

How to Make Sure a Brand Behaves Itself

by Mark Churchman and Thomas Marzano

The Philips brand promise is “sense and simplicity.” Referencing several examples, Mark Churchman and Thomas Marzano examine what the behavior of the brand means and how it is expressed and managed. They highlight how design is an integral facet of doing business and how it is used to deliver a consistent and compelling message, whether a stakeholder encounters Philips in products, advertising, exhibits, digital media, or people.



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In their 2004 book *Fame & Fortune*, Charles J. Fombrun and Cees B.M. van Riel calculated how much the Coca-Cola brand was worth and arrived at a figure of \$69.6 billion—\$0.3 billion more than the estimate of the value of the actual company at the time. This illustrates that the way a brand is perceived is of utmost importance to the company it represents.



Thomas Marzano, Senior Consultant, Innovation Design, Philips Design

But how best to determine what that perception is? It is especially difficult when you are dealing with a company like Philips because of the sheer diversity on offer. Philips has in excess of 200,000 products in more than 200 categories. We make everything from advanced medical diagnostic equipment to juicers, from home theater systems to street lighting. We also have approximately 134,200 employees in 60 countries. And every day, millions of people come into contact with our brand. They buy our products. They see our print advertisements, our online presence, our

point-of-sale materials, our press articles, the material we hand out at exhibitions. Maintaining consistency in the way the brand is communicated and experienced across such a kaleidoscope of cultures, interactions, and touch-points takes us beyond the idea of brand identity to a focus on brand behavior.

Why behavior? Think of it this way: There are many different perceptions of what a brand actually is. But when you see it as a representation of people's feelings—that is, their emotional response to products, services, and/or an organization itself—you realize that, in much the same way as we judge whether we like people, you are more likely to connect with a company if its behavior appeals to you or seems to be in line with your own set of beliefs.

Behavior embraces content (what we do), as well as style (how we do it). It is also dynamic and fluid in that it depends heavily on context and inter-

action. A person behaves differently at a wedding than he or she does at a funeral, but his or her core personality remains the same. And it is this ability to maintain integrity in different situations that is crucial to a brand's integrity. If a brand can manage this—across all its products, services, communications, and other interactions—then it has a better chance of being recognized and embraced.

Another thing about behavior is that it can be expressed by design. By adopting a truly people-centric approach, by developing a thorough understanding of the context in which the brand and its propositions will be experienced, and by entering into a deeper level of engagement with our many stakeholders, the design discipline makes a valuable contribution toward boosting sales and growing value perceptions across the many categories in which a company like Philips operates.

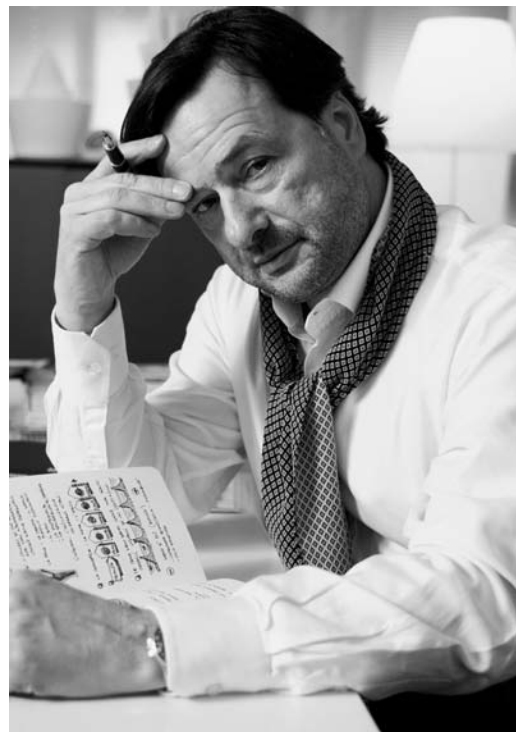
Design as an integral part of the business

The importance of design has unquestionably grown over the past years, within Philips and within many other companies, as well. Design was often nothing more than an exercise in styling—one of the last acts that took place before a product was launched. “Especially in the consumer electronics domain, design concentrated mainly on the superficial aesthetic of the product, such as material, shape, or color,” says Stefano Marzano, chief creative officer and CEO of Philips Design. “Nowadays, every leading brand in the consumer space offers well-designed products. The key is now to look beyond the product, to provide a more complete experience that fulfils people's latent desire for an enriched quality of life.”

This philosophy has really been taken on board at Philips' Consumer Lifestyle division. Where once design was seen as more of a service, it is now an integral part of the business and sets the direction for products and propositions developed there. The position of chief design officer (CDO) has been recently integrated into the executive management level, alongside the chief marketing officer and chief

technology officer. The CDO contributes to the business goals and helps drive the design strategy throughout the division. This gives the design discipline a mandate to follow. For example, our brand promise is *sense and simplicity*. If a product or service is judged unlikely to deliver on that promise, we change it or leave it out altogether.

This is part of Philips Design's role as brand custodian, in which one of its main responsibilities is to translate brand behavior from a relatively abstract description into something tangible for the outside world to experience. Our role is to orchestrate all the elements in such a way that the end result is a consistent, recognizable set of values that people recognize as synonymous with Philips. We also have to make sure that all our partners and customers within the Philips organization and beyond are aware of the importance of brand behavior. By bearing this in mind during, for example, product design, interface design, or the development of communications materials, we can help them give *their* customers and end users a proposition that embodies the brand positioning.



In 2007, Stefano Marzano took up the role of chief design officer at the executive management level for the Philips Consumer Lifestyle sector.

sense and simplicity

The fundamental meaning behind the *sense and simplicity* brand promise is that technology should be developed and applied to make our lives easier, more enjoyable, and more productive. We are convinced that you should be able to easily experience the benefits of a product or service no matter how complex and advanced it is. Of course, we are not alone in making this claim. It is likely that the concept of enhanced experiences through technological innovation is high on the agenda of other companies, as well. However, this is something we have been doing for more than a century (we introduced a light bulb on a standard in 1897, which, with one pull of the chain, banished darkness from the room—how simple can technology get?), and will continue to do because it is at the very core of who we are.

The promise is supported by the triple brand pillars of *easy to experience, designed around you,*

and *advanced*. In order to make sure these values are consistently present in the propositions Philips offers to the market and also in the way that Philips does business, there are a further three traits that define our brand behavior: *insightful, surprisingly clever,* and *clear*. These traits are not communicated directly to the market. But they are crucial in shaping the behavior of the brand.

Let's look at each of these principles in turn. Being *insightful* has to do with listening to and understanding people, caring about what they want, and using their input as the basis of proposition development. Ever since Stefano Marzano introduced the High Design process to Philips in the early '90s, user-centric design has been applied rigorously and systematically in projects carried out for the various Philips businesses, as well as for external customers. In a nutshell, High Design emphasizes a people-focused and research-based approach that widens the traditional scope of design by bring-

LivingColors

There are numerous examples of how our people-focused, research-based approach has led to the creation of a unique proposition on the market. One of the most recent is LivingColors, an LED-based luminaire that allows you to change the colors of the walls inside your home as often as you want, by washing them with one of 16 million different colors of projected light. LivingColors, which has effectively created its own segment—it is the first simple and affordable luminaire and light source rolled into one—was the result of design research carried out to determine how colored lighting could influence atmosphere and match people's moods and feelings. LivingColors was introduced in The Netherlands, France, Germany, and the UK in 2007 and was an instant success. The initial sales target for that year was 20,000 units; the final figure was 250,000. After only a few months in market, LivingColors reached an awareness level of 69 percent, mainly through word of mouth. It has been named Best International Product 2007 at the Salon Design in Brussels and Luminaire of the Year (2007) in Germany, and it was judged to be the best product introduction of 2007 in The Netherlands by a Dutch marketing magazine. ■



Philips's LivingColors is an LED light object that offers up to 16 million color combinations.

ing in the insights of soft sciences like sociology, anthropology, and psychology, as well as cultural analysis and foresighting. Essentially, everything should be designed around people's latent needs and the context of their use. Interestingly, the notion of user-centric design is now becoming far more widespread, because many companies (as well as design academies) have realized it is vital to understand the people for whom you are designing.

When we talk about being *clear*, this can

involve many things: deliberately choosing shapes, forms, colors, and materials so that objects immediately communicate their purpose; designing interfaces that let you access functions and other information in a very intuitive and simple way; examining the way people unpack and start experiencing a new product and then rearrange or even redesign its various elements—instructions for use, cables, and power supplies—to make it more logical for them; and, ultimately, giving consumers a clear,

Next Simplicity

Another way Philips Design is helping drive the brand is through an initiative known as The Simplicity Events. Showcased for the first time in Paris in 2005, the The Simplicity Event has subsequently traveled to London, New York, and Hong Kong, and will visit Moscow in September. Visitors can see concepts that embody the Philips brand promise and offer a glimpse of possible future directions for product propositions. Over the past three years—the event features new concepts each year—there has been an incredible variety of people-focused innovations on display, ranging from a remote control without buttons (it actually resembles a magic wand) to LED lamps that change color as you turn them, a diagnostic belt that generates high-resolution 3-D scans of a baby in the womb, and a water purification system based on light.

One of the most striking aspects of The Simplicity Event is that it wasn't an array of new product ideas displayed as if they were exhibits in the museum. For each concept, a whole scenario was created in which actors demonstrate how the product works and, more important, how it meets people's needs and fits in to their lifestyles. When developing the The Simplicity Event propositions at Philips Design,

we looked at insights, market trends, and used tools like personas to determine whether our ideas corresponded to the expectations of our target audience. In this way, Next Simplicity doesn't just show a brand vision; it proves what can be achieved if brand behavior is taken as a starting point for future innovation.

The Simplicity Event is not intended for the general public; those attending are generally customers, analysts, strategic partners, employees, design experts, and press. Nonetheless, the response has been incredible. Visitors have been almost always overwhelmingly positive, media coverage has been extremely favorable, and the online community has also embraced the idea wholeheartedly. Two of the most common reactions are, "I never realized that Philips made stuff like this," and "When will these products be appearing on the market?" ■



The Philips Simplicity Event demonstrates the company's vision of what sense and simplicity (the brand promise) means, showcasing design concepts that demonstrate how that promise could be translated into products that could be feasibly realized within three to five years.

distinct proposition in the marketplace.

As for *surprisingly clever*, this has a lot to do with making products that bit more ingenious and impactful so that every time you use them or interact with them, it is satisfying, memorable, or even magical. To do this, we apply technology in a way that empowers people, based on insights that allow us to delight and come up with the unexpected. Every time we succeed in this and develop a more innovative way of doing something, we provide an experience that people want again and again, and will also tell others about.

Design, but not in isolation

Of course, bringing new product propositions to life is not something that happens in isolation. Design works in close harmony with marketing and product management to achieve this. Yet while these three disciplines are largely responsible for determining how a product takes shape and performs, a great many aspects that people remember—the visual appeal, the tactile feel, the

interaction experience—are the purview of design; the ingenious control wheel on the front of the iPod; the solid and reassuring clunk when you close the door of your premium car; the iconic shape of a bottle of Coca-Cola or of Chanel Number 5 perfume. Design is instrumental in determining the way in which we perceive the behavior of a brand.

A brand identity program with a difference

At Philips Design, we have developed various processes and tools over the years that address the instrumental role of design the custodian of the brand. One of the most important was the comprehensive brand identity program that accompanied the unveiling of the sense and simplicity brand promise in September 2004. This program set out the principles for using the elements that build up our communications, and defines how to create on-brand messaging with a distinctive style signature. For instance, there are recommendations on everything from the use of the Philips word mark to recommenda-

Ambient Experience for Healthcare

Ambient Experience Design extends far beyond the design of a product. It is the creation of an entire environment that is sensitive to people's needs and personalized to their requirements. Ambient Experience for Healthcare merges healthcare technology with architectural qualities and people's senses into an ambient experience with one prime goal: improving quality of life for both patients and the clinical staff. Now installed in 50 hospitals around the world, the project won the IDEA design award in 2005 and the Dutch Design Prize in 2005.

A medical scan can be a stressful experience. Philips's Ambient Experience for Healthcare is a significant step forward in improving the experience: a complete multimedia environment that adapts to suit individual patients and clinical staff. RFID tags worn by patients automatically cause the ambience of the room to alter as they enter. This means that a specific mood can be selected, one that influences the selection of music and images displayed, as well as the lighting and ambience.

The merging and continuity of all the functional spaces—from waiting room to examination room—into one personal preparation room enables patients to prepare for the examination in their own individual ways. The comforting sense of continuity between the different spaces is enhanced by soft architectural separation instead of heavy walls. There's also better two-way audio/video communication between the clinician in the control room and the patient in the examination room. The combination of all these elements distracts patients from the claustrophobic effects of the system and makes them feel more relaxed. ■

tions for avoiding jargon and unfamiliar acronyms in text and the kind of expressions that models should adopt in photography for commercial publications. In addition, and what helped make it more effective, was a messaging structure that meant the brand values could be fully expressed in all levels of communication, from above-the-line advertising to product brochures and packaging.

The program also emphasizes how listening, learning, and responding to our customers (both retail and commercial) is of utmost importance. In this way, we are able to create seamlessly integrated communications that tell a compelling story of our propositions in a way that is engaging and that people find both meaningful and relevant. As an example, communications concepts are tested against four key performance indicators: ability to draw attention, conformity with brand positioning, relative positioning to competition, and degree of purchase preference generated. Through iterative cycles of evaluation and refinement, we developed collateral that consistently outperformed anything Philips had done before, across all categories. In other words, using rigorous research, we defined an approach that has a higher chance of being effective.

Another aspect that makes a positive contribution is our global presence. Having offices in cities throughout North America, Europe, and Asia brings us closer—sometimes literally right next door—to many of our customers within the Philips organization, and also means that we have direct access to insights from many different markets and cultures. We closely align all our activities across this global network so that we have a shared understanding of the brand and of what is expected of us. We have clearly defined where the various competencies are located, and by maintaining daily communication and promoting a fluid exchange of personnel and knowledge among sites, we can pool these geographically disparate resources to work as one integrated team.

Not only for Philips

Another distinct advantage of how we work is that we are fully embedded in the Philips organization. We help to bring the brand to life and deliver on the brand promise every single day, proposition after proposition. And we are in a unique position to do this, having served the company from within for more than 80 years. Interestingly, while this has given us unparalleled position with regards to Philips, it has also helped us serve other brands, as well. We have already offered our design services on a consultancy basis to a number of external clients, such as Microsoft, GE Plastics, Procter & Gamble, Heineken, Volkswagen, Coca-Cola, Bosch, IBM, and Unilever. This shows once again that, rather than being limited by the experience of crafting the brand for our own Philips, it has given us the expertise and insight to do the same thing for other companies too.

Conclusion

When we talk about brand behavior, we refer to the way in which people all over the world perceive us and interact with our company over time. It is a mammoth task to create consistency in this, given the scale and multidimensional nature of our operations. The design competence should be central when this behavior is being defined and expressed. But, at the same time, the scope of design must be broader than the conventional idea of aesthetic styling. It should embrace a different way of thinking, where supplementary skills and disciplines are integrated to allow the creation of accurate and resonant reflections of cultures, markets, and individual needs. By adopting such an approach, you give yourself a better chance of unlocking the value within a brand and developing meaningful propositions that are the basis for lasting relationships with customers. ■

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