

*Think fast, be agile,
be ready – you're*

Always On



Digital Brand Strategy
in a Big Data World

A **Gower** Book

ARVE PEDER ØVERLAND

ALWAYS ON

*To Michal, Max and Finn for their love and support and to my
father, Professor Emeritus Orm Øverland, for lending his lifetime
of editing expertise to this project*

Always On

Digital Brand Strategy in a Big Data World

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About the Author



Arve has been at the forefront of digital marketing since the mid-nineties. He has spent most of his career based in the United States where he led a digital agency working with some of the world's leading companies and brands.

Before joining id.mngmnt, a management consulting firm specializing on customer intelligence, as a partner, Arve served as Digital Practice Director for Hill + Knowlton Strategies Europe, a WPP company. At id.mngmnt Arve heads the digital consulting practice focusing on building result-oriented digital strategies for our clients and develops governance practices that reduce risk and monitor performance.

Arve resides in Aukra, Norway with his wife and two sons.

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Introduction

The thought of collecting the many documents and processes I have written into a guideline for companies and organizations seeking insight into the development of digital strategy and the governance of digital systems and programs came after a series of meetings with leaders from very different companies—from start-ups to global enterprises. It became clear to me as I was listening to them describe the symptoms their companies were showing that the quick fix they were hoping for did not exist. There was no pill that would fix the problem—a lifestyle change was needed. But it is hard to prescribe a lifestyle change when the systems and programs that are showing the symptoms of illness are not clearly understood by leadership and when the people set to manage the systems and programs lack the skills to communicate the opportunities and risks involved in a language leaders could translate into business-relevant goals. These leaders possessed business strategies and their organizations were governed, but there was no clear understanding of what a digital strategy and governance is, who owns it, where it lives within their existing business strategies and what the opportunities and risks may be.

This book is about the flow of data and not about the flow of wires. It is about organizations and their existence within this data flow. How to seek opportunity keeping the “led” light

green while avoiding threats that bring your indicators to yellow or the dreaded red when all systems fail. The obvious and simple answer is to develop a strong digital strategy and governance structure, but the truth is that there is nothing obvious or simple about doing this. Once you get into the process you will find it much more complex than you imagined and there are large areas where you have little control. This book is written to help guide you through that process.

Where do powerful strategies come from? How do some companies develop strategies that enable them to outperform others regardless of the state of their industry or the economic climate? How does a company get the essentials to work in regard to the company's strategies such as leadership buy-in and follow through on implementations and performance management without being slow, rigid and check box focused? Developing strategies is a tough and sometimes messy business, and getting past PowerPoint presentations to real-life implementation is virtually impossible for some companies before they slide back into business-as-usual. Yet, some companies succeed time and time again. Is it the extra spark of creativity that gets the enthusiasm from management ranks down to the tactical implementers? Is it the internal teams feeling that they are on to something, something great, that could work if we only put our hearts and brains into it, or is it that an organization and the people involved are not afraid of failing, that they have a self-assured sense about them, sense that makes them feel that they can take risks—calculated risks, and that makes the organization feel empowered.

It is probably a combination of the two: creativity that sparks enthusiasm among employees and the self-assured willingness and strength to take risks. In addition, these

companies have a good methodology on pilot testing of new initiatives and programs and processes for implementation and performance measurement. This makes them quick and agile in a fast paced technology landscape where customers' habits and expectations move faster than most companies are able to and where disruption from start-ups and new product introductions is the new order of business. Another key item that sets the successful companies apart is their ability to analyze available data in new and productive ways—an area that has been dubbed “big data.”¹

Finally, it comes down to leadership. In this book I come back to this time and time again, because it really cannot be emphasized enough. A company leadership's buy-in and active and ongoing involvement is a vital success factor. Without it a strategy process is almost certain to be added to the huge graveyard of “paper strategies” and never see the light of day.

A formula-driven approach to strategy work might be appealing to many. There is safety in methods, lists and check boxes. This may be the sentiment that drives some to pick up this book. Looking at the table of contents, you could run this as a sequential process—starting with the business case, tightening up the formulations of your value propositions, and covering the bases in finding facts and developing insights that turn into strategies that you implement under strict governance. Great, but for most companies that will take too long and our thought processes are not linear and not everything has equal importance. That said there are underlying elements that are essential for strategy development. You need to know yourself, your market, your customers and the systems and platforms

1 Big data is high-volume, high-velocity and high-variety information assets that demand cost-effective, innovative forms of information processing for enhanced insight and decision-making. Source: Gartner, Inc. IT Glossary.

you are developing strategies for, and yes, the strategy team should follow a process. What I am saying is—don't fall in love with the process, fall in love with ideas—then test and analyze the heck out of them.

So what about the scope of the strategic work? The digital ecosystem for most companies is vast and complex and getting a team to put their mind around all the opportunities and risks from the myriad of digital systems and platforms their company possesses is a mind boggling thought. It is often better to look at sections one at a time. However, I am a proponent of a holistic digital strategy. By this I refer to a company's overarching strategies and tying the digital strategy to the company's business strategy. But determining the actual scope must lie with the individual company and be based on insight and priorities.

You don't have to be a digital strategy consultant to see that technology and the integration of data streams are happening at a breakneck pace. Therefore, in a perfect world your digital strategy process should be fast, agile and implemented by stacking pilot tests of prioritized strategies backed by a rigorous performance measurement program. But we don't live in a perfect world. I know this is true because in a perfect world I would work less, have more time with my family and move at will between the ocean and snow packed mountains. In reality we have to deal with corporate politics, problems that are causing revenues to drop, and constant attacks from competitors. This has a tendency to prolong the process and shift our focus mid-stream, and lack of funding can prevent us from testing new programs as thoroughly as we would like. To stay on course and keep focused requires leadership. Success or, more moderately, a good result is all about your people, their engagement and their buy-in.

Many will claim that digital strategy and governance of digital systems and programs should be part of a corporation's business strategy and corporate governance. The word digital should simply be removed. They are right, but there are two important reasons why I believe that the word digital should remain for now:

1. Companies actually do treat digital as a standalone area of expertise that has spread from its early homes of IT and marketing to all corporate areas, and I believe in speaking in the terms of my clients.
2. Corporations have tools and processes to develop and govern business strategies within finance, supply chain, human resources, customer service, communications, etc., but do not have clear processes and tools for developing holistic digital strategies within these areas. Many fail in considering all data sets that affect all business areas in today's increasingly intertwined world. And the word that is used to describe what is missing is—digital.

The use of the term digital strategy in this book is defined within the disciplines of strategic management, marketing strategy and business strategy as opposed to a more IT centric focus. The object is to introduce readers to the digital strategy process and give the reader hands-on tools to implement and governance to run the programs based on these strategies.

This book covers topics such as:

- **The business case**—The organization needs to understand the opportunities, benefits and risks that are the foundation for why they should develop digital strategy and governance.

- **Brand alignment, positioning and value propositions**—In today's plethora of communication surfaces and the non-linear paths customers and other stakeholders follow to seek information, it is more important than ever that a company has its brand toolbox, from visual language to value propositions, in order.
- **Digital strategy**—A digital strategy that drives toward business goals has become a business essential for progressive organizations. The realization is that a corporation cannot navigate properly without a plan and response mechanism for all the transactions that take place every second in the digital realm.² Nor can they grasp the advantages inherent in reading the generated data correctly and shaping products, services and communication to meet and exceed their stakeholder's demands without a strategy.
- **Governance**—Digital governance is a relatively new concept as a defined discipline and is still evolving. Digital governance is not just a communications, marketing and IT issue nor only of interest to these business areas. In its broadest sense it is a part of the overall governance of an organization, but with a specific focus on improving the results, management and control of digital systems, platforms and communications and the data they generate for the benefit of all stakeholders.
- **Performance measurement**—A tough challenge faced by managers and business leaders trying to manage digital systems, platforms and services and the data they generate in today's turbulent economy and complex

² Transaction in this context means all exchanges money, information and words.

technical environment is knowing whether your company is on course and being able to predict and anticipate opportunities and threats before it is too late.

- **Implementation roadmap**—The key at this crucial intersection consists of a two-step implementation model. The first step is implementation planning or review of already performed planning and strategy tasks to solidify the teams and the organization for the roll-out. In this stage it is important to have the patience to make sure that nothing has been overlooked or that there is a break in the planned structure. The second is the development of a tactical roadmap that stacks the roll-out into manageable and measurable pilots that can grow into ongoing programs and complete systems through a test, analyze, optimize and scale approach.
- **Communications and change management**—Here I discuss the importance of anchoring the process within the organization from the development of the business case through implementation. But in addition to anchoring and buy-in from management you need an understanding, willingness and—if you can achieve it—excitement throughout the organization.
- **Capability assessment**—In many organizations, top-level management have an unclear view of their digital capability, and find it very difficult to understand the technical and organizational environment upon which they increasingly depend. Often inadequacies only manifest themselves when projects fail, costs spiral, operational systems crash, or service providers fail to deliver the value promised. Reacting after the fact is not

how anybody wants to manage their business and besides, it exposes the company to financial and reputational risk.

- **Risk management**—managing risks and exercising proper governance over digital systems and programs is a challenging experience for business managers faced with an overwhelming amount of data, communication-channel proliferation, technical complexity, a dependence on an increasing number of service providers, and limited reliable risk monitoring information.
- **Supplier governance**—Effective governance of suppliers is a key component of digital governance to make sure that risks are managed and value is delivered from the investment in supplier products and services. Most organizations are highly dependent on a limited number of key suppliers, often on multi-year contracts; therefore governance should be focused on those relationships with the greatest risk and investment.
- **Legal and regulatory governance**—The impact of not taking sufficient care of legal or regulatory requirements can be considerable such as loss of reputation, inability to trade, financial penalties and losses, loss of competitive advantage, and loss of opportunity. On the other hand the benefit of complying with regulatory requirements and using legal measures to protect commercial interests can be considerable.

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Finally, before you embark on the digital strategy journey, keep in mind that the comment you make online will live longer than the platform you make it on. Think fast and build agile

solutions that meet your immediate demand. Test, analyze, optimize, and scale your solutions. Being wrong can give you the right answer. Bottom line, or rather top line as that is much of this book's focus, is behind all the consulting speak—this is about selling more and having satisfied customers.

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1 Always On

The concept of Always On was something that came to me on a plane ride home from a consulting gig somewhere in Europe. I don't remember from where. It gets hard to distinguish one trip from another because cities don't get a personality when you travel like that. The hotels become generic. You email while in the taxi or squeeze in a few calls. Have long restaurant dinners with clients and longer meetings the day after. I don't mean to complain. I'm lucky to have met many interesting people from all over the world. I have learned a lot, heard some wonderful stories and some sad ones too. I truly love what I do and enjoy sitting with client teams and listening to them talk about their outlook on the world, their industry, competitors, their business, where they are going, what will get them there and what they think might be stopping or slowing them down. I'm rarely invited if there's not a problem or an opportunity somewhere. Still, I'm always anxious for that last meeting to end. Collapse in the back seat of a taxi and send a text home that I'm on my way. The early evening security line is very different from the morning line. The ties are off. The unlucky ones have telltale signs of the day's lunch on their shirt. The business traveller is tired and starting to relax. The smiles, sneers and comments sit a little looser—especially if Fast Track is moving slower than the regular line, which happens at some airports. With our belts and jackets back on we hurry to get out of the noise from travellers moving about in the large halls of the airport and seek refuge in lounges. We

flash our frequent flier badges to get access to wine, a plate of nuts and most importantly a quiet place to sit.

In the lounge I use my last energy to get this day finalized and the next day sorted out. My phone is as worn out as me and appreciates the charge from the outlet next to my seat as much as I appreciate the sip of wine. I send more texts home. What did I miss and what's on the agenda for tomorrow? I email clients to thank them for good sessions and plan next steps. Get colleagues in the loop and set-up debrief meetings and catch up with the news from my Twitter and LinkedIn feeds. Finally, I check up on the most important least important thing—football—the English Premier League and Tottenham Hotspurs—#COYS.

Plane rides for me, specially returning at night, are for reading or watching some TV series on the iPad or just shutting down and relaxing with music through noise cancelling headphones and letting my thoughts wander. And wander they did. On the flight in question I had a “Jerry McGuire” moment—sort of. I didn't write it as a manifesto out of frustration for the company I work for. It wasn't for a client. As I sat there half dreaming and half thinking it just made perfect sense to me, and I had to write it down.

Brands live in an 'always on' world. Dare to stand out and drive traffic to your brand. You must gather a crowd to deliver a message. Speak with one identity, but be different. Hold out your hand, encourage engagement and start relationships. Optimize and scale. Listen and analyze big data to protect, amplify and communicate your brand. Align everything in relation to your vision, mission and values. Loyalty is trust. If you don't position your brand someone

else will do it for you. Your brand is a company asset. Protect its value, but embrace change. To lead you must be different. Brands live or die in the minds of stakeholders. Inspire and start trends. Get results. Revolutionize your industry.

Always on brand. Always on strategy. Always on.

I read through it a couple of times. It sounded pretty good. I put away the laptop and went back into doze mode. Over the next days I kept coming back to it and reading the short text again and again. Not because it was brilliant, but because it contained a lot of the things I have been talking to clients about for years. That brands live in an “always on” world is nothing new and others have said similar things. The same can be said about encouraging engagement and starting relationships with your customers. Every social media expert and CRM marketer talks about those things. That brands live and die in the minds of stakeholders goes all the way back to the brilliant book on positioning by Al Ries and Jack Trout. And so I could go on and break it down word by word. The thing is I still like it. This is how I want my clients to think and be. Why don't I write about how to accomplish it? Brilliant? Self punishment is more like it. Writing a book is a lot more work than hammering down a paragraph as I did on the plane, but I'm glad I did it. It made me think about everything I do and discover new things. I hope it will be valuable to you too.

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The concept of the green led light came up about a decade ago when we were working on digital strategy and the re-branding of a fast-growing mid-size company in the technology sector using an earlier version of the process outlined in this book.

The company had been acquired a couple of years earlier by a private equity firm, the founder¹ had served his buy-out period, new leadership was in place and was now positioning the company for rapid growth with an acquisition as the most likely exit scenario.

They were in the battery business when everything was going portable. Problem was that the battery business was the “Rodney Dangerfield” of engineering and could not get any respect. That made it hard to become an integral partner company involved in the shaping of products from research and development and on through beta testing and into production, and not a supplier quoting on a spec from procurement. It is a very typical desire for a business-to-business company to become an indispensable partner and resource of knowledge rather than “just” a supplier. Often this is beneficial to both companies since most R&D teams do not have experts in all areas of product development. If they did we would not be surrounded by so many mediocre product experiences.

This particular company’s focus was manufacturing what they defined as mission critical power sources—mostly for the health sector—creating batteries for such devices as portable defibrillators. Needless to say it is vitally important that when you need such a product it actually works. A very important part of a mission critical portable product is the power source.

Our client had the experts—engineers and chemists—that had dedicated their professional life to making the devices

¹ The founder took contact a few years later when he was starting a new venture in the portable power industry. He had liked what we had done with his previous company and wanted to work with us on branding his new company and develop an online marketing and communications strategy. That’s one of the greatest compliments you can get in this business.

we carry or drive around with last longer between charges. A noble cause and I love meeting people who are incredibly knowledgeable in their areas. I learn new and fascinating things with every project I'm involved in. Our client needed to 'hook-up' their experts with their customer's experts to create a partnership based on knowledge to increase the perceived value of their service and strengthen their client vendor relationships. We needed to build a knowledge-based brand and we needed to do so where engineers increasingly were looking for information—the Internet.

Part of the process of building a knowledge brand in the digital world for this corporation was to create a strong tag line that their target market would associate with the company and its products and a visual that would be remembered and bring positive connotations. The tag line we came up with was "*The power is on*" and the visual was the little green led light. Since they achieved their goal and got gobbled up by a larger entity and the tagline and led light icon is no longer in use I have put it on the cover as an aspiration and warning to companies as they ponder their digital existence in this always on world.

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PART I

The Symptoms

We know that for most of our ailments the root lies in how we live our lives, but our common reaction is to just fix it and get on with it. Here are some stories from recent interactions with clients.