

Weathering the Storm:

# A Three-Step Approach for Brand Management

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MARKENBERATUNG

May 2020

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## It's time to act

For businesses and brands, COVID-19 is a nightmare. All this talking about how great things might be “after the crisis” is nothing but whistling in the dark, and we all know it. However, and hopefully sooner rather than later, there will be an after. And you and your brands better be prepared. So, what should you do? We propose a three-step approach, and we propose you should better get going right away.

Spirit for Brands is an international brand and marketing consulting firm and a leading advisor in this field. We partner with clients from all sectors and regions to identify their brand and marketing challenges, identify value-creating opportunities, and grow their brands and businesses. Founded in 2014, we have helped a broad range of enterprises to create competitive advantage and safeguard results that last. For more information, please visit [www.spiritforbrands.com](http://www.spiritforbrands.com)

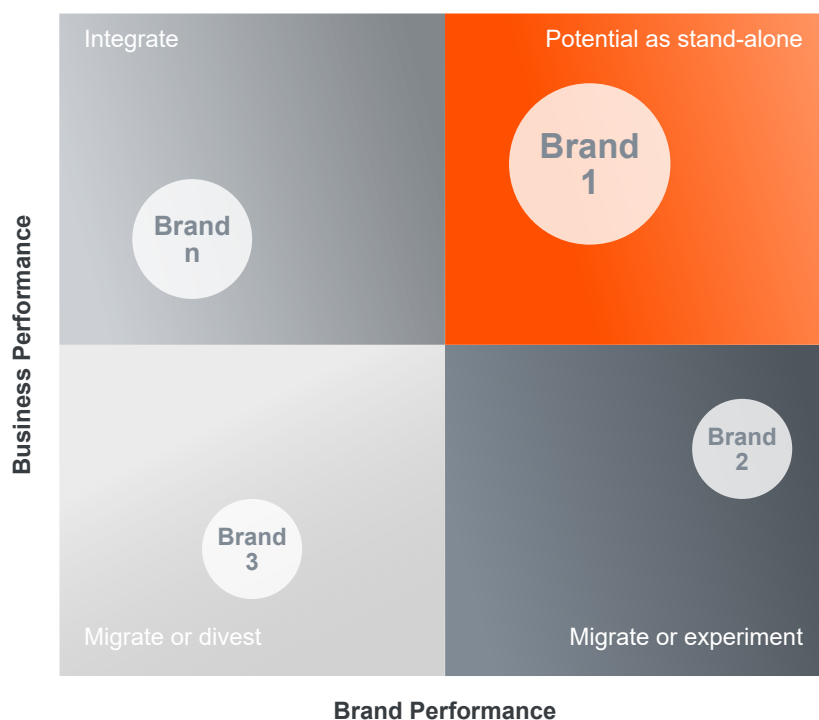
# 1. Get lean

For many businesses, their existence is at stake, which means management has a new key priority: Protect their cash. They ask questions like, how long can we continue to operate, given our cash burn rate? And what additional sources of capital can we pursue, and what lead time do they require?

So this is probably not a good moment to ask your CEO to review your new brand purpose or ad campaign. Instead, this is the time to review brand projects and other initiatives to determine which should be accelerated, continued, delayed or canceled. But capable

brand managers do more. They re-evaluate and potentially streamline the brand portfolio. Remember that during the 2008/09 crisis, companies that divested slow-growth assets fast did much better than those who didn't.

So, don't waste the crisis – identify the cash-burners and laggards in your brand portfolio, and consider giving these brands up. You might also think about how you can sell brands (and potentially, lease them back) in order to add additional cash to the tills.



*An exemplary approach to streamlining your brand portfolio*

## 2. Navigate your brand through the crisis

This is a time when people – and customers – are anxious, even scared of what is to come, and brands can play a key role to rebuild trust within their communities. And yes, this includes corporate social responsibility initiatives and meaningfully support your customers and the community. However, what matters most is that your brand “does the job people want to get done“, to quote the late Clayton Christensen.

Refocusing on delivering the core benefit of your brand can help reallocate marketing spend to programs that create wins in both savings and revenues. In addition, you should concentrate on getting the basics right: Focus on a few KPI's to drive marketing spend efficiency; optimize marketing procurement; and manage pricing instead of discounting that only destroys value.

### Refocus on delivering the core benefit to...

- Reallocate marketing spend
- Focus on few KPI's
- Optimize marketing procurement
- Manage pricing instead of discounting

rebuild/maintain trust



*Keep priorities for your brand during the crisis*

## 3. Get ahead of the next stage

While we still do not know how long the acute crisis will last, it is clear that most companies will be very vulnerable to the economic fallout of the crisis. However, a strong brand – or a portfolio of strong brands – will be instrumental in tackling the number of issues your business will be facing. To this end, it is essential to make you brand fallout-ready – safeguarding relevance and differentiation in a dramatically re-sorted marketplace.

We believe the best way to do so is by re-

examining the link between your business-case and your brand. If post-crisis, your business case will change – and it probably will – then why should the brand's identity, value proposition and communications stay the same?

This is why our approach to getting ahead after the crisis begins with your business case, in various scenarios. Based on this foundation, we can better understand if your concept of branding needs to evolve, and in which direction.

So, here's the news: In contrast to the textbook methodology, we turn the branding process upside down – starting with the

brand's value contribution and demand generation, and ending with the identity.

**Task 1: A strategic plan for the unfolding stages of the crisis along the value chain**

	next 1-2 quarters	next 1-2 years	next normal
Baseline/starting point			
Scenario "risk"			
Scenario "opportunity"			
Basic attitude			
Strategic moves needed			
Role of brand for business			

**Task 2: Deriving the need to align your brand along the way to next normal, upside down**

	next 1-2 quarters	next 1-2 years	next normal
Value contribution			
Demand generation			
Customer experience			
Storytelling			
Value proposition			
Identity			

*Two tasks to get ahead of the next stage*



## Summary

Get lean by streamlining your brand portfolio. Navigate through the crisis by refocusing on the core benefit of your brand and getting the basics of brand management right. And, finally, get ahead of the next stage by re-examining the link between your brand and the future business case of the firm.

Three essential steps which help you weather the storm – and make marketing and brand a key driver for your business.

Start today – **and good luck.**

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