The challenge of the global brand
by Hayes Roth
Handbook on Brand and Experience Management
Columbia Business School
June 2008

Landor
The challenge of the global brand
How BP and Panasonic have built their brands around the world

“We’re a global brand.”

How many times, in how many boardrooms around the world, has this claim been made over the past 30 years? In the 1970s it was almost always more vision than fact, with only a handful of companies able to cite concrete evidence of such status—arguably Coca-Cola, PepsiCo, and Pan American World Airways; maybe Colgate-Palmolive, IBM, and Shell—and even these (with the possible exception of Pan Am) could essentially point only to Western markets as their domain. Whole continents were still off-limits politically and culturally to American and Western European brands.

In the 1980s, it was primarily global hope-to-be’s who were beginning to stake ground for the future while struggling to figure out how to actually get there. Cool start-ups and aggressively reinvented brands in fashion, technology, and transportation—Nike, Microsoft, Sony, Apple, British Airways, Honda—began to push frontiers and establish brand reputations far in excess of their actual market footprint.

By the 1990s, as the walls between East and West crumbled, the race for global brand domination was on. It became the “decade of the brand” and everyone had to have one. Never mind that the so-called brand was as ethereal as vaporware or as disappointing as the mostly forgotten, ill-conceived, fundamentally flawed online experiments of the late 1990s (remember the Pets.com sock puppet?).

Today, global brands aren’t a marketer’s fantasy. They are highly valued, tangible corporate assets that require immense investment and infrastructures to manage, build, and quantify. And they come from everywhere! Forty-eight of the top 100 global brands in 2007 as ranked by the Millward Brown Optimor study are not American, and a number of those did not even exist 25 years ago.1 Perhaps most telling of all, the fifth most valuable brand ranked in this study is China Mobile.

This is a big, powerful club. But to rightfully belong takes far more than size and recognition. Large, successful, truly global brands are about something more than footprint and distribution—they are about a commonly understood, relevantly differentiating


Hayes Roth is chief marketing officer of Landor Associates.

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This article will be published in the Handbook on Brand and Experience Management edited by B. H. Schmitt and D. L. Rogers of Columbia Business School (forthcoming).

1 Millward Brown Optimor, Top 100 Most Powerful Brands (2008).
Most new ideas begin by serving either a niche market with a highly relevant idea or a broad market with a highly differentiated offering.
sustain a viable, growing business. A global brand must do this on a macro scale, delivering a reliable core promise while remaining relevant to diverse audiences.

Though some well-established corporations have been known to launch a product concurrently across the globe, such tactics are rare. Product and service launches from even the largest corporations tend to roll out regionally, and start-up organizations almost never embark as global brands. Messrs. Hewlett and Packard were not likely contemplating world domination from the garage on Addison Avenue as they built their fledgling business. Even the ubiquitous Starbucks was first a local coffeehouse. Most new ideas begin by serving either a niche market with a highly relevant idea or a broad market with a highly differentiated offering. Both take time and considerable energy to establish successfully on a large scale.

So how are global brands created? Is there a formula for success? A set of simple rules, perhaps, from which others may learn and prosper? Or is it more like the path of the salmon, an instinctual and desperate struggle to move upstream against all odds until finally arriving at the “high water” from which to propagate?

Not surprisingly, the answer is elusive and varied. At Landor Associates, we have had the great privilege to work with visionary leaders across almost every industry and product category. Over time we have noted some branding truths as well as the inevitable exceptions. As always, the case can best be made through example. Here are the stories of two great companies that took very different paths to building a global brand: BP and Panasonic.
Starting at the top:
The BP story

It has been our experience that the most successful brand initiatives are driven from the top down. The CEO and team incite bold leadership, informed by a deep understanding of the organization’s multiple constituents, both internal and external. Then the brand is constructed around a clearly defined core idea and communicated through a cohesive arsenal of marketing tools that relay a consistent message at every point of consumer contact. Examples abound—FedEx, GE, Apple—but one of the most remarkable in recent years is BP. BP is a classic story of what Landor (and Fortune magazine) defines as a breakaway brand.5 BP has not only reinvented its own brand but has also managed to surpass its category in striking and measurable ways in the process.

The BP story has become for many a textbook example of a successful corporate brand transformation on a global scale, and for some very good reasons. First, it began with a clear vision by a strong leader—Lord John Browne—who wanted to forge a new kind of company around the merger of several well-established brands, chief among them British Petroleum, Amoco, Castrol, and bits and pieces of major oil and gas companies such as Mobil and Arco. By committing publicly to a broader purpose for his company, Browne charted a course for effecting the necessary change internally to accomplish and reinforce it, then telegraphed this mission dramatically through breakthrough branding and marketing communications. Like all good visions, it was a serious stretch for the organization. Lord Browne and his team did not set out to be merely one of the best petroleum companies in the world—they wanted BP to be one of the best companies in the world, period.

This meant moving from being primarily a refiner of hydrocarbons to a provider of complete energy solutions; from being focused purely on performance and the bottom line to addressing bottom- and top-line growth; from being driven largely by its traditional physical asset base to using knowledge and innovation to create future value beyond petroleum.

To accomplish this also meant that BP needed to evolve from a multinational corporation to a diverse global citizen organized around an enduring set of brand principles. With BP’s upstream and downstream markets spanning over 100 countries, the leadership challenge was to find a common purpose and voice that could resonate meaningfully and credibly across multiple audiences while differentiating the brand from its competitors. Through work with Ogilvy & Mather and Landor, the “beyond petroleum” concept became much more than an ad line. As a symbol of the new strategy for the organization, it became a mantra that championed both a vision and a promise for its future.

Integrating the brand promise
Advertising-driven promises are all too frequently broken. Lord Browne and his team set out to make the “beyond petroleum” concept an integral part of BP’s corporate culture. Its promise therefore needed to be made clear and approachable to all employees in words that would resonate in their daily lives at BP, wherever in the world they served their company and its customers. It had to mean something important to BPers everywhere—especially those who were relatively new to the company. The brand idea informed a Brand Driver™ platform, which defined what the brand stood for and what it aspired to be.

5 Al Ehrbar, “Breakaway Brands: How ten companies, making products from drills to waffles, took good brands and made them much, much better,” Fortune (31 October 2005).
Beyond petroleum

At the core of BP is an unshakable commitment to human progress. We aim for radical openness: We will be the magnet for people who want to change the world with new ideas by delivering a performance standard that challenges the world’s best companies.

BELIEFS
- **Progressive** – transforming the way we do business
- **Innovative** – delivering breakthrough solutions
- **Performance** – setting world-class standards
- **Green** – demonstrating environmental leadership

VERBAL BRAND DRIVER

BRAND PROMISE

VISUAL BRAND DRIVER

- automobile
- activity
- mood
- object
- drink
- architecture
A true brand represents a consistent set of associations and attributes that are recognizable to a relevant target audience of sufficient size and quality to sustain a viable, growing business.

In the future. It served as a foundation for a series of internal and external initiatives focused on delivering the brand promise to customers.

From this brand idea came the now-famous helios logo, the evocative representation of the “beyond petroleum” brand idea. Symbolizing energy (the sun) and environmental sensitivity (green) in a stylized, sunflower motif, it has been given broad and exciting interpretation across every aspect of BP’s brand expression. In short, the helios logo was an unexpected solution to a complex design challenge. It signaled BP’s determination to be differentiated, at the same time highlighting its overarching mission to be a leading energy solutions provider and a good global citizen.

Great design can serve as an inspiring banner when properly presented and explained. The BP logo had aesthetic and symbolic appeal, but it was essentially an empty vessel—it would become what BP chose to make of it, which, as we well know, was quite a lot. BP understood that to deliver its “beyond petroleum” promise to customers, employees needed to understand how the promise applied to their daily jobs. Wisely, BP began its transformation from the inside, creating a series of tools including websites, CDs, brand movies, newsletters, and all manner of company-branded tokens that emphasized not only the excitement of the new logo but, more critically, the story of the brand and its promise that BP focused on telling.

Brand champion workshops were organized to train the trainers, generating ownership among individuals who then evangelized the mission to others. In all, more than 1,400 brand champions were trained in 19 countries over the initial two months following the launch in July 2000. This was viral marketing at its best—from the inside. The effort was also measured, revealing that by the ninth month postlaunch, 97 percent of all BP employees were aware of the new identity and its “beyond petroleum” promise. Awareness and action, of course, are two different things. BP leadership knew that to engage the hearts and minds of employees over the long term, the brand transformation would have to be about more than flag waving. The result, among other initiatives, was the creation of the Helios Awards. This annual program honors those employees who have contributed to the company and their respective communities through actions judged to be “on brand”—progressive, innovative, performance-oriented, and green. In this way leadership communicates that “beyond petroleum” should be a way of life at BP, not just this year’s ad slogan.

Putting the brand to work
It’s all fine and good to tell a great story but in the end deeds count more than words. BP chose its initial actions carefully. Early on, it committed publicly to reducing greenhouse emissions 10 percent by 2010, the equivalent of taking 18 million cars off the road. It initiated partnerships with leading auto manufacturers in the pursuit of more efficient engines and practical alternative fuels. BP quickly became one of the world’s largest producers of solar panels and solar power, and the second largest provider of natural gas. In the summer of 2005, the company announced an $8 billion investment program in alternative energy.

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6 A 2001 independent survey of employees concluded the following: awareness of new brand (97%); favorable to new brand (76%); awareness of the four brand values (80%); belief in BP promise to go “beyond petroleum” (77%); belief in BP going in right direction (90%). Data provided by BP.
These actions have been well noted by the public. BP was voted Britain’s Most Admired Company and Lord Browne its Most Admired Leader by Management Today in 2002. This was the first time in the awards’ history that one company received both top accolades. The admiration for BP continues around the world. Fortune magazine consistently ranks BP a Most Admired Company as has the Financial Times, which put BP at seventh on its Most Respected Company list in 2005.7

These were among the many clear indicators that BP was achieving its goal of being one of the world’s great companies. But did this positive thinking have any impact on its bottom line? That, too, has been impressive—retail sales at convenience stores increased 23 percent within one year of the rebranding effort.8 Overall sales and sales of lubricants and fuels steadily increased between 5 and 10 percent above market growth through 2004.9 By 2005, BP reported serving over 13 million customers per day. Profits were exceptional—at $91.3 billion in 2005—and have enabled BP to fund new initiatives to drive its business.10

Retail represents less than 15 percent of BP’s business worldwide. BP is first and foremost an upstream energy developer and supplier in a highly commoditized category, subject to immense global trade and economic factors. Can effective branding truly impact corporate brand value in such an industrialized segment? Fortune magazine thought so, recognizing BP as one the 10 most improved brands from 2001 to 2005 in terms of brand equity value. As quantified by Young & Rubicam’s BrandAsset® Valuator research—the world’s oldest and largest brand database—in conjunction with Stern Stewart’s Economic Value Added analytics, the value of BP’s intangible assets (which include its brand) increased by more than $7 billion during this time period, while the intangible assets of its larger energy rivals declined in value.11

What does BP itself think of all this as it surveys its global brand universe? To quote its advertising tagline, “It’s a start.” However, corporations can make mistakes. BP came under harsh scrutiny following a deadly explosion in 2005 at one of its refineries and provoked further concerns about safety after a disastrous leak in an Alaskan pipeline in 2006. These were serious issues that tested BP’s brand and culture. To its credit, the firm faced these challenges squarely, dealt with them transparently, and stayed the course. BP was able to regain its prominence as the green leader in its industry.

Large-scale transitions are by nature fraught with difficulties, but how an organization meets those challenges determines the ultimate success of its brand and business. BP is clearly committed to its brand promise. Lord Browne himself said:

“In a global marketplace, branding is crucially important in attracting customers and business. It is not just a matter of a few gasoline stations or the logo on pole signs. It is about the identity of the company and the values that underpin everything that you do and every relationship that you have.”12

That’s the textbook approach to building a global brand.

8 Wall Street Journal (July 2002).
9 Sales data tracked by BP (2004).
11 See note 5 above.
12 Chicago Business Journal (3 April 2000).
It goes without saying that not every company follows the same path to success. Top-down, charismatic leadership expedites global branding programs, but such an approach may not be culturally appropriate for some companies. Building a global brand requires navigating a political, and often emotional, minefield inside many large, labyrinthine organizations. Even under the best of circumstances, it is never a tidy process.

Occasionally, the impetus for brand transformation begins at the regional level. Market forces and local leadership become a dynamic catalyst for change, and a region can become a model for the rest of the organization. Navigating political tides and conflicting priorities across geographies and within divisions is risky. But it can work—with great vision, bold determination, and huge measures of patience. This is what happened to the Panasonic brand. The momentum for managing Panasonic as a global brand came from the North American division of Matsushita Electric Industrial Company. After 10 years of effort, it is still very much a work in progress.

Panasonic’s path for building its global brand can be traced back to 1997, when Matsushita Electric Corporation of America (MECA) called Landor’s New York office asking for help understanding its customer base and perceptions of its Panasonic brand. Although Panasonic has been a household name for decades across much of the globe, few people are aware that Panasonic is actually but one brand in the portfolio of Matsushita Electric Industrial Company, one of Japan’s largest and most respected corporations. Founded by Konosuke Matsushita, a remarkable innovator who began making light sockets in 1918 and then headlamps for bicycles, Matsushita is today the world’s biggest and most successful consumer electronics maker. The Matsushita group consists of over 380 companies, including technology megabrands such as Panasonic, National, and JVC. In the 1990s, the Japanese giant even owned Universal Studios for a period of time.

Today Panasonic’s parent has $77 billion in sales of plasma TVs, stereos, camcorders, DVD players, cameras, computers, copiers, and a breadth of home products ranging from microwaves and refrigerators to women’s shavers. Although it is a company on the move, Matsushita is virtually unknown to the general public outside Japan. The Panasonic brand, on the other hand, is almost ubiquitous, visible wherever electronic goods are sold in every corner of the world. Unfortunately, as Landor’s research in the mid-1990s discovered, the Panasonic brand was known all too well and loved by all too few.

In the ‘90s, Matsushita was driven largely by its manufacturing divisions. Each was quite independent in its own marketing arena, and little cohesive effort was devoted to identifying or targeting core customer needs. Though slogans proclaiming “The Customer Comes First” abounded on office walls, in truth, the attitude of “If we build it, they will come” pervaded. It was all about producing highly functional products, generally unexceptional except for being extremely well made.

Moreover, “branding” was a word used only in connection with where to put a logo in an ad or brochure. The size, color, and dimensions of the
Panasonic visual identity were largely a matter of personal taste—or lack thereof. The promise of its brand was never discussed. Although this approach mirrored that of the company worldwide, in the United States, the sheer cacophony of communications from different marketing activities produced acute message overload. Panasonic notoriously spent less than its competitors in advertising and promotional dollars, so the net effect of this marketing scattershot was to further erode any definable value in the Panasonic brand.

Yet this was the company that pioneered the DPO, the SD memory chip, and the lithium ion rechargeable battery. In truth, it should have been anything but a weak brand!

An honest assessment
Panasonic had established a pattern of trying to be everything to everybody—offering consumer electronic products of every type and style across consumer, professional, and industrial segments alike. As a result, it failed to establish a clear position to any of its constituents. Its diffuse approach was further reflected in the more than 20 different advertising taglines in use around the world. One in particular surfaced frequently and perhaps best expressed its almost apologetic approach to innovation and leadership: “Panasonic—Just slightly ahead of our time.” Ironically, internal frustration over this somewhat modest tagline helped stimulate a hunger for change.

In 1997 a core team of marketers at the Secaucus, New Jersey, headquarters for MECA began in earnest to evaluate the equities and liabilities of the Panasonic brand. At the time, MECA was responsible for marketing and selling all Matsushita products in North America. It asked Landor to conduct a robust evaluation of the Panasonic brand. This was the first time that Panasonic (and Matsushita) had undertaken a truly comprehensive brand analysis among its core customers. Both qualitative and quantitative in method, the research took place over a six-month period in 1998 and encompassed consumer, professional, and industrial customer segments.

The results were revealing. Though fundamentally strong, the Panasonic brand was losing its distinctiveness and trailing Sony on virtually all critical metrics. Importantly, it was perceived as offering good quality, but lacked a strong emotional tie with its customers. Across the board, people (especially younger audiences) saw Panasonic as simply behind the times, a brand with little (and declining) differentiation. The implication was clear: If Panasonic did not address the needs of younger audiences, the brand would forever be cast as “not for me.”

There were positive findings as well. Although archrival Sony was perceived as prestigious and cool, it was also seen as unapproachable, arrogant, and overpriced. This was an illuminating crack in the Sony armor, presenting an opportunity that Panasonic’s marketing team was quick to grasp. For years Panasonic management had chafed in the shadow of this media-darling brand, frustrated that Sony was getting the spotlight while Panasonic received little attention for making breakthrough—and unbreakable—products that delivered real customer value day in and day out.
What's New
by Panasonic

Inconsistent Panasonic logos
Panasonic brand attributes

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Interestingly, consumers viewed Panasonic as an American brand despite its Japanese heritage and as warm, friendly, and unpretentious. Three key attributes with the potential to differentiate Panasonic also emerged: solutions-focused, having progressive ideas, and being able to enhance human experience. From these foundations a great brand could be rebuilt.

Landor concluded that Panasonic should begin to speak with a single voice in North America—compellingly and consistently wherever consumers experienced the brand. As part of this effort, it was time to develop a corporate brandline that communicated a differentiating position based on customer insight—a solutions-focused, customer-friendly brand offering easy-to-use innovative products backed by good customer support.

**Redefining the Panasonic brand**

In 1999 the regional Panasonic Brand Marketing Group, led by Bob Greenberg and Tom Murano, marshaled resources and support for a full-blown repositioning of the Panasonic brand. Landor’s New York office was asked to develop a process for crafting a formal brand positioning incorporating the research insights, with the goal of creating a new, universal brandline and, ultimately, overall brand expression. It was the first time anyone in Matsushita’s 81-year history had ever hired a brand consulting firm.

Landor recommended an approach it had been developing: the Brand Driver™ workshop. Designed to build inclusive participation—and responsibility—into the brand development process, it provides an engaging, participatory forum for the exchange of ideas and insights. Panasonic was asked to invite 15 to 20 of its most senior marketing and business team leaders from North America for a full-day offsite session. Also invited were senior advertising and online agency partners from Grey Worldwide and other vendors.

The point of the work session was to have everyone who had their hands on the Panasonic brand hammer out a set of ownable, differentiating, and customer-relevant attributes. Putting the team in the same room for a day would shortcut a lengthy buy-in process later and foster ownership of the final brand idea. The resulting output was assimilated by Landor and crafted into three or four brand concepts and positioning strategies for collective review.

On June 21, 2001, an all-day Brand Driver workshop with Panasonic’s key marketing representatives and partner agencies was held in Secaucus, New Jersey. All hands were on deck: rivals, colleagues, partner agencies—essentially people whose fates entwined, though many had never met. As Landor had requested, the full spectrum of Matsushita’s North American businesses and core suppliers engaged in a series of interactive exercises. These were designed to first deconstruct the Panasonic brand, then collectively identify the emotional, functional, competitive, and future-facing characteristics that would be most ownable, differentiating, and relevant to Panasonic customers over the long term.

The work session concluded that Panasonic needed to keep, lose, or add personality attributes. (See Panasonic brand attributes)
A filtering exercise performed by the group further narrowed the focus to those attributes deemed most relevant and differentiating. From this, Landor believed the richest opportunity lay in the following themes:

- Expertise from the ground up; inside-out expertise
- Breadth of offerings coupled with heritage of providing value-rich features
- Arbiter of what is good and valuable
- Commitment to being in touch with customer needs
- Passion for creating advanced products that work

Out of this pool of ideas, a Brand Driver soon emerged that immediately intrigued Panasonic management and was ultimately embraced. It was built on the thinking of founder K. Matsushita, who once said: “Better service for the customer is for the good of the public, and this is the true purpose of enterprise.” The verbal Brand Driver and statement of brand purpose was, as a result, relatively simple and clear:

**Pragmatic visionaries:** For over 75 years, Panasonic has set the standards for excellence in electronics. It is our passion for perfection—our tenacity in applying our unparalleled expertise to creating innovative products and services that surprise and delight our customers—that sets us apart. We are pragmatic visionaries, driven to always exceed expectations and add relevant value to our customers at work and play.

**From Brand Driver to brand action**

From this strong, forward-thinking platform, a dramatic brand revival was staged in North America. Immediate next steps included the development of a new brandline to replace “Just slightly ahead of our time.” After several weeks of collaborative work with Grey Worldwide, the Landor naming team presented “ideas for life” as one of 10 recommended finalists.

Panasonic’s Brand Marketing Group decided to test the finalists internally to pick a favorite—“ideas for life” emerged as the clear choice. After confirming that the brandline would clear both legal and cultural hurdles around the world, the stage was set for the next phase of the project, which was to create a new look and feel for the brand’s visual representation across all its communications. This, too, Landor was charged to accomplish, but with several notable restrictions mandated by Matsushita headquarters in Japan:

- The core Panasonic logotype (Helvetica Black) could not be altered; the heritage brand typography must remain intact
- Panasonic Blue must remain the primary color of the brand expression
- This rebranding effort was to remain strictly confined to the North American region

Landor’s designers embraced the first two criteria enthusiastically. The bold, no-nonsense look of the classic Panasonic brand typography was both appropriate for the brand and its new North American positioning and built on years of equity that it had earned the world over. Landor designers also began to explore an extended secondary color palette around the brandline itself to add new life to the signature without detracting from its core equities in blue. The team believed it critical to build the “ideas for life” promise into the Panasonic signature in a wholly integrated and visually dramatic way. This ultimately resulted in the nearly ubiquitous blue signature band (or ribbon) soon found in Panasonic’s marketing communications across North America and in selected markets around the world.

As this exciting new look for the brand began to evolve and take shape internally, management’s enthusiasm for the new brand positioning and visual look and feel gained momentum. Greenberg and Murano became active evangelists to managers across the continent, advocating not only the benefits of a new, unified look for Panasonic but also the critical importance of the brand idea behind it. They began to use “ideas for life” as a mantra: Its dual meaning of “new ideas for everyday life” and “products that last for a lifetime” became a filter for how Panasonic should think about its customers’ needs and the products it should develop.

The Brand Marketing Group also recognized the necessity for a cohesive, well-communicated launch of the brand concept within the regional organization.
What is a Brand Driver platform?

The Brand Driver™ platform is Landor’s unique approach to brand definition and positioning. It defines what a brand stands for today and what it aspires to be in the future. It provides a frame of reference for a company’s offer and determines how to bring its goods to market. It positions a brand in the marketplace and drives strategic and creative expression.

The success of a brand is determined in large part by its relevance to target consumers and its differentiation from competitors. If a brand does not tap into consumer needs, it will not sell, nor will it be able to command effective margins unless it establishes a point of difference from competitors. A Brand Driver platform gives a brand vision and focus by defining its relevant differentiation.

A Brand Driver platform is a driver of change, used to pinpoint unique and ownable brand attributes that can spur growth. As a result, each platform carries implications for clients’ businesses, surfacing strategic imperatives to help them execute their vision. The more unique and differentiated a brand, the more stringent its imperatives will be.

Landor’s Brand Driver platform comprises four mutually reinforcing components: a statement of relevant differentiation, a visual Brand Driver, a verbal Brand Driver and brand beliefs. Together, they portray a brand in both visual and verbal terms.

**Statement of Relevant Differentiation**
The statement of relevant differentiation defines, in verbal terms, the core value of a brand and delineates a unique and ownable brand vision. It identifies a frame of reference for the brand, a core brand claim, reasons to believe in that claim, and the benefits it gives to customers.

**Visual Brand Driver**
A structured grid of nine categories of images, the visual Brand Driver is a visual representation of the Brand Driver platform. Often the visual Brand Driver reveals surprising nuances about a brand’s personality that may not be evident in verbal expression, and it is frequently used to compare current and future visions of a single brand or a brand and its competitors. The visual Brand Driver adds another layer of understanding to a brand and is an effective means of communicating a brand’s positioning to multiple audiences.

**Verbal Brand Driver**
The verbal Brand Driver encapsulates the unique and ownable aspects of a brand in a short, compelling statement. It is an emblematic catchphrase that conjures up a powerful, memorable insight. Created by a team of strategists and designers, it is evocative and tangible, inspiring visual imagery and design.

**Brand Beliefs**
Brand beliefs articulate the core and enduring beliefs of a company and drive its behavior at every point of touch. They describe how a company should go to market, deliver its offerings, and respond to new situations. In contrast to the statement of relevant differentiation, which may need to be modified over time, beliefs should stay with a company for the long term. They should resonate with employees and guide interactions with customers at each point of touch.
This initiative could not be viewed as simply another corporate slogan or ad campaign. “Ideas for life” and all it represented had to be understood as being bigger than anything previously contemplated within Panasonic. It was about being a leadership brand with a distinct point of view. When it came time to launch the new brand in the fall of 2002, Panasonic was poised for significant change.

The tip-off on launch day was a voicemail greeting for every employee from actor Christian Slater, Panasonic’s new advertising spokesperson. Then came an online message from the chairman and CEO of MECA, Hideaki “Don” Iwatani, explaining the new identity system and its significance. At the Secaucus headquarters, staffers were greeted by outdoor banners, corridor posters, and hastily repainted hallways dramatically featuring the new brand look and signature. This carried through to showcasing Wall Street Journal and New York Times ads running that week and continuing throughout the year. The cafeteria came alive with displays of new products that exemplified the “ideas for life” concept—demonstrating not only what the organization said, but also what it did!

New respect for the brand
This momentous day marked the beginning of an attitudinal shift within the North American division. Previously opaque silos between segments and product lines began to soften, and the power of a unified brand voice became increasingly clear. Never a big marketing spender, Panasonic leadership started to realize the obvious efficiencies and marketing advantages gained when all communications speak from a common perspective. Other early indicators of its impact were equally exciting.

A leading telecommunications provider called some nine months after the launch and asked Panasonic to partner with it on a major co-branding opportunity. As a Panasonic spokesperson commented, “This never would have happened with the ‘old’ Panasonic.” Clearly something fresh and exciting was afoot.

But what was the reaction in Japan to the excitement in the States? It could perhaps best be summarized as cautious interest. There was soon little doubt that the momentum building behind “ideas for life” in the United States represented an opportunity for Panasonic worldwide, but there was extreme concern about whether this strategy would be equally appropriate elsewhere, particularly in Japan.

At first, the North American Brand Marketing Group was asked to conform to a frustrating series of additional guideline details regarding nuances such as the proximity of the Panasonic name to the brandline. Long discussions ensued about how “Panasonic ideas for life” should be presented: horizontally, as a read-through, or vertically stacked to match the existing standards. Each of these hurdles was dealt with patiently and successfully, but they pointed to a larger issue: Parent and region did not share the same vision for the Panasonic brand.

Then, in an exciting shift, Matsushita headquarters asked Landor’s Tokyo office to create a set of global brand guidelines. They were to govern the use of the “ideas for life” brand signature and visual representation around the world. This seemed promising to all concerned. It was a chance to formally codify the breakthrough concept and design thinking behind “ideas for life” and share it with the rest of the organization.
But the end result of this Japan-led project proved disappointing and frustrating for the U.S. team. While the North American partners presented their successful branding system as an example of effective, customer-focused thinking, the rest of Panasonic essentially adopted the “ideas for life” brandline—but none of its meaning or graphic distinctiveness. The brand idea that had become a guidepost in the United States was lost. Moreover, its visual representation was essentially discarded; Japan launched an alternative look, and the rest of the world was left to fend for itself.

Such dichotomy rarely works well in branding, though culturally it reflected Matsushita’s long (and formerly successful) heritage of allowing independent geographies and divisions to market as they saw fit, with few requirements for brand consistency. As the months wore on, it was tacitly if not overtly agreed that each region could go its own way for the most part, so long as “ideas for life” was adopted as the universal brandline for the organization. This alone, it was felt, represented a major step forward and marked about as much global enforcement as was warranted.

Nonetheless, there was growing curiosity about developments in North America in other areas of the company. Greenberg and Murano received frequent invitations to tell their branding story to Panasonic marketing and business leaders from other regions, such as South America and EMEA (Europe, the Middle East, and Africa). As Greenberg noted in his speech to the Economist Conferences’ marketing forum in New York in March 2003:

“If we succeed, it is critical we all understand that Panasonic’s “ideas for life” concept is not just an advertising campaign. It is not the latest management slogan for success. It is much more than that. It is a true brand idea: a simple, compelling articulation of our founder’s vision. K. Matsushita was a pragmatic visionary. He sought to create innovative, practical products to improve our everyday lives.”

His language carried a compelling message throughout the organization. Still more powerful was the mounting evidence that the Panasonic brand in the United States was no longer perceived as the “good old reliable” brand second to Sony. In fact, in part as a reflection of the apparent transformation taking place at Panasonic North America, the organization was asked to deliver the keynote speech at the January 2004 Consumer Electronics Show in Las Vegas, the biggest, most prestigious electronics convention in the world. Panasonic and its “ideas for life” positioning had arrived—literally—on the world stage.

A new advocate for change
As this perceptual shift gained momentum, Panasonic needed an executive advocate to leverage the new brand idea into dramatic sales success. A new chairman and CEO, Yoshihiko “Yoshi” Yamada, took the helm of the North American region in June 2004 and set an aggressive course for change. He immediately began restructuring the workforce, going so far as to officially change its name from Matsushita Electronics Corporation of America to Panasonic Corporation of North America in January 2005, in recognition of the brand its customers valued most.
Above: Panasonic USA successfully launched its bold new brand visuals and “Ideas for Life” signature in fall, 2002.

Right: In 2008, Landor created a refreshed look and feel for Panasonic USA that celebrated the spirit of “Ideas for Life” across categories while accommodating new product lines and retail partners.
Record & Play your favorite family moments on Blu-ray. For a picture so crisp, it's even clearer than you remembered.

Panasonic ideas for life

Life, like you’ve never seen it before. The Viera, a whole new visual era.

Panasonic ideas for life

Toughbook has your back

The Panasonic Toughbook, rugged reliability that goes anywhere you do. It’s no surprise that it’s the laptop of choice for emergency response units across the country.

Panasonic ideas for life

Make the ordinary extraordinary. Get closer with the new 10x macro zoom Lumix and see things like never before.

Panasonic ideas for life

Make photographs with ease using Lumix’s pre-programmed scene selection.
Establishing a brand successfully across geographies and cultures is less about rules and more about fundamental understanding of the brand idea.

The CEO’s stated goal has been to shift the corporate culture from a sales-driven company to a market maker within three years. In just over a year, Yamada instituted a 360-degree integrated marketing program, a much higher advertising investment, a new PR offensive and media tactics, fresh employee communications, and a new focus on extreme customer satisfaction.

Yamada also made it clear that he supported the “ideas for life” brand platform. He asked his managers to explore innovative ways of building the brand beyond traditional media and marketing thinking. Moreover, he instructed the U.S. Panasonic team to focus on a core product category as the vanguard for demonstrating Panasonic’s leadership. Plasma TV was the chosen product, and he charged the team to make Panasonic the No. 1 selling brand of plasma TVs in America in that same year!

Yamada understood that the equity accrued to the top brand in such a visible and hotly contested category would add luster to the entire Panasonic product line. He was determined to achieve this challenging goal, and by the end of 2005 the North American group had met his sales objectives: Panasonic was hailed as the leading plasma TV manufacturer by consumer and trade publications alike. Praised for their performance, features, and value, Panasonic plasma TVs led all brands in worldwide unit and revenue market share for the category. They also dominated Consumer Reports rankings, taking the top three spots for high-definition TVs and earning the Quick Pick designation.

A second chance
In December 2005, Matsushita’s marketing team in Japan contacted Panasonic North America and Landor to discuss a global branding initiative. It was a watershed moment for all concerned and, it was hoped, represented the culmination of years of effort. This was, at last, a chance to develop a common point of view about the Panasonic brand that could transcend geographies and cultures.

In ensuing discussions with the Panasonic Brand Marketing Group, the Landor team made it clear that for a global brand initiative to be successful, input from senior leadership around the world would be required. Previous attempts to build uniformity behind the “ideas for life” brand initiative had stumbled for lack of involvement by regional managers and open, cross-border dialogue. Anyone who scanned the multiple Panasonic websites around the world could see the problem. They all signed off with “Panasonic,” and they all featured the words “ideas for life” somewhere; yet none beyond the U.S. site integrated the idea behind the brandline into communications.

The Landor team—comprising international senior consultants from Hong Kong, London, New York, Singapore, and Tokyo (whose nationalities included Germany, India, Japan, South Africa, and the United States)—set up a series of extended Brand Driver workshops in Asia, Europe, and the United States to reassess and collectively redefine the Panasonic Brand Driver. The purpose of these work sessions differed from the first round. It was agreed that the conceptual thinking behind “ideas for life” was relevant and differentiated to customers, and

14 “Panasonic continues to lead all brands in worldwide unit and revenue market share for the plasma TV category... with 26.5% worldwide plasma TV market share and holding the No. 1 position in Japan, China, and North America.” Greg Tarr, “Panasonic Leads Global PDP Market,” twice.com/article/CA6310730.html (accessed 22 June 2006).

It remains to be seen how the Panasonic brand will be managed once it becomes the name and keynote brand of the company. Change is not easy or clean. Despite the best of intentions, some ideas never reach their full potential, while others may need to be nurtured before they bear fruit. As Erich Joachimsthaler writes:

"Because humans generally resist change, because people feel justified confidence in knowing their own country's competition and consumers, any suggestion otherwise is threatening. To ensure that teams overcome such reluctance, a brand champion must be in charge.”

Fortunately, the Panasonic brand has always had its champions. In any global initiative such idea leaders are critical to success. But experience suggests that global brand ideas only become effective once corporate management assumes ownership and actively and intelligently infuses the ideas into company culture.

Panasonic’s Tom Murano asked, “In building an enduring technology business, are we better served going to market with a dozen small brands or as a well-integrated, strongly rationalized, and focused organizational brand?” Greenberg, Murano, and the organization they serve appear to have made their choice. Despite following an unconventional path to global brand management, Matsushita, and soon just “Panasonic,” have recognized the opportunities, benefits, and significant challenges inherent in global brand alignment. The next few years will determine whether this organization has the collective vision, strength, and skill to seize the huge opportunity that lies before them—to make Panasonic the truly global, leadership brand it so clearly deserves to be.

Lessons learned

Building a global brand

Start at the top
Large corporations are very resistant to change without a dramatic business imperative such as a major new competitive threat; new management; mergers, acquisitions, or divestitures. Changing a company from the division level up is particularly challenging and generally requires extensive sell-in—and reselling—to address the “not-invented-here” factions and silos common in most large organizations. The most successful corporate revitalizations tend to take shape from the top down.

Question orthodoxy, stick to vision
BP’s senior management set a strategic goal for the company that defied category convention and demanded tangible change throughout its organization. Panasonic Corporation of North America infused energy into a me-too brand by taking the initiative in its region, sticking to its vision, and evangelizing results. Adhering to a visionary strategy and ignoring naysayers is key to implementing large-scale change.

Anticipate resistance and manage it
Managing expectations within an organization and across cooperative partnerships during times of extreme change can be highly challenging and require considerable hands-on effort. The strong collaboration among Ogilvy & Mather, Landor, and BP helped create communications that were direct extensions of the BP brand. The likelihood of success is heightened significantly through a collaborative process. Invite input, integrate output, and provide continuous and candid feedback. To foil territorial tendencies, include internal teams and key external suppliers. Keep partners in all relevant meetings to minimize back channeling.

Meet face-to-face
Landor’s U.S. team made an unfortunate mistake in not pushing for direct, face-to-face involvement with its Tokyo team in Panasonic’s first re-branding initiative. Communicating exclusively by phone, email, and video conferencing can allow misunderstanding to creep in when the stakes are high and client agendas are not aligned.

Choose partners who’ve done it before
Global branding is a complex undertaking that demands direct, personal commitment, an open and patient mind, cultural sensitivity, and experienced people and processes to manage on an ongoing basis. Don’t try this with amateurs!

Managing a global brand

Aim for consistency, not rigid standardization
Establishing a brand successfully across geographies and cultures is less about rules and more about fundamental understanding of the brand idea. Every culture has its own codes and nuances that must be respected. Local managers must have the flexibility to adapt to and take advantage of opportunities in their region while simultaneously expressing the core spirit of the brand.

Focus on the customer, not the ad campaign
Advertising a brand idea without delivering it day in and day out is a recipe for failure. Shape a brand through products, communications, and interaction with customers. Starbucks spends virtually nothing on traditional advertising, yet it has established a premium brand in a commoditized category. It built a dominant global brand by focusing on its customers: delivering a premium product and a consistent, regionally sensitive brand experience around the globe.

Engage your employees
The best way to deliver a consistent, branded experience is to internally align an organization around its Brand Driver. BP’s persistence in deeply engaging its employees with its brand continues to inspire a brand-led business. Like all great brands, BP is built on high principles and customer-centered attitudes that are reinforced and rewarded by the organization.