

ARE BRANDS DELIVERING ON THEIR PROMISE, BOTH INSIDE AND OUT?

THE **INVOLVE** REPORT 2015

INVOLVE

A brand's promise is about building relevant and valuable experiences for consumers – those that create a true impression of what a company stands for. In practice, it's about delivering on what you say you'll do, time and time again. When promises are broken it takes years to earn back trust.

Those claiming to be the “The friendly bank”, but leave you holding on the phone for 19 minutes or supermarkets who profess to “care more about my world” but are too distracted chatting to their mates to serve anyone, are brands who deliver an inconsistent customer experience that falls disappointingly short of their promise. Those that get it right deliver on a promised experience and are recognised for it by employees, the market and consumers alike.

For brands to truly engage with customers they need to provide seamless experiences every time. But what does that mean in reality? How are they delivered and, most fundamentally, by whom?

Our research shows that most senior marketing, brand and customer experience directors believe that employees are the key to delivering great customer experiences. If employees are engaged with what your brand stands for, they will in turn, be your natural ambassadors, and most powerfully deliver the best experiences - earning trust and winning loyalty from your customers.

Nearly all people interviewed strongly believe that internal brand engagement provides other benefits such as a sense of belonging, shared values, and a clear purpose that all contribute to improved staff motivation. As a consequence, half believe it makes a positive contribution to financial performance as well as customer retention.

Although most of the companies we interviewed think brand engagement works, shockingly, 50% believe they are failing to engage their employees. Almost half believe their own attempts at internal brand engagement are ineffective.

WHY THE DILEMMA?

OUR RESEARCH POINTS TO 3 CONTRIBUTING REASONS;

1. The poor cousin

There is a lower value perception of internal communications. Key stakeholders simply find these internal activities less exciting than their external communications.

2. Measuring nothing

KPI's are often not defined so the impact is never apparent nor tangible. The majority of companies do not benchmark or create engagement KPI's from the off set.

3. Share of wallet

Budget commitment and allocation is limiting. Almost half of the companies surveyed spend between 1% and 3% of their overall marketing budget on employee brand engagement. If they had more, it still would be nowhere near the top of their list.

So why should senior marketing and customer experience directors invest in their employees more and focus on the further value they can bring through brand engagement programmes?

Because the balance of power has changed

Companies don't own their reputation, their employees and customers do. In a digital world, people can build or damage the reputation of your brand, in a matter of minutes. Perceptions, trust and loyalty towards a brand is influenced by other peoples' experiences; the good and bad stories that they tell.

Building a case for investment to engage your employees is key to creating authentic customer experiences and building a positive reputation.

Evidence in our survey points towards a need to re-consider how brands value employees, the most precious assets you have, and making engagement part of a brands' measurable success. Only then can companies be sure to live up to and deliver all those wonderful promises, in the real world.

Jeremy Starling

Managing Director

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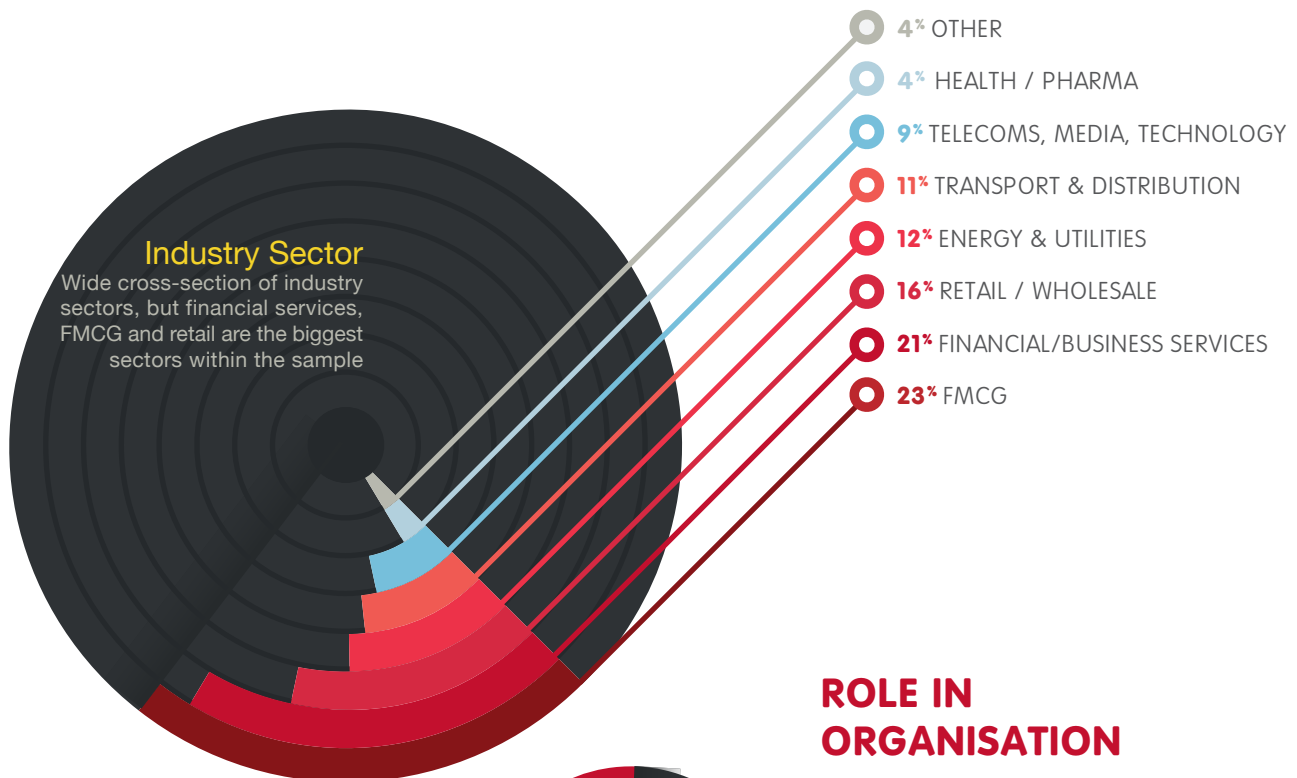
INTRODUCTION

Illuma Research undertook telephone-based research with 150 CMOs, Marketing, Brand and Customer Service Directors within a cross-section of industry sectors. Financial services, FMCG and Retail were the biggest sectors within the sample.

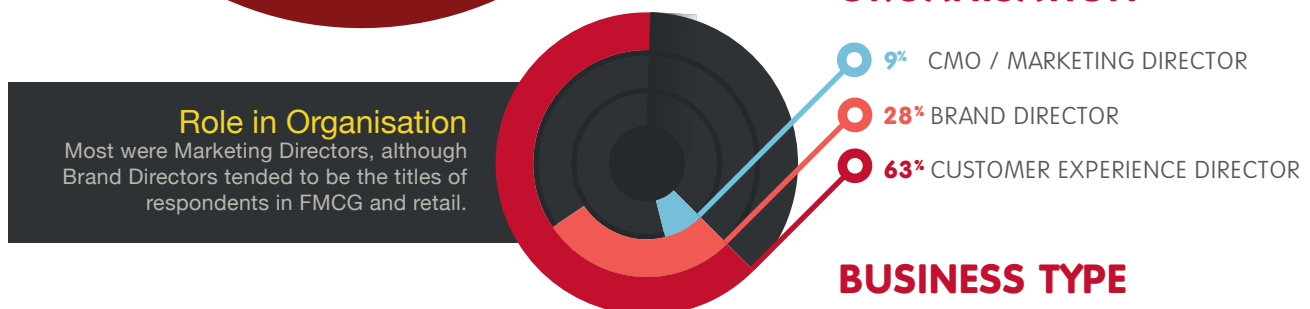
The types of businesses surveyed include FTSE 100 and 300 organisations, the UK subsidiaries of multinationals and UK-headquartered non-FTSE 350 organisations.

WHO DID WE SPEAK TO?

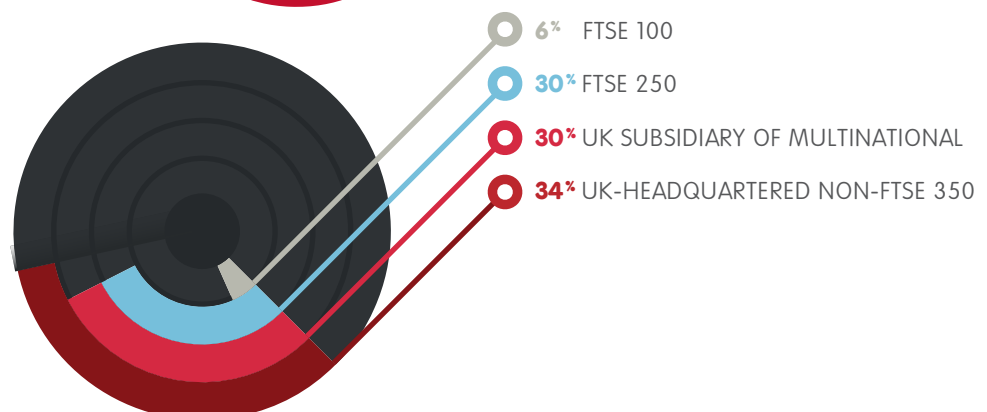
INDUSTRY SECTOR



ROLE IN ORGANISATION



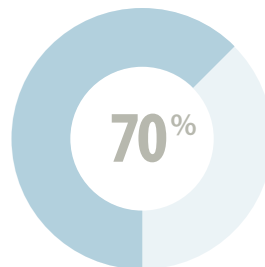
BUSINESS TYPE



THE KEY QUESTIONS WE ASKED WERE:

HOW EFFECTIVE ARE YOUR EMPLOYEES AT DELIVERING AN OUTSTANDING CUSTOMER EXPERIENCE?

The average score was just under 70%, with almost no one being prepared to admit that their internal teams are poor.



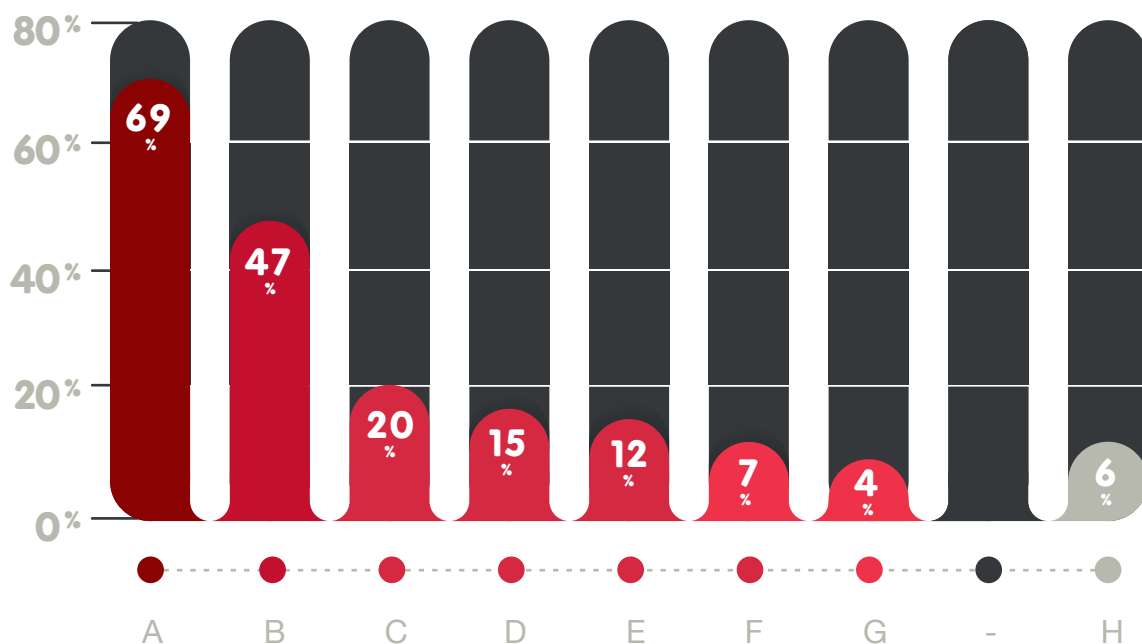
Our respondents showed great belief in their internal team's ability to deliver.

WHEN DO YOU USE INTERNAL BRAND ENGAGEMENT PROGRAMMES?

Almost 70% of respondents use internal engagement programmes for new product and brand launches.

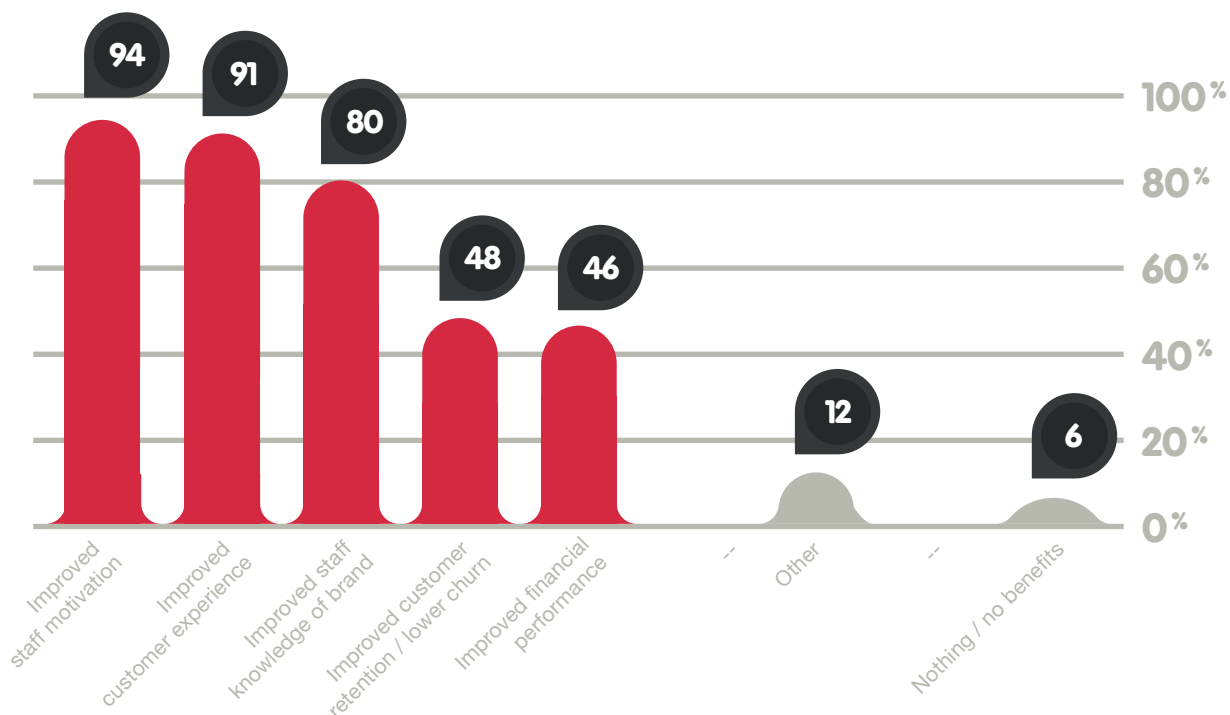
Nearly half claim to run programmes regularly. Others employ them if there are major changes in senior personnel, as the result of feedback from surveys and to improve financial performance.

- A NEW PRODUCT / BRAND LAUNCHES
- B NO SPECIFIC SITUATIONS: USE THEM REGULARLY
- C IF MAJOR CHANGES IN SENIOR PERSONNEL (E.G. CEO)
- D FOLLOWING FEEDBACK FROM SURVEYS (EG CUSTOMER SATISFACTION)
- E TO IMPROVE FINANCIAL PERFORMANCE
- F TO NEGATE NEGATIVE MEDIA COVERAGE
- G OTHER
- H NONE / DON'T USE



HOW EFFECTIVE ARE INTERNAL BRAND ENGAGEMENT PROGRAMMES? WHAT ARE THE BENEFITS THEY DELIVER?

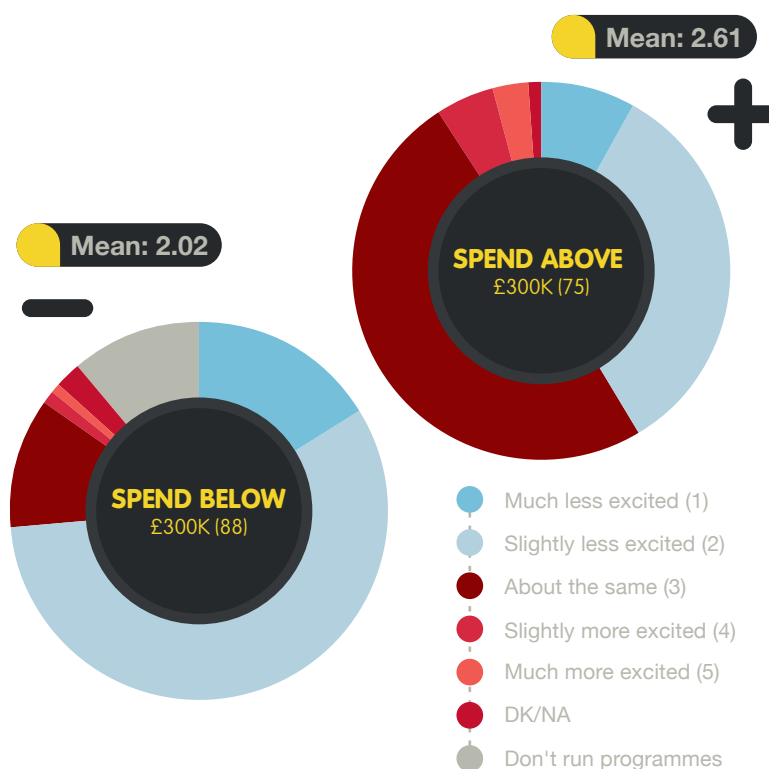
There is a strong belief in the impact of such programmes with almost 70% of respondents saying they improve the overall customer experience. And when asked, only 6% felt there were no benefits of running brand engagement programmes.



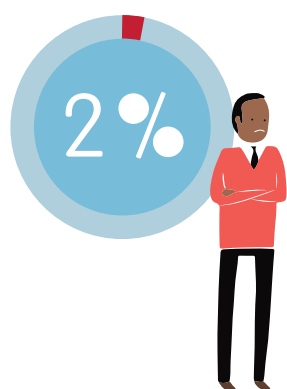
HOW EXCITED ARE YOU BY YOUR INTERNAL BRAND ENGAGEMENT PROGRAMMES?

There is a consensus that these programmes are less exciting than external marketing activity. Almost 60% are either slightly or much less excited.

The main reason is the low creativity and low spend invested in internal programmes. Those that spent less than £300,000 were much less excited by these programmes than those that spent more.

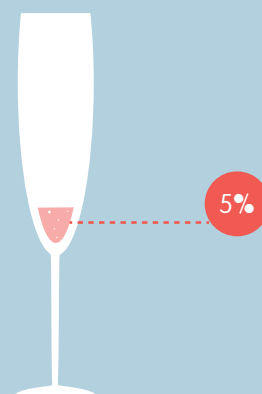


**HOW MUCH DO YOU SPEND ON INTERNAL BRAND ENGAGEMENT?
HOW MUCH DO YOU SPEND ON MARKETING OVERALL?
WILL THIS CHANGE?**



ALTHOUGH AN AVERAGE OF 9% OF MARKETING SPEND WAS ON IMPROVING CUSTOMER EXPERIENCE, **THE AVERAGE SPEND ON EMPLOYEE BRAND ENGAGEMENT IS ONLY 2%.**

THE AVERAGE SPEND IS £390,000 ALTHOUGH **1 IN 6 CLAIM TO BE SPENDING OVER £500,000.**

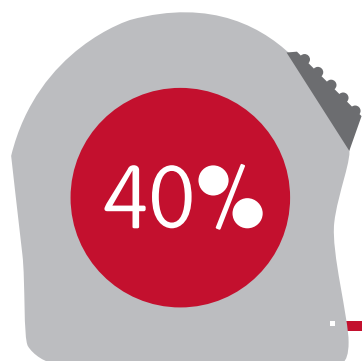


IF OUR RESPONDENTS HAD AN EXTRA £1M TO SPEND ON A PRODUCT LAUNCH, NEARLY **60% WOULD SPEND LESS THAN 5% OF IT ON INTERNAL BRAND ENGAGEMENT OR NOTHING AT ALL.**

HOWEVER, THOSE THAT SPEND MORE MONEY ON BRAND ENGAGEMENT PROGRAMMES BELIEVE THEY ARE MORE EFFECTIVE. **64% OF RESPONDENTS THAT SPEND OVER £300,000 BELIEVE THAT THEIR PROGRAMMES WERE FAIR TO VERY EFFECTIVE.**



TO WHAT EXTENT DO YOU MEASURE THE EFFECTIVENESS OF INTERNAL ACTIVITIES?



Only half of the companies interviewed claimed to be measuring effectiveness “to a great or a fair extent.”
Over 40% say they measure to a slight extent or not at all.

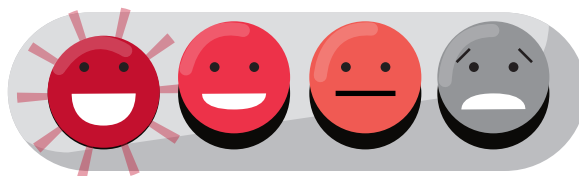
OR THOSE THAT YOU DO MEASURE, THE TOP THREE METRICS ARE:

MEASUREMENT OF
STAFF ENGAGEMENT



68%

INTERNAL EMPLOYEE FEEDBACK



77%

CUSTOMER
FEEDBACK

71%



LADBROKES – BRAND VALUES ACTIVATION

Ladbrokes' ambition is to regain the number one spot in the international betting and gaming market. A key driver to make this happen was transforming their culture by activating a core set of brand values: Buzz, Bold, Team and Winners, which were identified by employees as representing Ladbrokes when it's at its best.

INVOLVEMENT SOLUTION

Ladbrokes' people are their market and brand differentiator. Freeing them up to create a great shop and head office environment through the 4 brand values was seen as an excellent way to make Ladbrokes a better place to bet and so an even better business.

So started a five-year multi-channel campaign to re-enforce their brand values, based around involvement and co-creation. The programme started by driving awareness amongst all 16,000 employees, then engagement and involvement and then by building values-led management to drive performance into the everyday work environment.

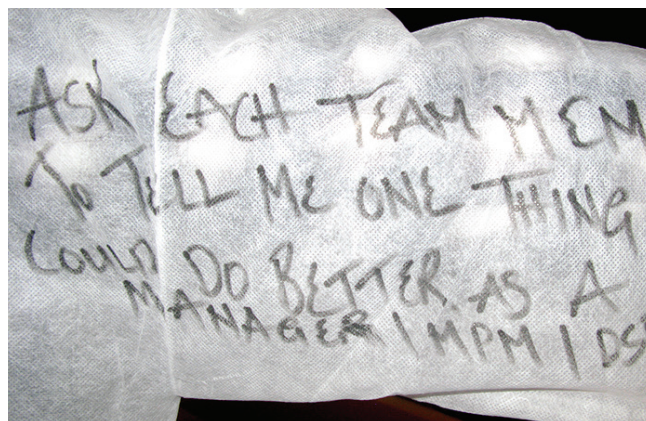
INVOLVE CREATED AND DELIVERED ACTIVITIES AND SUPPORT WHICH INCLUDED:

- The 'Breakthrough Zone' – an intensive four-week experimental phase to turn up the brand in a small area of the business
- Activation events involving 3,000 managers put through their paces in intellectual, emotional and action oriented challenges
- A brand toolkit
- A values 'rap' – written, and later performed at live events, by a Ladbrokes employee and broadcast into all the shops

RESULTS

The campaign generated great results, including to date:

- 85% awareness, six months ahead of target
- 70% uptake by Ladbrokes' employees having brand led discussions with their managers
- A record 12% upswing in employee scores
- The shops in the Breakthrough Zone achieved a 20% year on year increase in performance



GATWICK AIRPORT – PASSENGER EXPERIENCE PROGRAMME

Gatwick was brought under new management and started the biggest transformation in its history. The aim was to make it the airport of choice for London and mainland Europe by constantly improving the passenger experience and over-delivering on customer needs.

INVOLVEMENT SOLUTION

Following detailed research amongst employees it became clear that the first priority was to focus on ‘how’ things were delivered, rather than ‘what’ was being promised.

INVOLVE was asked to develop a programme to help their employees to understand the brand promise of ‘Deliver Better Together’ and bring to life what delivering ‘unforgettable positive service’ really looks like.

The six-month programme involved all 2,500 Gatwick staff.

INVOLVE created the Rhythm of Gatwick workshop – the energy and pulse that is the lifeblood of the airport – to define how Gatwick staff work as a team to ‘Deliver Better Together’.

The workshop linked service with the individual’s role within the Gatwick experience and included:

The Bigger Picture – teams of five worked on blank canvases which would come together to create a large painting of the Gatwick experience. A test of collaborative working to challenge the best part-time Picasso.

True or False – creating three stories around ‘Deliver Better Together’ – two true, one false – allowing teams to share experiences and discuss the brand and what it stands for.

RESULTS

Rhythm of Gatwick created perfect rhythm – in which every employee works together to create a positive, unforgettable experience for passengers, partners and colleagues.

Passenger feedback proved that the programme worked brilliantly. Complaints dropped by more than 50% compared with the previous 3 years, and compliments were up 300%.

The programme was also key in helping Gatwick achieve its Investor in People accreditation.



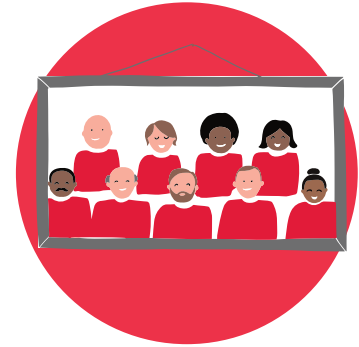
HOW TO KEEP YOUR
BRAND PROMISE
BY LIVING YOUR BRAND INTERNALLY



GET IT RIGHT INSIDE FIRST.
A BRAND IS A PROMISE.
TRUST TAKES A LIFETIME TO BUILD
AND A MOMENT TO LOSE.



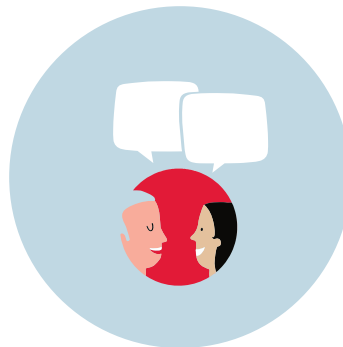
IT'S ABOUT **DELIVERING A
DIFFERENTIATED BRAND EXPERIENCE**
NOT JUST GREAT CUSTOMER SERVICE.



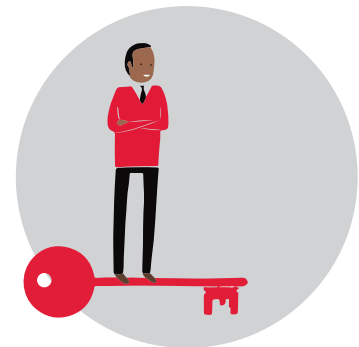
**IT INVOLVES EVERYONE IN
THE ORGANISATION, NOT JUST
CUSTOMER-FACING EMPLOYEES.**



**HELPING PEOPLE TO LIVE YOUR BRAND
INTERNALLY IS ABOUT INVOLVEMENT,
NOT COLLATERAL.**



FACE-TO-FACE COLLABORATION
AND DISCUSSION IS THE MOST
POWERFUL WAY TO CREATE DEEP
UNDERSTANDING.



LINE MANAGERS ARE KEY.
THE MORE THEY UNDERSTAND WHY AND
HOW TO LIVE YOUR BRAND, THE MORE
YOUR PEOPLE WILL GET IT AND THE
MORE YOUR CUSTOMERS WILL NOTICE.



HELP EMPLOYEES TRANSLATE WHAT
LIVING THE BRAND MEANS TO THEIR
ROLE, LOCATION AND PERSONALITY.
IT'S NOT A SPRAY JOB.



LIKE ALL THE BEST MARKETING,
IT'S NOT A ONE-OFF ACTIVITY -
IT'S A SUSTAINED CAMPAIGN OF
ONGOING ACTIVITY.



YOUR BRAND PROMISE IS NOT A CODE
OF CONDUCT, A WAY OF 'DOING'.
IT'S A WAY OF 'BEING'.

FOR DETAILS:

INVOLVE's belief: The battle for success amongst the world's leading businesses is won or lost on people power. Companies that are winning are those whose employees have passion, belief and ownership for what their business stands for and what they are trying to do. The race is on to find ever more potent ways to help your people make a difference. We can help you win it.

We design and deliver employee brand engagement programmes for you to increase co-creation, collaboration, participation and ownership, throughout your organisation. We create active, hands-on experiences for your people that accelerate change and bring your brand promise bursting into life.

We've been helping our clients deliver real, measurable results for almost 20 years and offer an unparalleled combination of content management, pioneering creative ideas and a reputation for flawless execution.

For further information, please contact:

Benedict Kingsmill

Head of Brand Engagement

+44 (0)20 7720 0105

bkingsmill@involve.co.uk

