

## Are Your Internal Branding Efforts Working?

To better understand the inner workings of internal branding within organizations, the Canadian Marketing Association's Branding and Strategic Planning Council surveyed marketers about their organization's internal branding activities, measures of effectiveness, and their personal involvement.

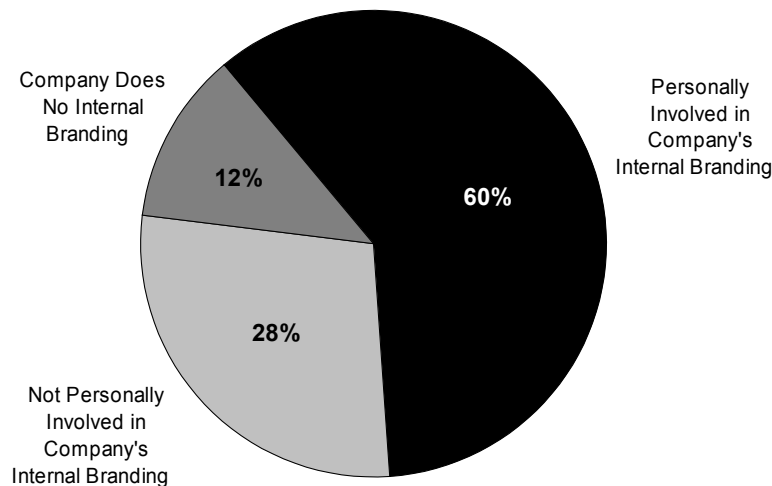
Overall, 475 respondents representing a cross-section of industry sectors, business sizes, B2B, and B2C companies completed the online survey.

Two questions were asked to gauge level of involvement with internal branding:

- Internal branding is promoting the company brand values amongst employees. Does your company engage in internal branding?
- Would you say you are personally involved in the development of internal branding initiatives?

Based on response to these questions, marketers surveyed are broken into three groups.

### INVOLVEMENT IN INTERNAL BRANDING INITIATIVES



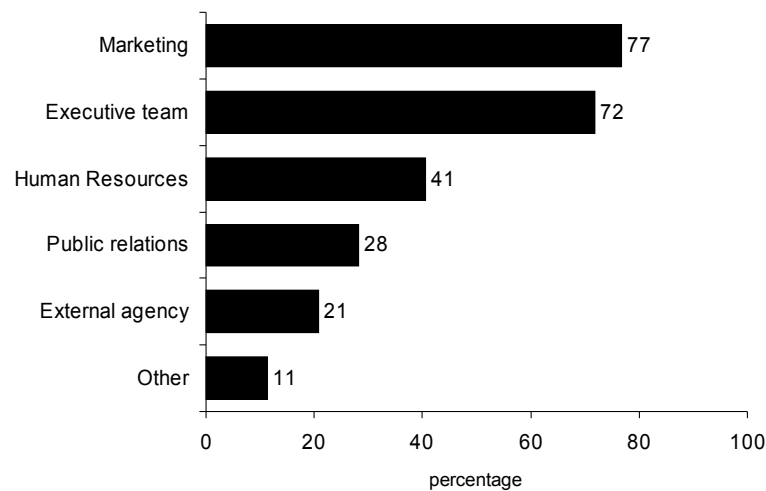
The following sections examine each of these groups separately.

## **Personally Involved in Internal Branding**

Overall, 284 marketers that are personally involved in internal branding were asked a series of questions around departmental involvement, dissemination of internal branding initiatives, spending, and measures of effectiveness.

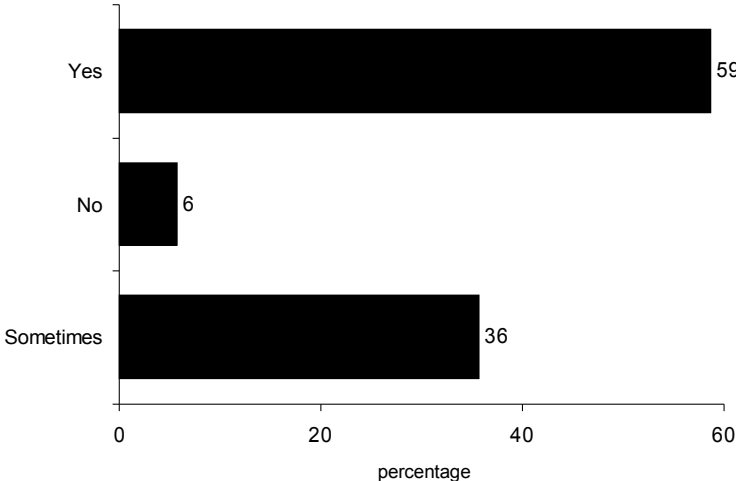
Development of internal branding strategies tends to be shared by the marketing group and executive team with more than one-quarter mentioning internal branding as a marketing responsibility and 72% saying the executive team holds some responsibility. External agencies are engaged by one-in-five companies surveyed.

### **AREAS WITHIN YOUR ORGANIZATION RESPONSIBLE FOR DEVELOPING INTERNAL BRANDING STRATEGIES**



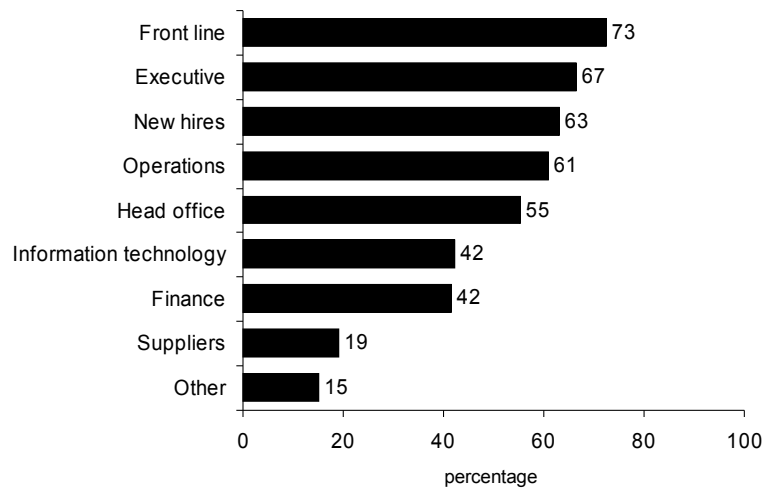
When asked if these were the same groups responsible for external branding strategies, almost six-in-ten companies (59%) say that internal and external branding strategies are built by the same groups.

ARE THESE THE SAME PEOPLE WHO DEVELOP THE EXTERNAL BRANDING STRATEGY?



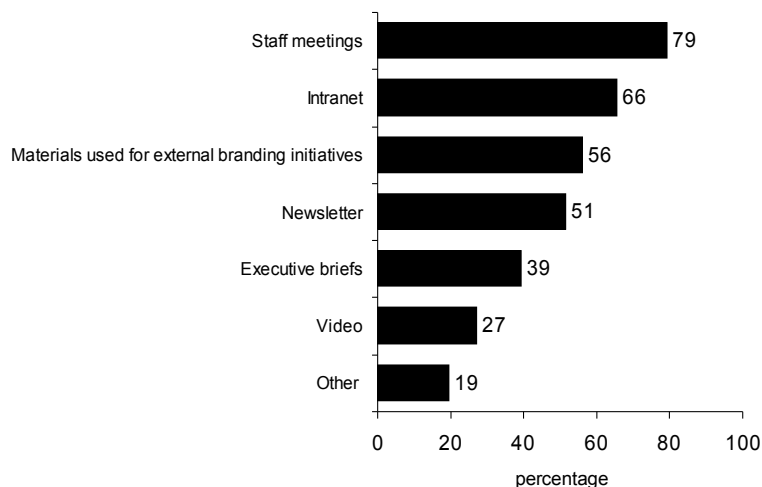
Disseminating brand values throughout the organization is a key factor to success. When asked which employees are the focus of internal branding initiatives, almost three-quarters mention front line employees (73%) while two-thirds (67%) focus on the Executive and 63% on new hires. External suppliers are the focus 19% of the time.

### WHICH EMPLOYEES ARE THE FOCUS OF INTERNAL BRANDING INITIATIVES?



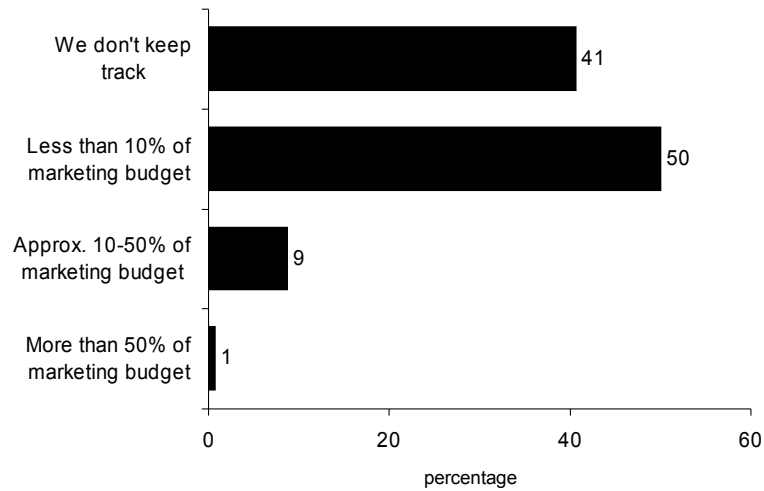
Looking at specific channels to filter internal branding information, staff meetings top the list with 79% using this forum and two-thirds (66%) use an intranet. More than half (56%) say they use the same materials that are used for external branding initiatives.

### WHAT MEDIA DO YOU USE FOR INTERNAL BRANDING?



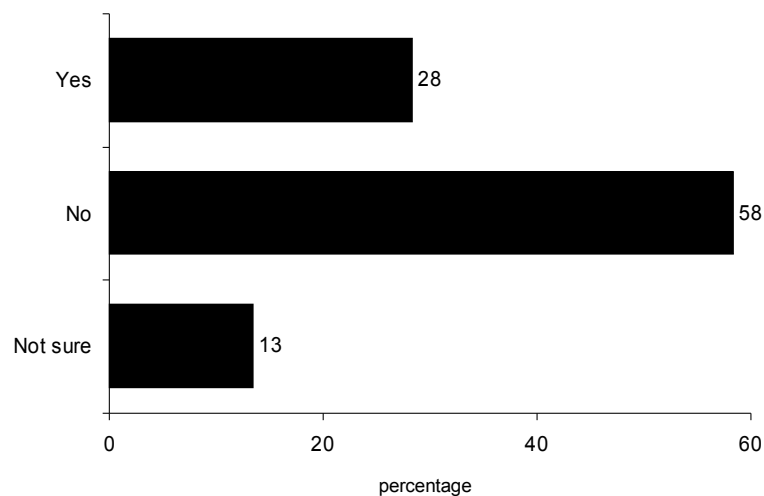
When asked how much their company spends on internal branding initiatives, half indicate less than 10% of the marketing budget while 41% do not track spend at all.

### HOW MUCH DO YOU THINK YOUR COMPANY SPENDS ON INTERNAL BRANDING INITIATIVES?



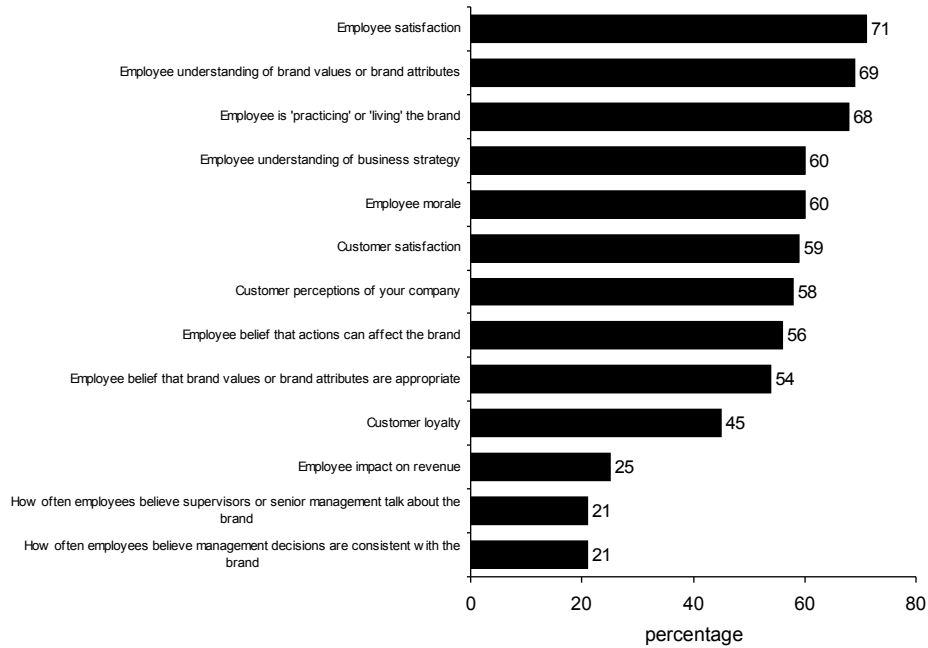
Only 28% of those involved in internal branding actually measure the effectiveness of their efforts. Without spend and some sort of effectiveness measure, it is difficult to even approximate an ROI, something that is often needed to justify ongoing internal branding programs.

### DO YOU MEASURE THE EFFECTIVENESS OF INTERNAL BRANDING INITIATIVES?



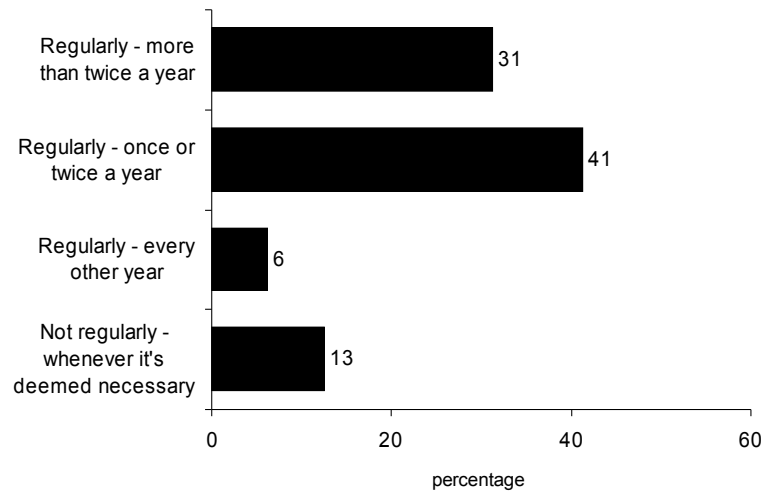
When it comes to the actual measures used to determine effectiveness of a program or initiative, there is no single measure that is used most often. The graph below shows that the most prominent measures are employee related.

### HOW DO YOU MEASURE THE EFFECTIVENESS?



Those who do measure, measure regularly with 45% saying once or twice a year and 34% measuring more than twice a year.

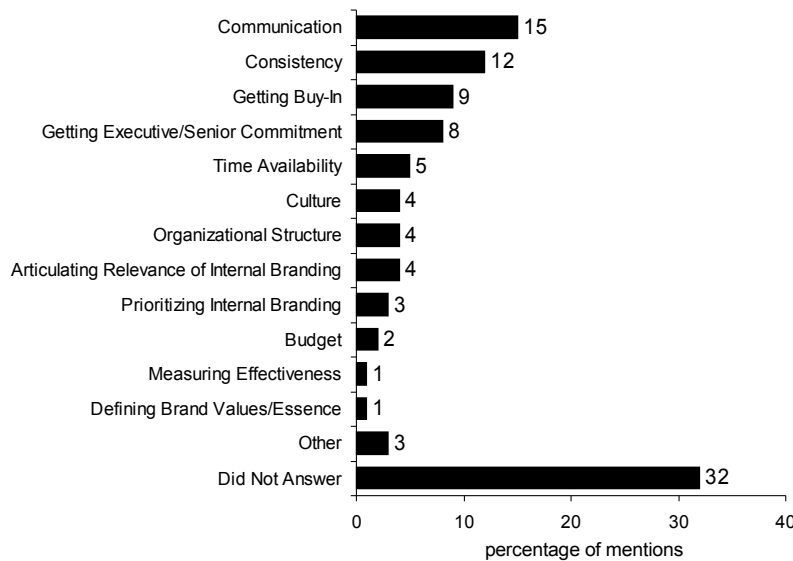
### HOW FREQUENTLY DO YOU MEASURE THE EFFECTS OF INTERNAL BRANDING?



How formal and ingrained these measures are can not be garnered from these results. For example, one company may measure an employee’s understanding of brand attributes in a formalized, anonymous questionnaire (perhaps as part of an overall employee satisfaction survey) while another company may simply ask their frontline employees if they understand what they are trying to project through the brand as part of a one-on-one conversation, or during a staff meeting.

Marketers were asked to identify their key challenges with internal branding. Internal communications and ensuring consistency throughout the organization top the list of mentions. Getting internal buy-in by employees and executives are also common challenges.

### KEY CHALLENGES OF INTERNAL BRANDING



To get a feel for their challenges, individual comments are provided below:

- *“Getting executive support in making employee branding a priority. Efforts are commonly placed on 'back burner' next to our external marketing”*
- *“Cascading a consistent message through the various levels, different business units and different countries.”*
- *“CEO commitment on resources/funding for internal branding initiatives”*
- *“Ensuring this is not the 'flavour du jour' but rather an important part of our identity and its corresponding importance.”*
- *“Getting employees to actually read/watch the materials. Making it 'fun' and value-added rather than just more work.”*
- *“Getting people to buy-in to branding at all! Think it is a waste of time, no value, something from marketing, won't help them, another step, don't understand...”*

- *“Instilling the discipline to 'live the brand”*
- *“Maintaining the budget for branding in general, and ensuring delivery of the message to the frontline associates.”*

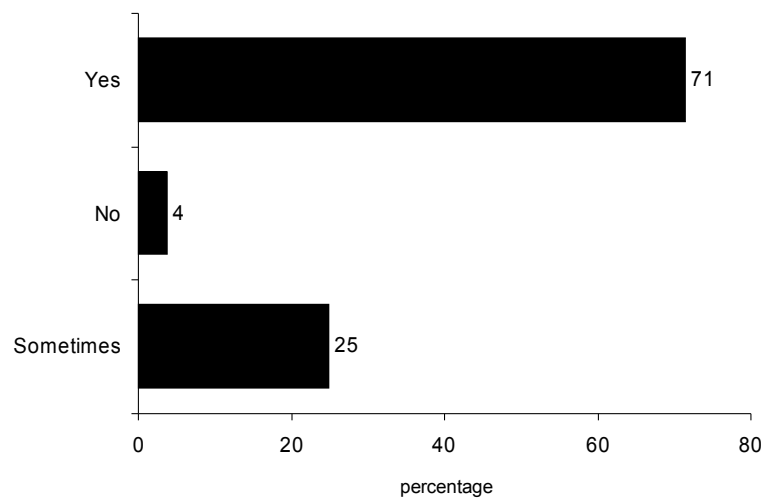


## **Those Not Personally Involved in Company's Internal Branding Efforts**

A total of 134 marketers who are not personally involved in their company's internal branding efforts were asked a series of questions about the importance of internal branding, alignment with brand values, and the impact of brand values on decision-making.

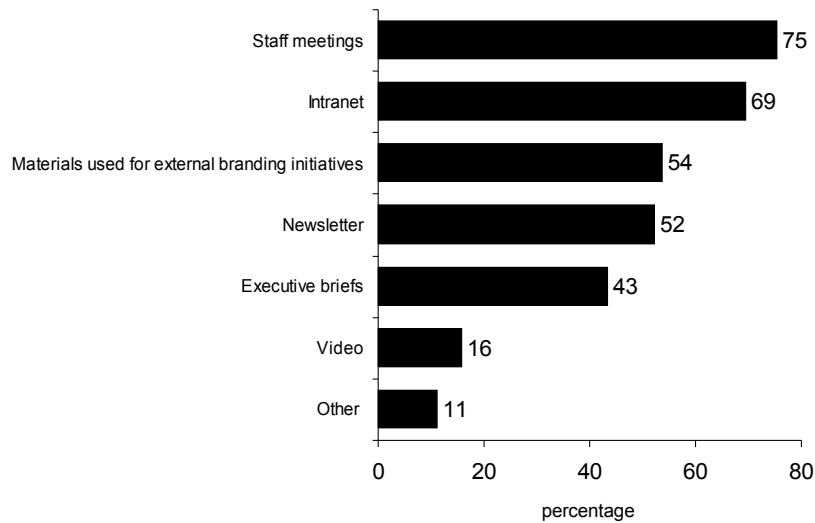
Seven-in-ten (71%) say that internal branding is important to them as an employee while one-quarter (25%) say that it is important sometimes.

### IS INTERNAL BRANDING IMPORTANT TO YOU AS AN EMPLOYEE?



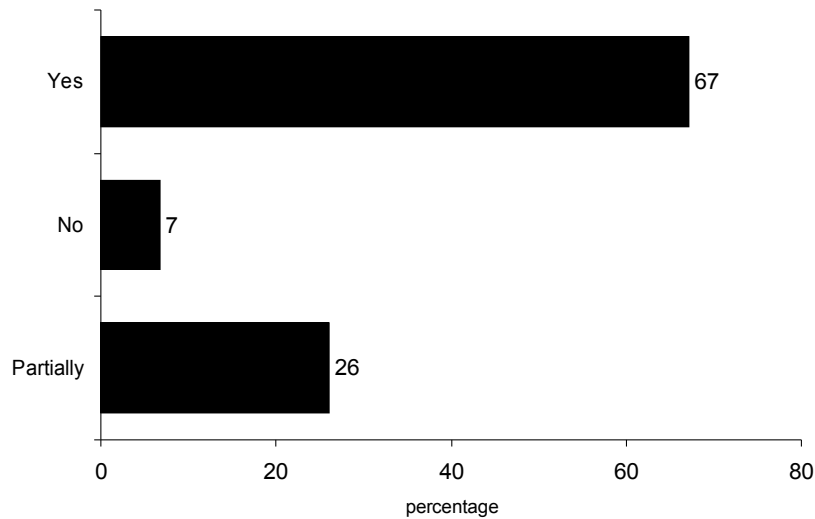
Consistent with what marketers involved in internal branding claim, internal branding messages are usually disseminated at staff meetings and over company intranets.

## HOW DO YOU HEAR ABOUT INTERNAL BRANDING MESSAGES?



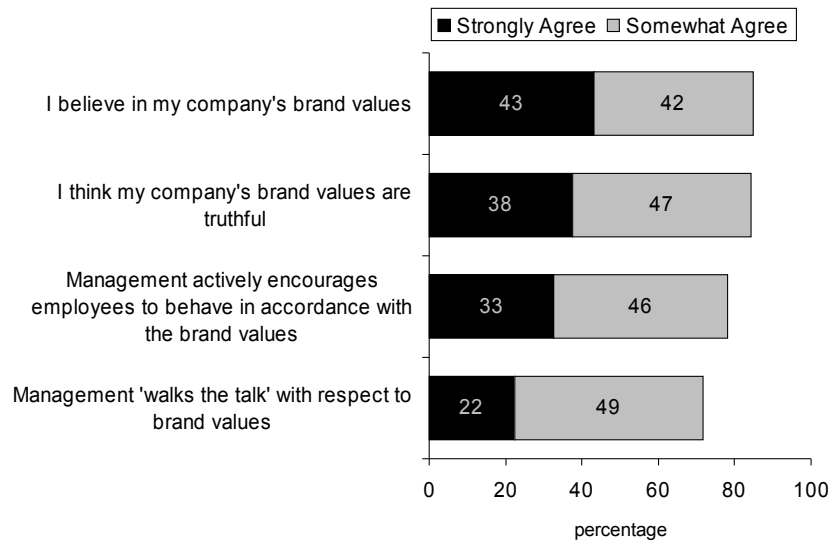
To see if these messages are effective, marketers were asked if they felt they could talk about their company's brand values. Two-thirds were comfortable talking about brand values while one-quarter (26%) say they could only partially talk about brand values.

## IF ASKED, COULD YOU TALK ABOUT YOUR COMPANY'S BRAND VALUES?



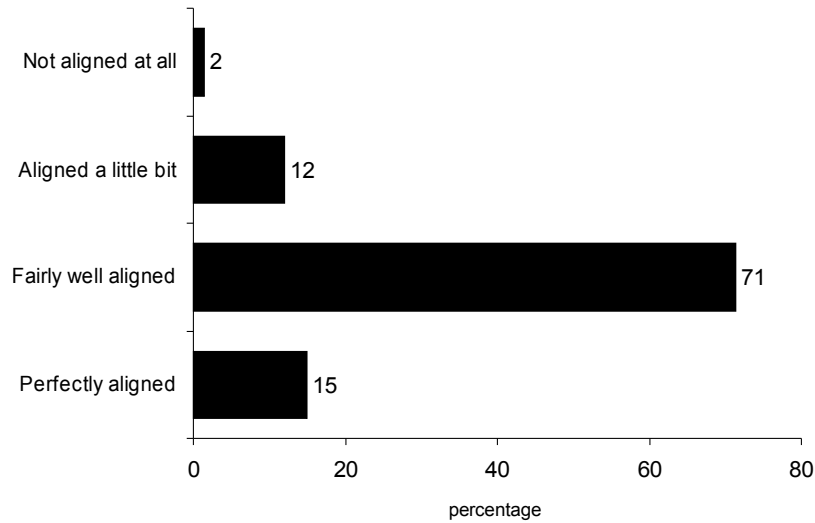
Successful internal branding requires buy-in from employees. When asked about their feelings toward company brand values, 43% strongly agree and 42% somewhat agree that they believe in their company's brand values. When it comes to rating whether management "walks the talk" with respect to brand values, only 22% strongly agree.

## FEELINGS TOWARD COMPANY BRAND VALUES?



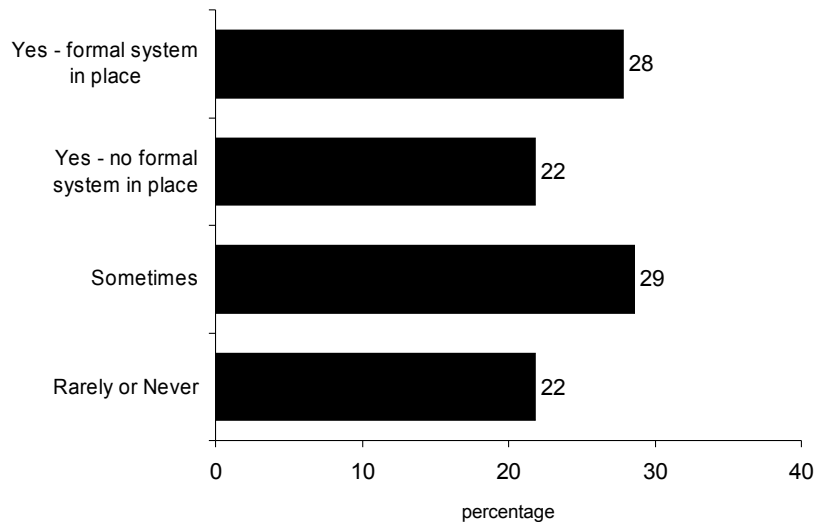
Living the brand values is much easier when they are aligned with your own personal values. The majority feels that their own values are fairly well aligned (71%) or perfectly aligned (15%).

### HOW CLOSELY ARE YOUR PERSONAL VALUES ALIGNED WITH YOUR COMPANY'S VALUES?



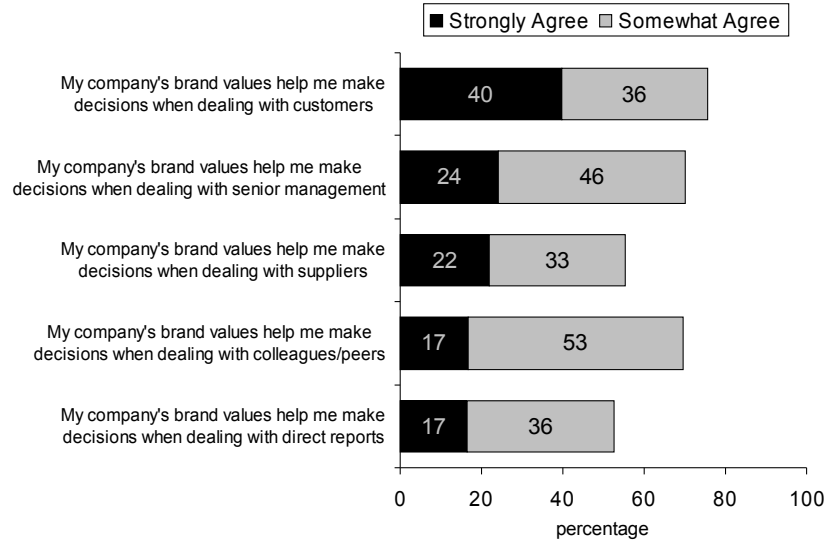
It is important to ensure employees demonstrate consistent behaviour when it comes to brand values. Recognition or reward for consistent behaviour are evident in half of the organizations surveyed, with 28% having a formal system in place and 22% operating on a less formal recognition system.

### ARE EMPLOYEES RECOGNIZED OR REWARDED FOR BEHAVING CONSISTENTLY WITH THE BRAND VALUES?



In an ideal world, brand values are top-of-mind when it comes to decision-making within an organization.

### INFLUENCE OF BRAND VALUES ON DECISION MAKING

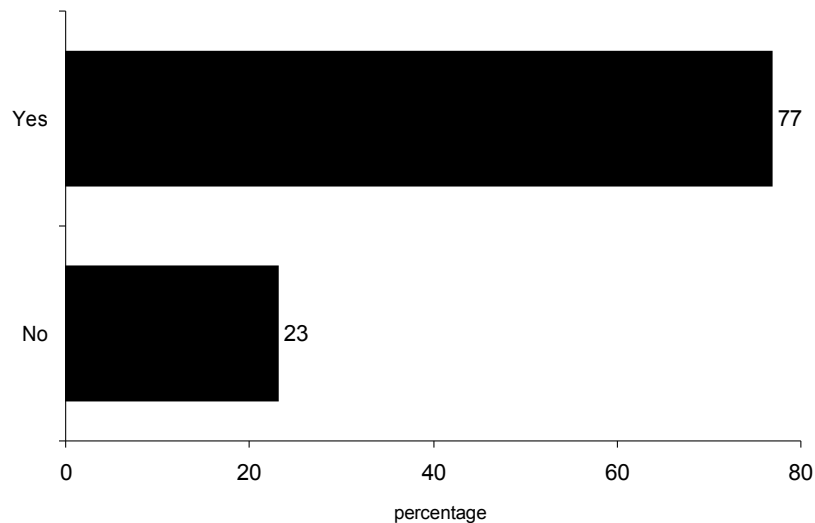


## **Company Not Undergoing Internal Branding**

A total 57 marketers responded whose organizations are not currently alert to internal branding. These marketers were asked whether they think their company should engage in internal branding and the importance of demonstrating brand values.

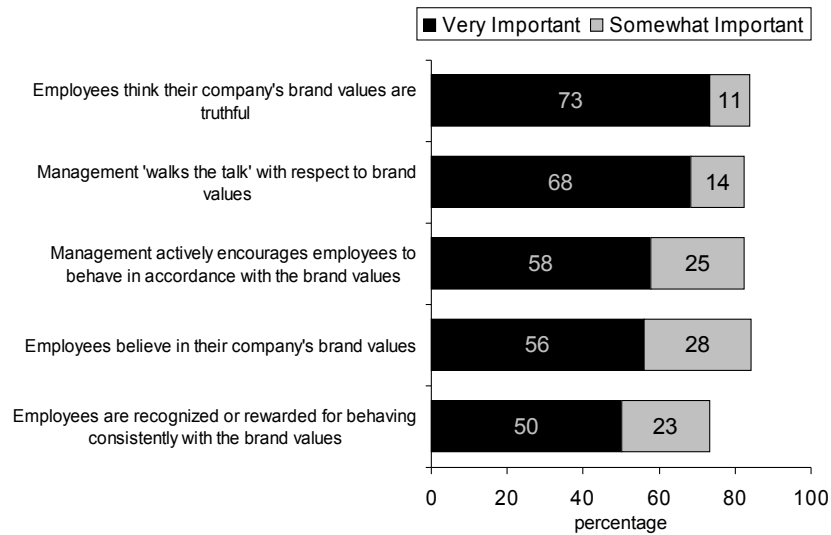
Just over three-quarters think their company should engage in internal branding.

### **DO YOU THINK YOUR COMPANY SHOULD ENGAGE IN INTERNAL BRANDING?**



When it comes to demonstrating brand values, 73% of marketers surveyed feel it is very important that employees feel their company's brand values are truthful while 68% feel it is very important that management "walks the talk" with respect to brand values. Just 50% feel that being recognized or rewarded for behaving consistently with brand values is very important.

## INTEGRATION OF BRAND VALUES



### About the Respondents

	Personally Involved	Not Personally Involved	No Internal Branding in Organization
	n=284	n=134	n=57
	% of respondents		
<b>Industry</b>			
Agency/Consulting	26.4	15.0	26.4
Automotive	1.5	1.5	1.9
Consumer services	2.3	1.5	7.5
CPG	2.3	3.8	3.8
Financial services	14.2	22.6	3.8
NFP	6.9	6.0	5.7
Pharma	0.8	1.5	0.0
Printing/Mailing services	6.5	3.8	9.4
Retail	4.2	1.5	3.8
Technology	6.5	4.5	5.7
Telecommunications	5.0	6.0	1.9
Travel, tourism, hospitality	2.3	7.5	1.9
Utilities	0.0	1.5	3.8
Other	21.1	23.3	24.5
<b>Level Within Organization</b>			
Coordinator	9.2	6.0	1.9
Analyst	2.3	8.3	3.8
Manager	19.5	36.1	26.4
Senior Manager	9.2	21.1	18.9
Director	22.1	12.8	9.4

Vice President	15.3	5.3	5.7
Senior Vice President	5.3	0.0	3.8
Owner/CEO/President	12.2	0.0	22.6
Other	5.0	10.5	7.5
<b>Type of Business</b>			
Business to Consumer	16.2	28.2	26.4
Business to Business	35.9	19.1	32.1
Both	47.9	52.7	41.5
<b>Company Revenue</b>			
Under \$5 million	26.7	6.7	39.6
\$5 million to just under \$10 million	11.7	5.0	6.3
\$10 million to just under \$50 million	24.7	16.0	27.1
\$50 million to just under \$150 million	11.7	16.8	6.3
Over \$150 million	25.1	55.5	20.8



## **What Does This Mean?**

A member of the Branding and Strategic Council summarized his thoughts around the research findings as follows:

*"The comments and the statistical results suggest that there is still a big differential between those working in a company that would like to see the management "walking the talk" and those who actually do have management that "walk the talk".*

*The discrepancy between employees believing in their companies values (only 43% believe), and the company brand values themselves, suggests that the way companies organize themselves and do business do not reflect the aspirations and desires of the people who work in them.*

*The low percentage (28%) who feel that they are rewarded for behaving consistently with their companies brand values, suggests that lip service only is paid to brand values. i.e. in reality the company promulgates amongst it employees other attributes of how to be successful. (Like contributing to the bottom line?) The incredibly low proportion (7%) of respondents who think their brand values provide guidance as to how to treat other employees suggests that brand values do not address human interrelationships in a meaningful way." – Hugh Oddie*