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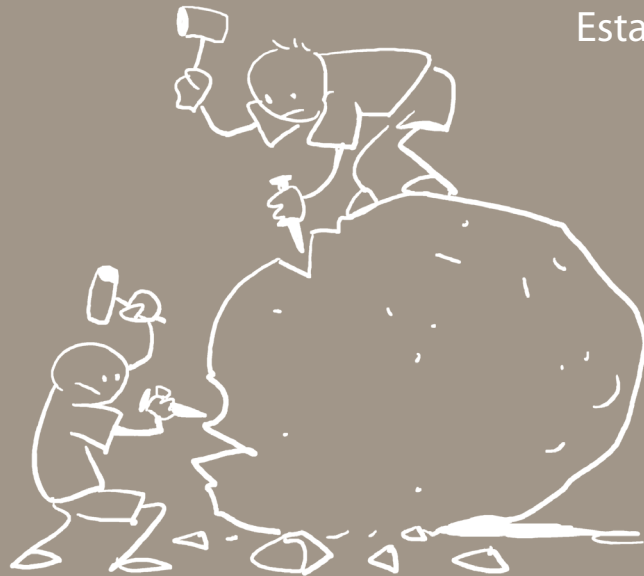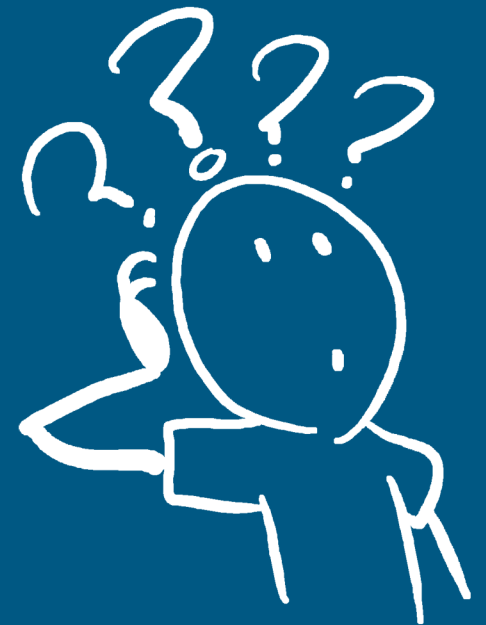
How Hotel Entrepreneurs in Asia are Challenging
Establishment Thinking to Create Successful Brands

THE BRAND COMPANY
Building Hospitality Brands

WHY THIS STUDY?

We weren't trained at EHL or Cornell and none of us have worked for a hotel company (save for dishwashing and bartending in our youth), but, we've been working *with* hotel groups for the last ten years: big, small, global, regional, local, established, start-ups, sensible, weird and many others in between.

This perhaps qualifies us as 'insiders', but also gives us the objectivity of those from a world beyond hotels.

We decided to make hospitality our business home because there's no other industry where the relationship between customer and brand is so long-lasting and so varied. It's interesting stuff!

Beer brands are built rather more simply through advertising, packaging, promotions and, of course, the taste of the product.

Airline brands provide an experience that lasts a maximum of 18 hours (if you're flying from Newark to Singapore or Mumbai to Atlanta).

Yet, the time involved and the type of interaction with hotel brands is much longer and more varied, providing a wonderful opportunity for creating deep and lasting relationships with guests.

Our observation, however, is that many hotel groups seem not to be capitalising on the distinct advantage they have as brands versus other industries. Indeed, not one hotel brand makes it into the annual *Businessweek Top 100 Global Brands* table, a survey that measures, in isolation, the contribution of the brand (the intangible assets as they're sometimes described) to a company's financial health.

On the other hand, we see a number of smaller, newer hotel brands punching above their weight, creating distinctive, relevant and compelling experiences that form a strong bond with guests. It's not just the hotel industry where the smaller players have shaken things up. In the airline industry think easyJet, Southwest Airlines or Air Asia. In retailing, Amazon or eBay spring to mind. Google has only just passed its 10th birthday and Starbucks its 20th. It seems being smaller makes it easier to create paradigm shifts in customer experiences (although as these companies have grown rapidly, some have questioned whether the brands have retained the original creative juices that made them so different and successful in the first place).

We also recognise larger airlines, retailers and hotel groups face significant organisational challenges, making it more difficult for them to be as agile and adaptable as their smaller counterparts. Think of it as changing the direction of an oil tanker versus a canoe.

Rhonda Abrams asserts in a recent Bloomberg interview that in recessionary times large corporations (not just hotel groups) make significant cut backs, their competitive position often weakens and customer loyalties are eroded, meaning guests are more willing to jump ship. This perhaps offers enhanced opportunities to the smaller hotel groups, not least because large corporations are pressured by short-term share price concerns, often resulting in knee-jerk reactionary tactics, which in turn can damage the longer-term wellbeing of their brands.

Having said this, we believe there are many things that all hotel groups are capable of doing to build stronger brands. It's just that some have not recognised or chosen to adopt contemporary thinking and strategies for building service brands, in part because they don't consider the brand as a fundamental driver of organisational purpose. That's got nothing to do with being big or small, just about what emphasis an organisation considers a brand plays in building and maintaining financial health.

It's important to stress that smaller or newer doesn't always mean better: there are global hospitality brands that deliver consistent and compellingly unique experiences. Ritz Carlton and Four Seasons get mentioned a lot by hoteliers and guests as examples of successful and distinctive global brands.

To try and understand some of the critical factors behind successful brand-building we interviewed around 30 entrepreneurial leaders of hotels in Asia. We feel there's much that can be learned from them in terms of how they think about and manage their brands and what they see as the key drivers of establishing their brands in the hearts and minds of their guests.

We hope that the output presented here will be of value to all hotel brands - from the smallest guest house to the largest multinational group.

Most of the 30 interviewees are hoteliers leading smaller, newer hotel groups or individual properties in Asia (we refer to them as 'The G30' throughout the report for simplicity's sake). The discussions were wide-ranging, covering many aspects of brand-building, but the focus of our questions was related to how they viewed the brand's relationship with the organisation and, through this, the brand's role in building a platform for long-term financial success.

Almost all individuals interviewed have had experience working in large hotel groups during their careers, but are now working in smaller companies. We felt this gave them a balanced view of the hospitality landscape.

It's important to emphasise that the views conveyed in the report are not necessarily reflective of all those we interviewed. We have tried to express the consensus of the majority. We have also incorporated some of our own views in relation to the comments made by The G30.

What's written here doesn't attempt to provide the complete answer. If all we have done in reflecting these views is to raise more questions and create more debate in an industry that seems at times to be misfiring on the subject of brand-building, then maybe this is no bad thing.

Eight Cornerstones of Building Successful Hospitality Brands

1. Define The Brand With A Single Audience in Mind

It surprises many of the 30 hoteliers we interviewed (The G30) how many hotel owners commit hundreds of millions of dollars to land, design, construction, recruitment and fit-out costs without first pinpointing the kinds of customers they are building the experience for. *"Can you imagine Procter & Gamble investing heavily in a project for which they had not first defined their intended customer in detail?"*, questioned one hotelier. This would be considered sheer suicide. And by 'defining your customer' we don't just mean knowing how much potential guests might be prepared to pay and what facilities they require. We mean getting under their skin to understand their motivations, what turns them on (and off) and how they live their lives. Understanding customers at this level allows hoteliers to create a much richer, textural and relevant experience for them.

Indeed, if more hotel groups had a singular and better-understood set of target customers in mind when defining their brands at the outset, perhaps they would be less alike. Many of The G30 argued that the brands of numerous hotel groups are somewhat bland because they define their initial brand focus with multiple target groups in mind for fear that they otherwise might not be able to fill their 600-room establishments around the globe with paying guests. Our view is that although larger brands will ultimately have to appeal to multiple guest types, defining the focus of a brand around the aggregate desires of all of them will lead to the brand graveyard: the brand experiences created will simply be a thin spread of rather insipid margarine across different customer touch-points, not connecting with guests on a deeper emotional level. Without an emotional connection it's impossible to establish brands that guests will feel a strong affinity to.

Think of brands from other industries: Virgin appeals to customers who have an irreverent anti-establishment streak, Apple to those with a penchant for what's intuitive, cool and practical, and Disney to others who like the wholesomeness of 'family fun & magic'. It's clear that none of these brands have tried to appeal to everyone, nor built ubiquitous experiences: quite the opposite. Yet they are consistently profitable and have high customer loyalty ratings.

As many of The G30 said, it's much easier to have a focused target guest group and build a more singular set of experiences for those guests if you're trying to fill 50 rooms, not 50,000. And once launched it's perhaps easier to get to know guests better in a smaller property, refining services over time based on a more intimate connection with them.

But a bigger hotel doesn't necessarily have to mean blander. The 600+ room Langham Place Hotel in Hong Kong could have been just another in a long line of indecipherable 4 or 5 star offerings. But it isn't. Langham saw a clear opportunity to target a younger, more adventurous, less traditional crowd (and how many hundreds of millions of those kinds of customers are there emerging in Asia and beyond?). These customers weren't looking for the faddishness of the smaller boutique offerings, the ceremony of the grand dame hotels, nor the vanilla offerings of some of the global chains. That resulted in Langham creating a brand that is altogether less formal, more fun and more creative than the mainstream crowd. Sure, at the moment it's only one hotel, but they have created an exciting and differentiated brand focus to roll out to their other properties as they grow.

The bottom line is, be focused on a singular customer-type when crafting the heart of your brand. In doing so, make sure you're not likely to alienate other target groups, but don't be distracted by the needs and lifestyles of multiple audiences. If you do, you're more likely to end up with something that seems like it has come off a production line: you'll have a *product*, but not a *brand*.

2. It's Not What You Do But The Way That You Do It

A recurring theme amongst The G30 was the importance of style as opposed to standards when creating successfully differentiated brands. That doesn't mean standards aren't important; if you're not efficient, have knowledgeable and friendly staff and provide comfortable guest rooms then no-one will care what your brand is. But these attributes will simply allow a hotel brand *entry* to the game. If that's all you provide you will be emulating many existing hotels and others, likewise, will be able to emulate you. To *lead* the game, you must be unique and that comes down to the *way* you do things.

The point is that standards can be copied, but style – if it's established on the unique culture of the organisation – is far more difficult for your competitors to replicate. It also creates a greater sense of individuality in the eyes of potential guests. It makes you *special*.

Some of The G30 talked about embracing the spirit or culture of the surrounding district as a point of differentiation, but we would caution the use of that as a brand focus. After all, if your brand is founded on, say, natural Balinese charm or exotic Sri Lankan customs other hotels in those destinations can do the same and be just as credible as you.

For style to be authentic and unique, it has to come from within the organisation rather than be implanted on it. The most obvious examples are where the style of a leader naturally becomes the style of the brand. Google has a youthful informality that was partly derived from the company being founded in 1997 by 23 year-old Stanford students Larry Page and Sergey Brin; Jeff Bezos and Amazon's personalities seem inseparable, likewise Anita Roddick and The Body Shop. But there are also problems with charismatic CEO's who front brands, not least, what happens when they leave the organisation?

Many of The G30 talked of the importance of crafting a common vision at the outset amongst the leadership team about the type of hotel brand they wanted to create (and, of course, the type of customer they wanted to attract) before any other major business decisions were made. This vision was not about how big the hotels would be, what facilities they would have and what the staff to guest ratio would be. It was a vision of a type of overarching experience that would provide something unique to guests. That vision was often founded on deep-seated beliefs and a desire to change the industry's status quo.

It is well reported that Aman was born out of

Adrian Zecha's strong contempt towards the corporatisation of the hotel and resort industry, which led to the brand having a very non-institutionalised, almost homely feel. Brian Williams of Swire Hotels is setting out to create brands that are spontaneous and simple, yet still luxurious, in part reflecting Swire's own somewhat understated culture. Aman and Swire Hotel's brands are founded on fundamental beliefs and values, in turn leading to a greater and more natural authenticity of experience, as many guests point out.

Several of The G30 pointed to brands that express a distinct, but contrived style of delivery, where the hotel expererience is a stage and the service team actors. *"If the service team are playing tightly directed roles in this pre-written drama, then how can they ever be themselves and how can the style of the brand ever be really convincing?",* asked one interviewee.

The consensus from The G30 was not to obsess with being 'better': focus on being relevant, compelling and – most importantly – *authentically different.*

3. The Brand and The Company are Inseparable

Mr. Brand

Mrs. Company

Perhaps the most significant difference between 'Goliath' and many 'Davids' is the degree to which the brand is inextricably linked to the entire organisation and to each element of the customer experience. Many of The G30 commented that 'Brand' in some of the larger global chains is viewed more as packaging and less as substance.

But consider for a moment what your brand really is. We see brands as perceptions of you amongst all your stakeholders; guests, staff, business partners, the financial community, competitors and so on. What creates those perceptions? *Everything you do and the way you do it.* Following that logic, why is responsibility for brand management so often placed in the hands of the Marketing Director alone? The processes, environments, products, services and customer service delivered by the hotel have a fundamental impact on the way customers perceive you, so why are the departmental heads responsible for delivering those experiences not considered as equally-important brand builders?

"Our brand started with a clear idea of what and how we wanted to be and was then woven into every part of the fabric of the company; building the brand from the inside out. We're first and foremost a culture as a brand….it guides the way we do things internally which gives us a great platform for expressing the brand consistently and believably to our guests", said one respondent.

"Our brand is most powerfully expressed through what we do and the way we do it, not by what we say about ourselves and what we're called. In the end, customers will form an opinion about our brand based on the reality of what we deliver and how", commented another.

A recurring theme was that smaller hotels find it much easier to establish a brand-driven organisational culture and a set of brand-supportive systems, structures, processes and policies. After all, because they're small communication is simpler and the brand champion (often the founder) has a much greater hands-on role in shaping the brand than the head of a 50,000-employee organisation.

But we don't believe being big is a reason for not establishing a brand-centered organisation. It's about instilling a strong sense of brand from the word 'go' and holding true to the essential principles that bring the brand to life, regardless of who is steering the ship at a given point in time. We sense that a number of hotel groups either lacked a strong brand culture at their outset or did not 'bottle' and hold on to what made them special, different and valuable in the first place. If you don't know what it is that makes you special, it's much more likely that you're going to lose it without realising you have.

Take Disney, Chanel and Harley Davidson, for example. All around 100 years old, each a sizeable corporation and each living and breathing the brand from within so that a century after inception the brand is still relevant to and championing what made it unique in the first place.

We would steer clear of using the phrase 'instiutionalising the brand' (it sounds a bit heavy and prescriptive), but for the *customer* and the brand to be as one (in other words creating a strong and lasting bond of trust), the *organisation* and the brand first needs to be so.

4. Brands, Culture and Service must share the same bed

This subject is really a sub-set of the previous section, but we have isolated it from other organisational constructs as it carries such singular importance.
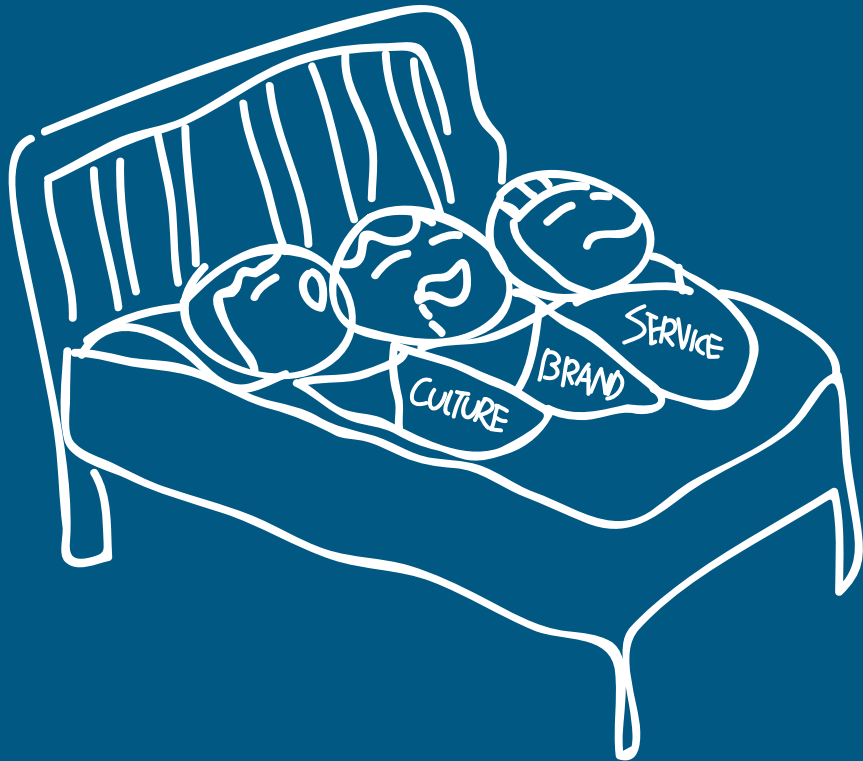
We asked each interviewee to rank seven 'drivers' of guests' brand perceptions in order of importance with respect to their own brand-building efforts. What the chart below shows is the relative importance of these brand drivers in the minds of The G30 combined.
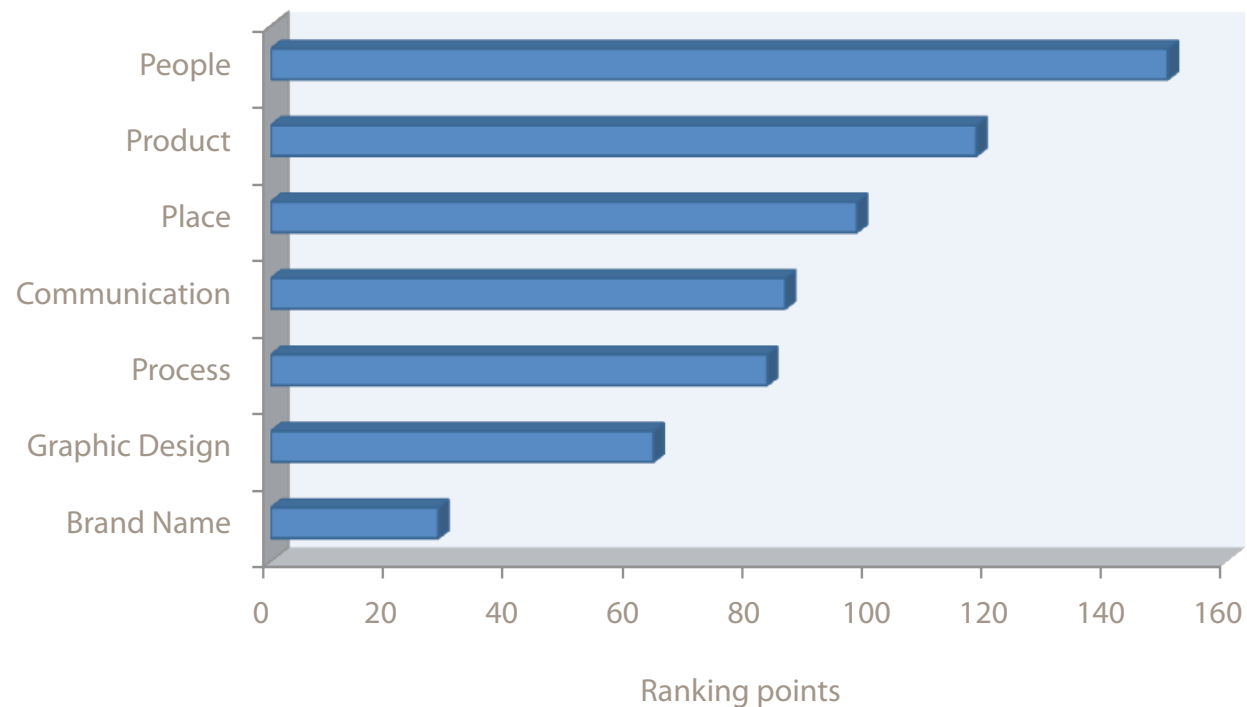
Every interviewee, except for one, placed 'People' first out of the seven brand drivers. This might not surprise you: hospitality is a service industry and people matter most, but how many hotel organisations actually align 'people processes' with 'brand'? If your people are at the heart of driving brand perceptions surely this is critical. Shouldn't the head of People Development (HR) be one of the most important brand champions in the organisation?

Many of The G30 believe hotel groups are often ineffective at linking their own people with the brand. Likewise, our own experience suggests that large numbers of hotel groups rather blithely say that their service people are their most important brand builders, but when you scratch beneath the surface there's precious little going on to ensure that the unique qualities of the brand have found their way to the mindsets, attitudes and behaviours of the organisation as a whole and the service team in particular.

A lot of service training is focused, as we mentioned earlier, on basics like friendliness, efficiency, politeness and how to deal with crises. This can lead to favourable feedback from

Horizontal bar chart titled "Ranking points" (x-axis), showing brand drivers:
- People: ~152
- Product: ~120
- Place: ~100
- Communication: ~88
- Process: ~86
- Graphic Design: ~66
- Brand Name: ~30

customers (after all, who doesn't appreciate politeness and efficiency), but alone it won't differentiate you from the growing number of hotels that provide high levels of service. We sense that there's confusion between *'good service builds my brand'* and *'a distinctive approach to service is fundamental in establishing a unique and compelling brand'*. Good service *doesn't* necessarily build your brand. It might mean that guests *like* your service, but it is unlikely to make you stand apart from many competitors. Our motto for this? *'It's important to be good, it's vital to be unique, it's essential to be both'.*

So how do the unique qualities of your brand find their way to the culture of your organisation and the style of your service? Those we spoke to place a heavy emphasis on the recruitment process because the attributes they are looking for in their team members are often difficult to coach. Those desired attributes are primarily attitudinal and behavioural: in other words does the applicant have a mindset, as Steve Jobs once said, *"that puts them broadly on the same page as us"*. Imagine if spontaneity or a natural sense of sparkle are key brand attributes. How do you 'train' people to be this way? Indeed training people to be spontaneous seems a contradiction!

And if you want to identify these kinds of people, what types of recruitment processes do you

design? If you're looking for enterprising, agile people there's little point in asking them *'How enterprising are you?'* and *'Give three examples of how agile you have been in your career?'*. You have to witness how enterprising and agile they can be. You need to devise some form of role playing-based recruitment process. Make it interactive. Involve a number of potential recruits so you can see how effectively people perform with others, not just how adept they are at answering questions. Challenge people. Put them, as far as it's possible, into the kinds of situations they might find themselves in when facing guests. The idea is not to scare them, but you do want to see whether they're *your* kind of people, and you theirs.

Another recurring theme amongst The G30 was not being obsessed with hiring people with 'hotel' backgrounds. In fact many we spoke to were committed to hiring people with no hotel experience for fear that those with hospitality training might have become too institutionalised by one of the big players, finding it difficult to unlearn all the rules they'd previously adopted.

Internally, in smaller, newer hotel groups the CEO takes the lead role in guiding and inspiring the behaviours of all within the organisation, often quite personally. In larger groups this is really tough. You've got to find others who can help

unlock the brand potential in team members.

This brings us to the role of the HR Director in large hotel corporations. A number of those who spoke to us described the 'HR issues' from their days in the larger groups as deeply frustrating, citing the HR team as administratively, not strategically focused. They commented that the role of the HR team was more about defining and implementing rules, rather than unlocking the human potential of each and every member of the team to support the brand.

This is clearly not true of all hospitality groups, but our own experience shows it's not uncommon.

Consider to what extent the person or team responsible for 'human capital' in your organisation is able to help inspire and nurture a brand-centered organisational culture. It's the view of many interviewees that precious few HR people understand or have the skills for such a task: they're not particularly brand-literate.

That's not to criticise people with an HR focus. It's the job of those who lead organisations to make sure that those responsible for 'People Development' within an organisation are just as responsible for 'Brand Development'.

5. CEO as The Brand Champion

When we say 'champion' we don't mean 'supporter'. We mean deep, passionate, strategic governance of the brand.

We asked The G30 (the majority of whom either run a hotel group or an individual hotel), who has the most influence and control over the brand within their organisation and the consistent reply was 'me!'

OK, so The G30 generally represent smaller companies or properties in which the CEO or General Manager has multiple hats, one of which is taking an active, hands-on responsibility for defining and managing the brand. Many of them simply can't afford to hire experienced, highly paid brand managers. But each of them felt it would *still be* their responsibility for steering and managing the development of the brand, whatever the size of the organisation: inspiring, navigating, coaching, and leading the brand from the front.

Former Southwest Airlines Chairman Herb Kelleher said, *"The role of the CEO is, in my opinion, most important in both creating and guiding the brand."* 35,000 people work for Southwest. David D'Alessandro, former Chairman and CEO of John Hancock Financial Services and subsequently COO of Manulife (which employs 30,000 people worldwide) said in his book *'Brand Warfare', "The safekeeping of the brand is the CEO's responsibility. If a company is going to be successful in the long-term, the CEO's first concern has to be the brand. Brand has to trump even short-term financial questions, because all the financial measures, everything from market capitalisation to margins are directly affected by the health of the brand."*

The G30 generally concurred, not buying the argument that the size of an organisation is an impediment to the CEO leading the brand from the front. In fact, one could argue that the CEOs of large corporations need to be even more 'actively-involved' brand champions in order to be visible to the tens of thousands in their team looking for guidance and clarity about what the brand stands for.

We hear CEOs from across many industries saying they are the ultimate brand manager. Yet, in many cases they are confusing 'brand' as the name of the organisation that they lead with 'brand' as the strategic driver of the organisation. In our view it's not uncommon for CEO's to have little clarity about what their brand is about and even less what their role is in shaping and building it.

"To me, brand is everything we're about and ultimately the source of our financial health. Who else would lead the brand? Why would I offload that responsibility to someone else when it's the most important asset we have? Of course, I have others helping me, in fact everyone helping me to build the brand, but I'm ultimately responsible for protecting and growing it", said one of The G30.

The simplest way of looking at the value of the CEO's role in shaping and building the brand is to consider what happens if he or she abdicates this responsibility. The result is that it gives everyone else in the organisation an excuse not to be a brand builder: department heads, team leaders, new recruits, part-timers. If the CEO isn't living the brand, then why should they? It's obviously not important to her, so why bother?

Yet, if the people of the organisation are not living the brand we would argue that you have no brand at all. You simply have a commodity that will never allow you to realise your financial potential.

6. CCO As The Customer Champion

We've conveyed that many of The G30 feel the organisation's leader must be the brand driver and guardian, but what about other key roles?

Earlier, we mentioned that many companies offload key brand responsibilities to those in Sales & Marketing. We also commented that we feel the responsibility for brand-building needs to be more widespread and, for example, the head of People Development should be a critical member of the brand leadership team.

As we spoke to The G30 a theme emerged related to a new kind of role that many felt would help to ensure a more consistent expression of the brand. This role would be entirely focused on the brand's interface with customers through every single touchpoint: reservations, check-in, F&B, business facilities, entertainment, service style, leisure activities and the rest. Let's call this person the CCO: *The Chief Customer Officer*. What they *would* be responsible for is expressing the brand appropriately through each customer interface, understanding guests' responses to them, measuring how these responses help or hinder the brand and developing alternative customer experiences to help get the perceptions back on track. What they would *not* be responsible for is the operational delivery of the customer experience; that would be the job of the departmental heads, each collaborating with The CCO to understand the issues and then working within their departments to create experiences that better support the brand. This might involve Finance, IT, Engineering, Customer Service, Housekeeping, and F&B, in fact any department that has a role in improving the delivery of the brand. In turn, the CCO would then re-assess guest responses to the new experiences and so the process would carry on in a continuous cycle of assessment and improvement.

This can be seen as an alternate role to what many call the COO, although in large and complex organisations it's possible you might need both. A question asked by one of The G30 was, *"Why do I need an operations person (the COO) managing other operations people? Surely it's better to have an individual who brings to each of the operational heads a set of customer and brand-related issues and suggestions for improvement, then leaves them to figure out how it can be achieved. The CCO doesn't need to get involved in how it's done, just what is created at the end of the process and how it impacts on guests"*.

In a sense, the CCO becomes the CEO's brand lieutenant. He or she must translate the CEO's brand vision into real-life brand experiences.

Think of it this way: the CEO's prime responsibility is shaping, guiding and leading the brand within the organisation, whereas the CCO is responsible for crafting the brand's relationship with the outside world. Of course the CEO is the ultimate brand owner, but he or she should not get involved in the minutiae of the delivery to the customer: that would be the role of the Chief Customer Officer.

7. Free The Spirit Of Your Team

Many hotels (and other organisations) have what they call 'brand standards'; a weighty document that reads rather like a book of rules and codes on how to engage with the customer: "We must be respectful when...", "This is how we respond to...", "We must always be gracious if..."…the lists go on.

There are, of course, times when rules need to be applied in order to ensure consistency of delivery and there are basic codes of decency, ethics and respect to be upheld at all times. But these aren't brand issues; these are fundamental requirements of every human being when dealing with another.

For brands to find their way to the heart of an organisation (and through this to guests) the emphasis should be on freeing the spirit of the individual, not constraining it.

The point is, for brands to blossom and to resonate with customers they need to be a focal point, not a 'restraining order' for staff. You need to explain what the heart of the brand is to everyone in the company, explain why this kind of brand has been defined and what everyone's role is in building it as an individual and as a team member. Ways for how each individual can express the brand in their own unique style need to be identified. For those who manage tens of thousands of people, we can feel you shuddering. Getting everybody to find their own unique way of expressing the brand? That sounds like a recipe for chaos!

In our experience, quite the opposite is true. If you are crystal clear about what your brand stands for and you provide individuals with support and encouragement in finding their own way of reflecting the brand, then miracles can happen. People feel respected. People feel trusted. People feel they're being treated, well, like people! And the brand emerges in a human and natural way.

As a member of The G30 said to us, *"We translate the brand into a number of desired Principles that we believe will help drive the way we behave and act within the organisation. They're not rules, but guides to the types of things that are important to us as an organisation and as a brand. We don't waste time on 'training' people to behave or act in a prescribed way, but use the Principles to inspire people to be the best brand supporters possible."*

Another theme that emerged in many of the interviews was the fear of hotel groups making mistakes and the creation of 'standards' or 'rules' to prevent errors. Our view is that a risk-averse culture will always be safer, but ultimately less appealing to many guests.

As one G30 member put it, *"I wouldn't go as far as to say we encourage mistakes, but we are certainly tolerant and accepting of them, as long as we learn from them and continuously make things better. If our people aren't making some mistakes it means they're not testing the boundaries and trying new things, and that means we're stagnating."*

We don't believe building the brand is so much about 'right & wrong' anyway. It's less certain than that. It's about *feeling* what's right at a particular moment, with a particular guest, not *knowing* what's right. If you're constantly trying to think *'how was I told to do it?',* rather than having the confidence of believing you will find an effective solution for the guest in your own brand-centric way then you're likely to come across as stiff and overly-rehearsed.

The more you allow your people the freedom to express the brand in their own personal way the more you will inspire them to feel part of the brand and the greater the likelihood their passion for the brand will find its way to the hearts of your guests.
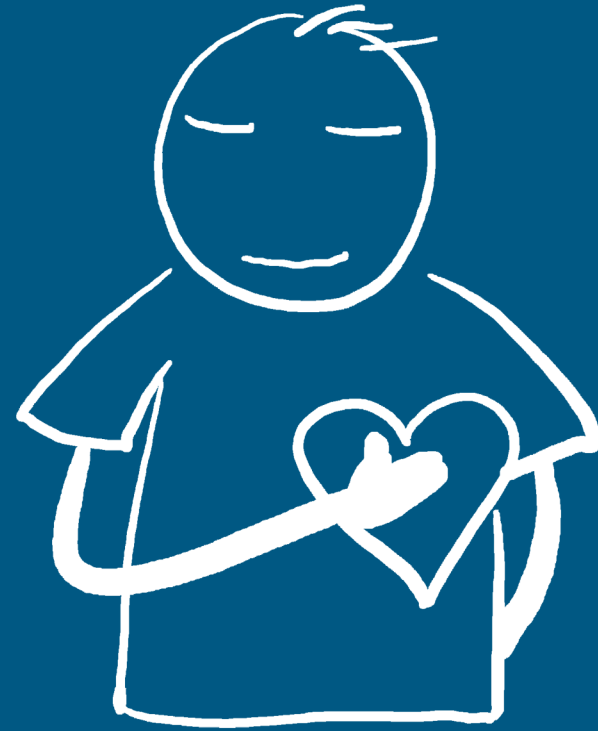
8. Deliver on your promises

Karl Popper once said, *"Those who promise us paradise on earth never produced anything but hell."*

It's not only the hospitality industry that makes extravagant promises, but it's up there with the best of them (or the worst, depending on whether the promises are kept). Just a cursory look at the marketing materials of some hotel brands reveal phrases like *"Moments that transcend the everyday", "Constantly innovative experiences", "When perfection is perfected", "The utmost in Asian hospitality", "A unique refuge of timeless elegance, unwavering taste, and unrivalled care and courtesy that simply cannot be found elsewhere", or "Guests discover more than just a new destination. They discover a new way of seeing things."*

Well, OK, no-one is actually promising 'Paradise', but these are some pretty weighty commitments. We picked these out as a sample from an industry that is full of lavish pledges; there are many, many more from all over the world. If the brands making these promises deliver on them, that's fine, although one wonders how some of them can ever be delivered.

The G30 felt that the discrepancy between promise and delivery is a major weakness in the industry and reinforces the views expressed earlier about treating brands as packaging rather than a driver of everything the organisation does and the way it does it.

If the brand, the organisation and the customer experience aren't interlocked then it's hardly surprising that promises made through external communication are often left undelivered by the reality of the experience.

Customers and brands are in a relationship with each other; no different to the relationship between two individuals. Brands talk about themselves by describing offers and making promises. Customers listen to them and enter the relationship by making the purchase. They expect promises to be fulfilled. So, brands need to keep their end of the bargain by keeping the promises they make. If so, customers will trust brands and become loyal to them. If not, disappointment and disillusionment will follow. It is always a two way street.

In 2007 The Brand Company conducted a *'Brand Admiration Survey'* in Hong Kong, Shanghai and Beijing. The good news was that Hospitality was amongst the most admired industry categories. The bad news was that the highest ranked hotel brand was only considered by 40% of respondents to be delivering on its promises (something seen as crucial in shaping brand perceptions).

This did not mean that respondents felt the product and service delivery was necessarily poor, but that either the promises made in marketing campaigns created an expectation that could not be matched or that customers had no idea what was being promised.

Many of The G30 also feel that far too many marketing promises create unreasonably high expectations in terms of quality (for example, the ubiquitous phrase *'world class luxury'*), but are ultimately bland and indistinct, leading to a fuzziness in customers' minds about what kind of experience they will receive. Fuzziness and successful brands don't make good bedfellows.

Re-read those pieces of marketing-speak above. Ask yourself *'what do they promise me and what can I expect from that brand?'* If you were travelling alone or visiting with your children, your partner or your boss, would they give you a clue about what kind of experience you might receive and how it might be relevant to you?

Ironically, one of the advantages mentioned by many of The G30 was that they couldn't afford to spend the kinds of money invested by the big groups on print or TV advertising. As one of them said, *"That's where I think smaller hotel brands have an advantage. They aren't distracted by the lure of creating exotic promises through advertising. It's much more difficult for us to overpromise! Thus, we focus more on crafting branded experiences than uttering brand statements."*

The bottom line is you cannot say one thing and do another, be it over-promising or making a promise that's impossible to decipher. If you break a promise – as between friends – it's a long, hard and expensive road back to re-building the relationship.

We hope we've been able to highlight some important issues and suggest some sensible solutions (and when we say 'we', we mean those we spoke to, with some of our own input).

Here's a swift recap:

1. Be focused on a singular customer type when crafting the heart of your brand.

2. Stop obsessing with being 'better'. Focus on being authentically different.

3. For the customer and the brand to be as one, the organisation and the brand first need to be so.

4. 'People Development' is the most important engine for successful 'Brand Development.'

5. The CEO must be an involved brand champion, not simply a passive brand supporter.

6. Create a senior role singularly responsible for managing all brand interfaces with the customer.

7. To create a successful brand you need to free your team, not constrain them.

8. Never make a promise you can't keep.

OUR THANKS

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THE BRAND COMPANY

We've been building hospitality brands for nearly ten years.

We've worked with all kinds of brands: small, big, new, old, local and regional.

Our focus is on Greater China, but we've helped build hotel brands across Asia.

We work with a limited number of clients in depth at any one time, which means you'll always get our attention.

Our own promise is *'to help our clients deliver on their promises'.* The idea is that if you deliver on your promises you'll be more profitable.

If you'd like the long version of this go to www.thebrandco.com, call James Stuart on +852 9024 3684 or email him at james@thebrandco.com.

We'd love to talk to you.

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