



## Five Strategic Imperatives for Digital Brand Building

**A lack of skills and a lack of confidence in metrics hold organisations back from achieving brand building success in digital realms.**

Digital branding as a channel for brand building has seen exponential growth in the last few years. It has evolved one of the most influential, relevant and futuristic mediums of brand building for organisations globally. In the beginning of September 2015, Instagram opened up its platform globally to advertisers and brand owners. The ability to advertise, which was previously available only in eight countries, was made available in more than 200 countries by end-September. But why is this development of such critical importance?

The facts and figures surrounding Instagram's growth tell the story – eMarketer predicts that Instagram's advertising revenue will reach USD2.8 billion by 2017, which is almost double its projected revenue for 2016 (USD1.5 billion).

The definition of building a brand online has completely changed in the last few years. We have seen a strategic move from text-based online brand building to more visual mediums of brand building (which is where platforms like Instagram, YouTube and Pinterest come in). SEO (Search Engine Optimisation) and email marketing strategies still hold value and interest with marketers, but the tide is slowly but surely shifting towards programmatic branding strategies, online advertising exchanges, evolving advertising formats, mobile advertising and more recently the Internet of Things (IoT).

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But this rapid rise of digital branding as a medium has brought along with it some key challenges. Adoption rates have seen a mix of leaders and laggards, with many organisations getting onto the medium quickly and many others adopting a slow and cautious approach. Early adopters of the medium have not only used digital as a medium for brand building, but have also pushed the boundaries of brand building by leveraging the significant interaction points that digital mediums have with consumers. Digital mediums have allowed brand owners to create immersive brand experiences around touch-points that are increasingly becoming more and more relevant in the customer decision journey. An added benefit has been the integration and use of new technology throughout their business models. But the majority of marketers and brand builders have struggled with understanding, integrating and utilising digital mediums in their brand building efforts.

### **Complexity rising**

The strategic shift of power from marketers to consumers in terms of engaging with brands online was the primary trigger that led to the emergence of digital branding as a medium. But the growth and proliferation of the medium has added layers of complexity, which have confounded marketers. According to a CMO C-suite study conducted by

IBM, 80% of the CMOs surveyed anticipated a 'high' or 'very high' level of digital complexity over the next five years.

To get around the issue of complexity of the digital brand building landscape and to ask themselves the right questions of how and why the medium is a fit, brand builders should approach the medium by developing five core capabilities:

**Immersive and influencing:** Digital brand building should allow for immersive experiences and opportunities for consumers to influence the brand building process. The ability to influence should start right from the ideation stage through co-creation platforms (crowdsourcing, innovation jams, collaborative exchanges, blogging, online feedback forums, podcasts etc.) and going on to influencing brand experiences only. Customisation is the key link between consumer immersion and the ability to influence. Some great examples are Coca Cola's use of the **eYeka content creation community** and the continuous evolution of **Nike+** as a brand on the platform of co-creation.

**Be ready to fail fast:** Digital brand building is an iterative process. Brand owners should constantly experiment, test, validate and refresh brand-building efforts. This requires having the ability and courage to fail fast and improve. To strengthen this capability, brand owners should invest in design, measurement and monitoring systems (User experience design, A/B testing, web analytics etc.).

**Inter-connectedness:** Digital brand building should not happen in a silo. To achieve consistency in customer experience across all touch-points, it is critical that digital branding strategies are aligned with a brand's non-digital strategies. This requires capability building around creating an organisational structure that embraces digital as an important platform (and does not treat it as any other medium). In a recent study done by The CMO Club with Oracle Marketing Cloud, only 13% of CMOs surveyed believed that their organisations are able to truly deliver a consistent customer experience across all touch points.

**Selectivity and discernment:** Digital brand building is not a 'know all' and 'do all' process. With the proliferation of digital platforms, it is critical that brand owners have the knowledge and discerning ability to choose the right digital platforms. Social media marketing is not for every brand and neither is having an Instagram page or advertising on Snapchat. To be able to select platforms in the most efficient fashion, brand owners need to know about the platform's core audience, advertising platforms, functionality around implementing measuring and monitoring systems and a clear knowledge of how platform-specific metrics can be linked to brand

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performance metrics (e.g. what does 1 million Instagram page views mean for a brand).

**Actionability:** Last but not the least is the capability to steer brand strategy by taking actionable decisions around digital brand building initiatives. This is one of the most overlooked and equally the most critical element of digital branding success. Brand owners who do not establish processes that can directly or indirectly link digital brand performance metrics with core success indicators (revenues, profitability, loyalty, acquisition, ROI of marketing and communication etc.) will forever remain stuck in a state of limbo.

In sum, digital branding success is to have the ability to create, implement, manage and measure superior brand experiences online. There are two ends of the spectrum that a brand builder needs to take into consideration – to be able to create best-in-class brand experiences and having the ability to manage positive consumer sentiments arising out of the exposure. In short, word-of-mouth gets magnified exponentially in the digital world, a term we all now know as "going viral".

### Skills needed

To get these strategic imperatives right, organisations will have to ensure that they reconcile design and implementation with measurement and action. The current gap in digital skills is a significant problem among marketers globally. Brand builders have to know what to do with the results. What slows down the rate of digital adoption is the lack of confidence in measuring the ROI of digital spend. Standards of measurement need to be defined through industry-level initiatives that bring buyer needs and supplier capabilities together and link them to business metrics.

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