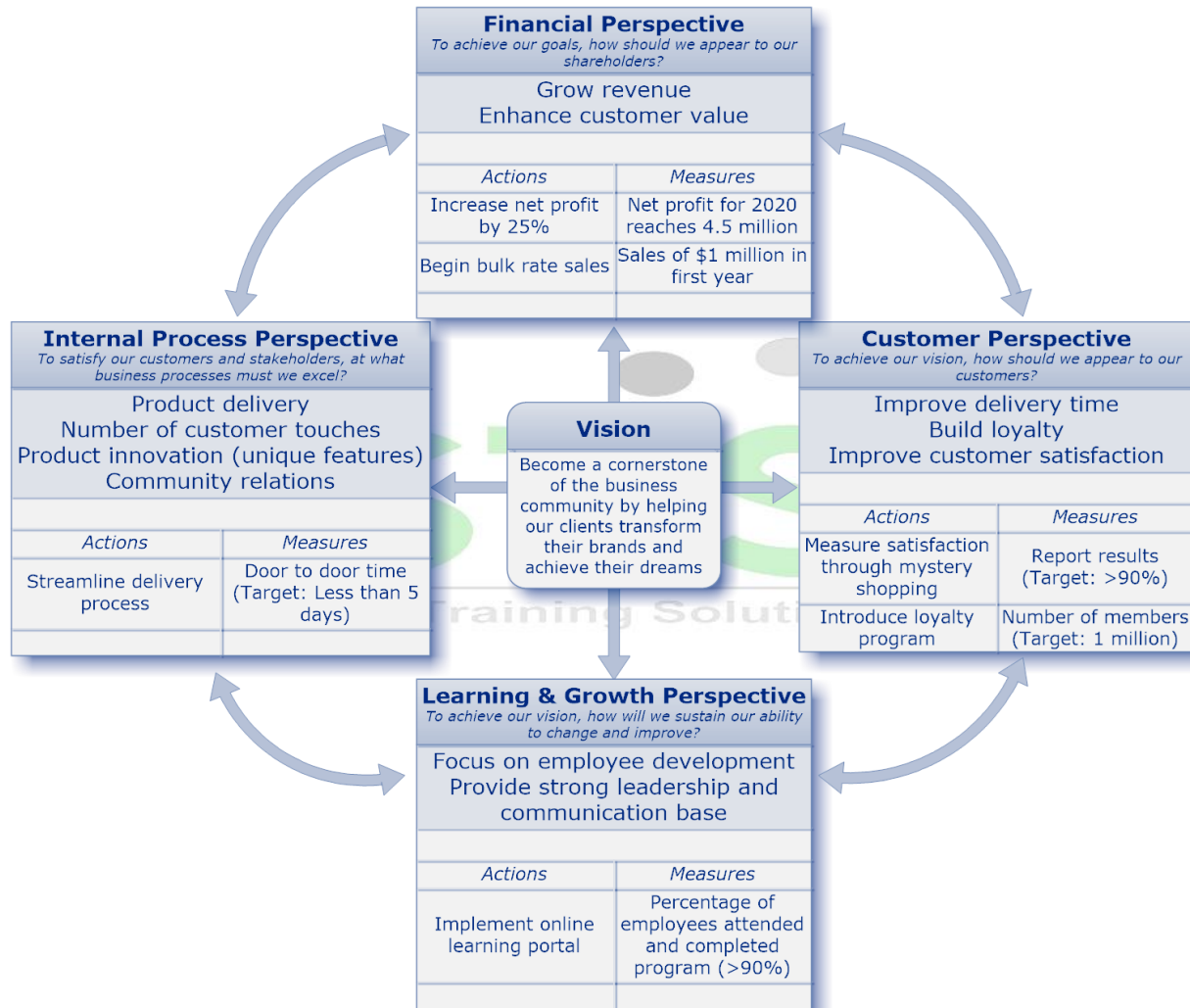
Although the balanced scorecard is a fairly new addition to the business world, its integrated focus is ideal for monitoring a brand and evaluating how well it is doing, compared to its intended purpose and metrics.

A balanced scorecard typically focuses on **four perspectives** of the business:

- Customers
- Finance
- Internal processes
- Employee learning and growth

The balanced scorecard is not a fad or a quick fix. It requires a significant investment in time and resources. In most organizations, it takes one to three years to complete the design and implementation process. Then, resources must be invested to monitor, report, and communicate results, and to evaluate and update the scorecard.

Here is an example of a balanced scorecard:



It can easily be modified to reflect the important perspectives for a brand.

## Middleton’s Brand Matrix

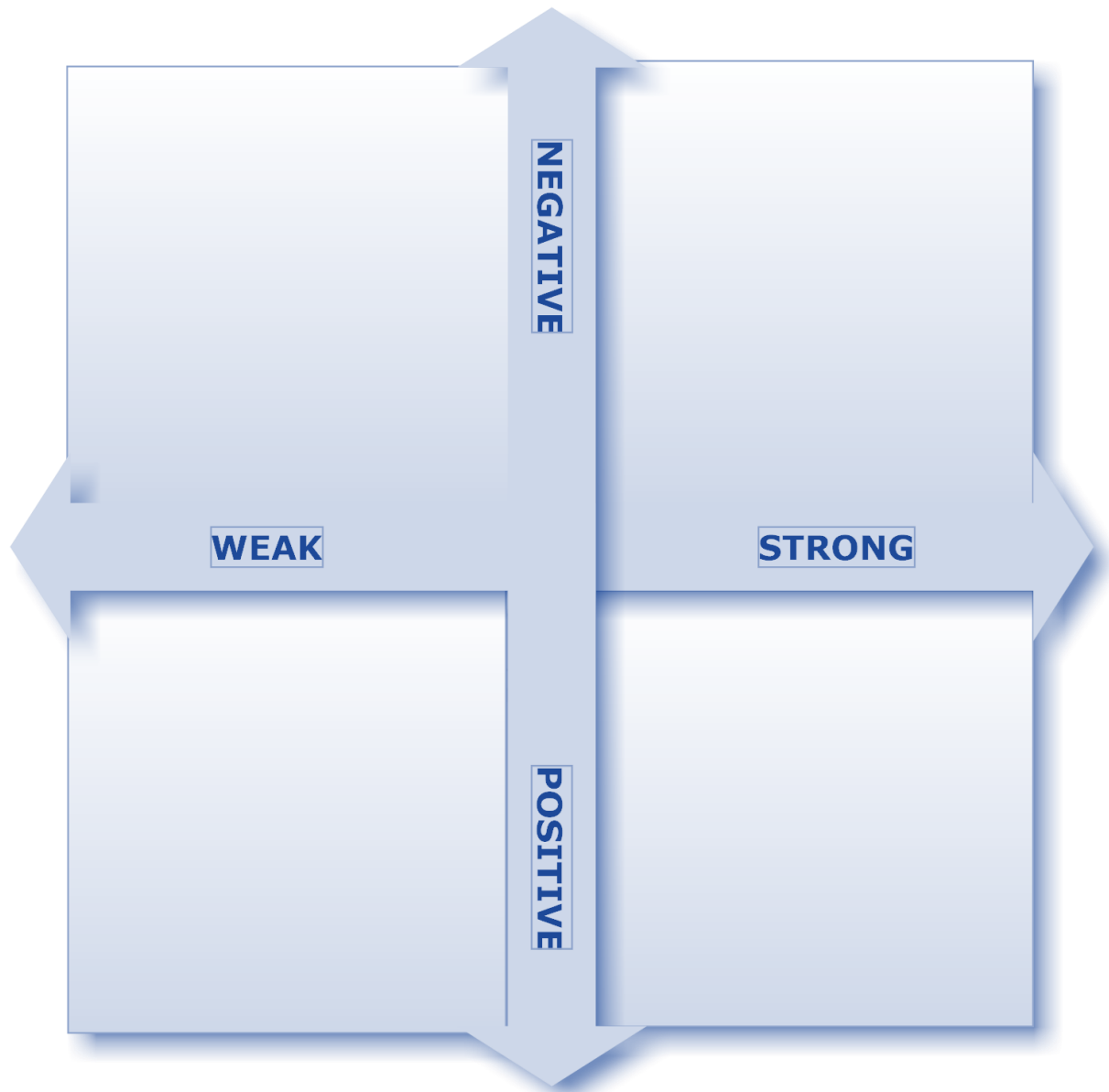
### Understanding the Matrix

Another method that you can use to evaluate your brand is Simon Middleton’s brand matrix, which plots out brand strength and positivity. It is quite similar to a SWOT analysis but more branding-focused. It can help you identify the strong and weak points in your brand, and to compare your brand to others. Here is a look at the matrix as well as the characteristics of each quadrant.



### Using the Matrix

- Mark your brand on the matrix.
- Mark brands that your co-participants have chosen.
- Mark three common brands.



## Interpreting Evaluation Results

### Signs of Trouble

After evaluating your brand, take some time to analyze the results and identify trends. Here are some signs that usually signify trouble in a brand.

- When you ask, “How are we meeting our brand promise?” and, “How do you feel about the brand?” you get many different answers, or consistently negative answers.
- There is a significant drop in sales and/or social media presence that cannot be explained by market factors.
- Your customers have indicated that they do not feel important.
- The market opinion of your product does not reflect your brand.
- Your brand appears in the media in a negative light. (In particular, watch for jokes about your product in sitcoms and late-night talk shows.)
- Organizations and corporations have severed their partnerships with you.

### Choosing a Course of Action

Based on your evaluation results, you can choose a few courses of action. Be sure to analyze each possible course of action carefully, outlining the pros and cons of each, and consulting your marketing team as well as senior executives, employees, shareholders, customers, and perhaps even suppliers or other key groups.

#### **Option One: Keep doing what you are doing; change nothing.**

If your evaluation indicates that your customers and employees are happy, and that the brand is living as it you have designed it, then you will probably want to keep doing what you are doing. However, remember that no growth often quickly translates into losses.

Even if things seem to be going south, you may still want to continue with your current branding plan. This may be the case if you need to ride out a tough month in the market, for example, or some negative publicity.

#### **Option Two: Change a few things to keep the brand fresh.**

After an analysis, this is the most common course of action. You will probably want to tweak your existing strategies, retiring those that are out of date and adding new ones to the mix. Constant growth is the best way to maintain a steady brand presence.

#### **Option Three: Bring out the big guns.**

Your latest customer feedback analysis shows that most of your customers think that you offer the cheapest widgets out there. The problem is that your product line now focuses on robots – and premium models at that! The branding process has gone terribly wrong somewhere along the line.

This means that you need to take drastic action, and soon. In this case, you will likely go for a major brand campaign, a refresh and re-launch, or perhaps a total rebranding effort. As you can probably imagine, this is a big endeavor, so make sure that you plan carefully and invest the necessary time and resources to do it right.

## Keeping the Brand Alive

### Refreshing and Re-Launching

#### When to Refresh?

As your organization grows, your products and services will evolve, and your brand must evolve as well.

Some common triggers of a brand refresh include:

- New leadership
- Merger
- New product
- Significant marketplace shift
- Geographical shift

#### What brand refreshes have you seen?

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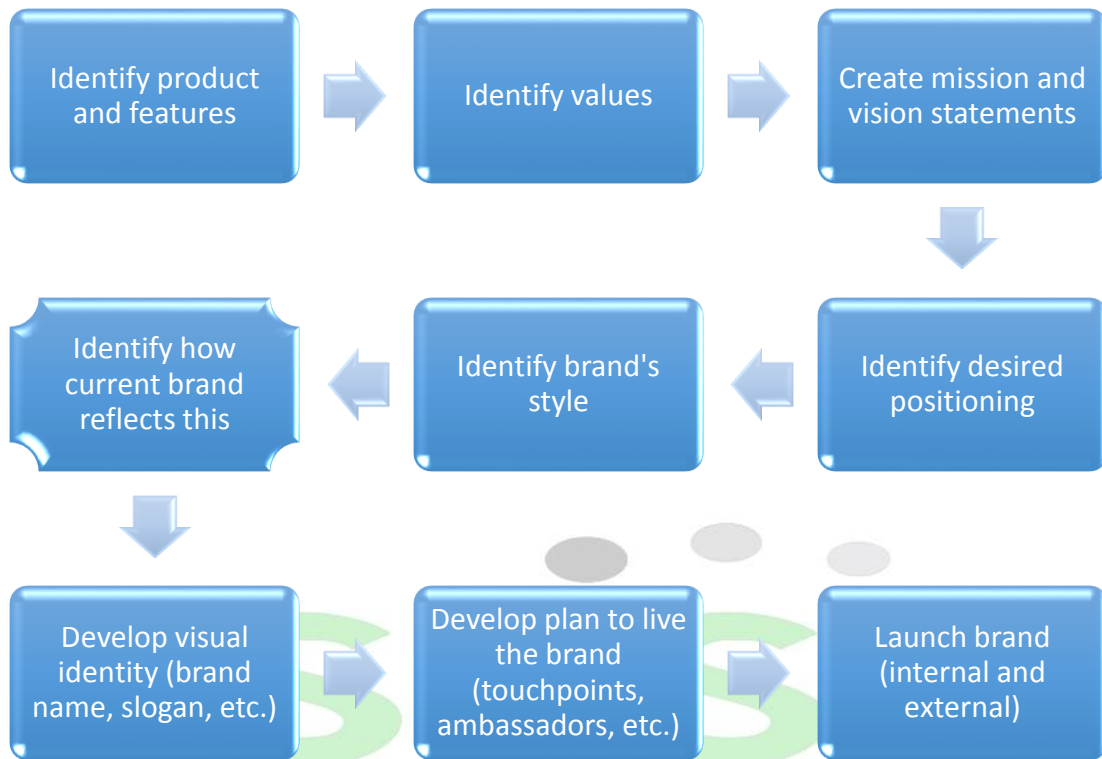
A refresh can require a lot of time and resources. You must make sure that the refresh is implemented in a consistent way and that both customers and employees understand the reason for the change, what they can expect from the change, and how the company is still the same.

#### Re-Launching the Brand

The good news is that a brand refresh means you should have a re-launch too! You can choose to do it all at once or to phase the change in. Regardless of which method you choose, make sure to plan:



If you choose to do a total rebrand, do it right. Your process should look like the from-scratch branding process that we have learned about in this workshop, with one step added:



There is one step that we have added (and emphasized above): to compare the old brand with the information that you have gathered. This will help you identify what worked before (and what might work now), as well as point out any mistakes that you don't want to repeat.

When you have completed the nuts and bolts of the re-brand, you will want to take extra care when planning its launch. You want to make sure that it gets off on the right foot, conveys the desired message, and is as separate or as intertwined with the old message as you desire. It's easy for everyone to fall back into old habits!

### Case Study

You are the new CEO of Acme Widgets Inc. Sales are good, but you have some concerns about the brand identity. You know that one of your biggest challenges is to revitalize the corporate brand, but you're not sure what the best approach is. The current brand identity looks like this.

#### Brand Name

WidgetMaster + Version Number (latest is 4500)

## Slogan

“Making time for you.”

## Products and Features Description

- We sell four types of widgets and provide widget repair service.
- Three of our widgets are for home use.
  - The base model provides basic cleaning services and saves customers about one hour each day.
  - The middle model provides better cleaning services as well as laundry duties. It saves customers about two hours each day, plus all maintenance fees are waived for three years.
  - The top-end model performs all services of a traditional butler. It saves customers at least four hours each day, plus all maintenance fees are waived for its lifetime.
- Our industrial widget is custom-built and is designed to integrate with any assembly line. On average, businesses save \$1,500 per day in labor costs by using our widgets.

## Values

None set

## Mission Statement

To provide the highest quality widget at the best price.

## Vision Statement

We will focus on improving our product line through customer feedback, industry studies, and intensive research in development. These efforts will support strengthening our global presence and make the anticipated line of four household widgets and three industrial widgets the preferred brand worldwide.

## Market Position

- Innovative design
- Modern approach
- Trustworthy service
- Financially sound

## Style

- Reliable
- Friendly
- Helpful





## Going Beyond the Brand

### Understanding Brand Architecture

So far, we have discussed brand identity as a single unit. However, there are many ways that brands can be structured. Let's look at a few of the most common structures.

### Umbrella or Family Brand

The product and its corporation are linked through the brand name. This complete name is presented to all audiences.

**FedEx** is an excellent example:



The link with the parent company can work for or against a product. For example, if FedEx Ground started experiencing severe delays, customers of the other FedEx brands might become worried that those problems would occur across the chain.

### Endorsed Brands

Another option is to acknowledge the parent company in the brand name, but not link it inextricably. A good example is Polo by Ralph Lauren; Polo can stand on its own, but the designer name gives it some additional strength. (Conversely, if Ralph Lauren were to encounter some problems, the marketing team would have some wiggle room to distance themselves from the parent name if necessary.)

Some other examples include:

- Frommer's by Lug
- Cadbury Dairy Milk
- Sony PlayStation
- Babies R Us

### Individual Brands

Companies can also choose to market their products completely independently of their company name. For example, did you know that all of these brands belong to Proctor & Gamble (now branded as P&G)?

Pampers	Old Spice	Zest	Tampax
Iams	MACH3	Swiffer	Downy
Bounty	Oral-B	Febreze	Pringles
Cascade	CoverGirl	Mr. Clean	Scope
Eukanuba	Olay	Crest	Vicks

### Understanding Brand Extension

A strong brand can also be used to spin off an entirely new product line (or even several product lines). This can help jumpstart a new product, but if the new product flops, it can do damage to the original brand. (Do you remember New Coke?)

You will often see brand extensions in these forms:

- A new spin on an old product
- A new timeframe (for example, a breakfast chain expanding into brunch)
- An entirely new product that is related to the existing, successful brand

Some examples of successful brand extensions:

- Coca-Cola spin-offs (Diet Coke, caffeine-free Coke, etc.)
- Ralph Lauren's jump from clothing to home furnishings
- Arm & Hammers jump from baking soda to products containing baking soda (antiperspirant, laundry detergent, toothpaste, etc.)
- Virgin Record's creation of many product lines (including travel, gaming, stores, and mobile phones)
- TGI Friday's line of frozen products to cook at home
- The iProducts created by Apple

Some brand extensions that we'd rather forget:

- BIC underwear
- McDonald's pizza
- Kellogg's street wear
- Crystal Pepsi

Brands may also partner with other brands in order to co-brand a product and extend it into new markets. Some examples include:

- Bath & Body Works promoting Victoria's Secret perfume (which they manufacture)

- Gas coupons at the grocery store, and vice-versa
- National Geographic and Google Earth partnering to offer services and share advertisements
- Mobile devices pre-packaged with brand-name software
- Men's clothing line opening a shop inside a hardware department store

### Further Reading:

- ✓ *Peters, Paula. The Ultimate Marketing Toolkit. Adams Media, 2009.*
- ✓ *Wheeler, Alina. Designing Brand Identity. Wiley, 2009.*

