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Whitbread turns occasional experiences into lasting impressions

By PAULA VENNELLS & JONATHAN TURNER

All mass market service brands face a fundamental dilemma: how to deliver a personal experience consistently across multiple channels. Vennells and Turner describe how Whitbread's Winning Brands programme resolved that dilemma and in the process turned Whitbread into a true customer learning organisation

SERVICE-SECTOR branding is a delicate art, akin to theatrical scriptwriting. Overscript, and you risk dehumanisation and audience alienation. Underscript and you risk anarchy and irrelevance.

At Whitbread, the 'Winning Brands' programme successfully addressed this scripting challenge over a sustained three-year period, and continues today. By adopting a 'tight-loose' marketing approach, we are building an organisation that is capable not just of consistent brand differentiation, but also of delivering highly personalised experiences – keeping brands as diverse as Premier Travel Inn, TGI Friday's, Beefeater, Costa Coffee and Marriott (no longer part of Whitbread) vibrant, prominent and up to date.

The Whitbread challenge

On one hand, all service companies need to ensure consistency of brand experience across multiple channels. But tighten your control of brand experience too far, and you may switch off critical customer segments and reduce your licence to innovate. The danger of market misalignment and the consequent reputation risk increases.

On the other hand, service companies also need to make every experience as unique and personal as possible, allowing front-line staff to flex and innovate at will. They also need to be able to capture the customer insights and process improvement suggestions that can only ever come

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Reception at a David Lloyd Health Club, one of Whitbread's top brands.

from the front-line. Lock down delivery too tightly and imagination and dialogue vanish.

Achieving this tight-loose marketing balance requires a structured approach, that not only addresses all the customer touchpoints, but also engages all the organisational functions. It's about back-office, just as much as front-office. It requires not just a series of programmes, but also building a set of capabilities.

Back in 2002, Whitbread had a growth challenge – to build and sustain growth by developing preferred brands in each sector it operated in.

The company was operationally strong, but brand-based decision-making was largely absent. Nonetheless, the CEO set a challenge to have the number one brand in each of our customer segments. To achieve this, Whitbread needed to become a true customer-learning organisation (1).

'Winning Brands' was a three-year programme intended to catalyse an entire company towards branding excellence, led from the top down. The approach was led by marketing, but harnessed the capabilities of all departments: customer services, HR, finance, legal, systems, operations and estates.

The programme, developed and delivered with Oxford Strategic Marketing, won the 2004 Marketing Society award for Best Marketing Capability Programme.

Aims

We aimed to make 'consistent branded experiences' a guiding decision criterion for investment in training, infrastructure and marketing promotion.

We wanted to create an organisation that keeps up with changing customer trends and moods, and that is capable of self-improvement. We needed the skills, knowledge and tools to fulfil customers' desires, and keep fulfilling them, as they evolve.

The challenges we set all our brands were:

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- to be clearly differentiated
- to elicit strong consumer preference
- to be built on consumer insight
- to be managed by talented, imaginative and rigorous leaders.

With 40,000 team members and 1,600 outlets our approach to growth had to be both pervasive and persuasive. Whitbread had to become a true brand delivery organisation.

We had to generate fresh insights and design each brand experience consistently around that insight, then inspire and motivate staff to deliver that experience, day after day. This would bring the brand to life at every touchpoint.

A marketing training programme was not an option. A consulting intervention was not an option. We needed a change programme that fused the best of both approaches: consulting – to ensure that input from around the organisation was framed and guided towards key business objectives; and capability – to ensure that the new direction gets actioned and stays embedded in the culture. To build a tight-loose marketing organisation, our own approach needed to embrace this paradox.

What we did

Working together, Whitbread and OxfordSM fused the two requirements. We created a series of closely directed masterclasses that would coach and guide cross-functional teams to create a new customer-led brand strategy. A strategy that each

team would own, but created according to a common formula.

In each case, participants were equipped with tools to enable them to refresh and repeat the approach themselves, and they also populated templates that enabled the work to be shared across the organisation, right to the front line. Finally, between masterclasses, they generated new insights and ideas to kick-start future sessions.

The masterclass outputs moved from high-level brand principles to detailed operational metrics and experience guidelines, ensuring front-line relevance and giving everyone access to the same brand principles and implementation guidelines and metrics. The first masterclass guided brand teams to agree the core customer occasion that each brand is serving, and liberated the customer insight that defines the brand positioning. The brand proposition or 'brand house' we created at this stage provided the 'tight' component of our service strategy.

The second masterclass templated the way that the occasional experience should be brought to life at the 20 to 30 key touchpoints.

At the touchpoints, we translate the brand house, creating strategic and executional benchmarks, which are written from the perspective of the customer. We focus on what the customer should feel, but give individual operators the flexibility to deliver that feeling within the scope of their role.

Finally, a third masterclass was used to redesign key performance indica-



The TGI Friday's experience.

tors around these new 'perfect state, world class' touchpoint experiences. All three outputs were then incorporated into a single three-part 'brand template' that encapsulated the brand aspiration for the executive, and drove the briefing process for all elements of delivery, including service specification and training routines for front-line staff.

The brand template was a critical and enduring 'bible' for the business, capturing the core and subsidiary occasions that the brand is serving, the expression of the brand at all touchpoints in response to these occasions, and the metrics that evaluate successful brand delivery at these touchpoints, on these occasions.

Thus our tight strategy is deployed within a looser operational environment, by specialists who may include property buyers, interior designers, fitters, communications agencies, back-office and front-line staff. Everyone is clearly aware of what the customer objective is at 20 to 30 key interactions, and is thus empowered to make their contribution and suggestions as how to deliver it consistently and with increased memorability for the customer.

This same inclusive approach was then used to drive forward the 'Winning Brands' programme over a three-year period. In Year One we focused on differentiated positioning, in Year Two, brand development, and finally, in Year Three, integration, creating a programme of continuous improvement and learning.

For example, in Year Two: we

conducted 'brand staircase' planning to move from establishing a consistent experience, to providing real stand-out differentiation at the front line. We also extended the process into employer branding, designed to create stand-out employee experiences and improve retention and productivity.

In Year Three we focused the same tools and techniques on corporate branding, agreeing what Whitbread could deliver for stakeholders, our people, suppliers, communities and the city.

What we achieved

The improvements delivered by the winning brands programme brought clear financial improvements, significantly outweighing the investment in the first two years.

But the intangible benefits have been just as important. At Premier Travel Inn customer compliments are up 60% and staff turnover is down 16%. The outcomes are clearly inter-related.

And the benefits extend far more widely. In *Marketing's* 2004 survey, Whitbread was voted the number three marketing employer, just behind P&G.

Whitbread is achieving lasting progress towards embedded marketing excellence, by embedding tight-loose marketing capabilities into every corner of our commercial planning.

Interestingly, Accenture's recent study of high-performance marketing validates the critical value-creating role of marketing capabilities (2).

The company identified five loyalty-building capabilities of high-performance marketing organisation. Chief among these was the ability to develop the branded experience – accounting for 33% of marketing's loyalty-effect, enabled by factors such as consistent promotion, focusing on high-value segments, cross-functional alignment and front-line training. However, the ability to harness talent and technology, and to translate insight into marketing productivity, also accounted for around

27% of loyalty value between them.

The Accenture report demonstrates that the highest performance businesses score conspicuously well on these apparently secondary areas, which are heavily people-dependent. Scoring highly on marketing talent management is the single best predictor of overall high commercial performance.

What we learned

All organisations face similar tensions.

How do I get front-line staff to buy in to 'brand' thinking?

How do I give them a genuine 'licence to serve', but still ensure that the way they do it is brand consistent?

How do I turn customer insight into lasting change?

For any service organisation these questions never go away, but the approach we took to fuse consulting and capability development approaches helped us to feel more confident of answering them, both now and in the future. In the process, we agreed five core principles of service branding.

1 Service brands should focus on the core occasion

Service marketers face an ongoing challenge. As generic service expectations increase, how do they differentiate? Is getting 'better' actually delivering any benefit?

There is actually abundant evidence that meeting generic service expectations cannot, of itself, create customer delight and loyalty (3). It may generate 'satisfaction', but the financial return on satisfaction is very low indeed. However, setting up and then meeting a differentiated brand expectation, can create a virtuous cycle of brand reinforcement in even the most subtle experiences.

There is, for example, a distinctively different expectation, and hence brand

experience, in being presented with an airline meal on a Virgin airplane – one expects it to be up to date with leading food trends, one expects it to be presented stylishly, and one expects the service to be sympathetic, individual and with a touch of humour. These expectations are generated by the brand's distinctive personality and values, and they are generally met.

Even attempting service innovation creates risks. Brand owners who seek random service improvements to drive customer satisfaction, which add nothing to the customer's value, move none of them to 'very satisfied' and simply dilute the brand.

Alternatively some push highly 'over-scripted' service experiences, which can become alien and out of place for the customer context – the US-style 'have a nice day' service experience.

Both approaches are effectively forms of brand slippage and, over time, will alienate customers. Both hint at a failure to focus on the customer, and a failure to monitor the core product.

Our aspiration for Whitbread brands was to steadfastly avoid robotic, insincere service, and strive towards authentic, brand-relevant behaviours, individually interpreted.

The start point of our solution was to focus very hard on the core occasion – the dominant motivation that drives customers to seek you out – and to build a brand experience around that core occasion.

The core occasion for TGI Friday's, for example, is 'celebration'. Making that occasion special is at the core of our service. By doing so, we have been able to create a service experience quite unlike any other restaurant, and we continue to innovate, based on making that core occasion the best it can be.

Going forward, understanding the importance of the core occasion means that additional activities (or new support occasions) can be evaluated to see how they build the overall brand proposition by being consistent with but complementary to the core.

If they are not, the approach gives the organisation the confidence and focus to 'say no' to damaging brand stretch.

2 The core occasion fuels the customer insight for the brand as a whole

The insight generated for TGI Friday's is 'I'm looking for that feeling and experience I got at parties I was given as a child.' For example, workshop participants commented:

'I used to look forward to my birthday party for days'

'Mum threw away the rule book for these few hours. We ate what we liked.'

'I just loved being the centre of attention.'

'It was just one magical thing after another – the presents, the games, the cake, the song.'

Once a key customer insight is established for the core occasion, this can be applied and adapted to 'support occasions', such as easy dining. For TGI Friday's, for example, every occasion generates some opportunities for different realisation of 'specialness'.

3 Brand touchpoints should be consistent but flexible

Brand touchpoints should be always consistent with core positioning, but flexible across occasions. They must move with the times.

Once the desired feeling of a brand experience and its 'occasional' context are established, a creative exercise is needed to bring that experience alive.

Sometimes, though, the process of defining occasions can throw up quite startling revelations.

The realisation that 'looking good' is a critical support occasion for David Lloyd leisure centres led us to re-evaluate how our traditional 'training for sport' experience needed to be adjusted to respond to this growing customer motivation.



Check-in at a Premier Travel Inn.

This realisation in turn enabled us to map and manage a distinctive set of touchpoints for the 'looking good' occasion, enabling us to create a distinctive 'tight' David Lloyd experience, but also enables our people to understand that these need to differ from those required by our sport fanatics and so flex the overall David Lloyd service delivery.

4 Support the processes that support the experience

Designing experiences is still only half the story, though. The value of all this hard work will dissipate over time if the back-end processes are not adjusted to reinforce the change and measure its effectiveness.

This largely invisible work is the essence of hard marketing, and is often dismissed in favour of the glamour of above-the-line promotions.

Take Beefeater, for example:

- mystery guest visits are now focused on 'occasions', not generic service – 'togetherness', 'family reconnection' and 'easy dining'
- guest satisfaction questionnaires have been entirely rewritten around touchpoints
- buildings themselves have been redesigned to reflect the core and non-core occasions, for example, offering different lighting in booths versus open areas

The role of the back office lies at the heart of the customer experience. One of the eureka moments in the Premier Travel Inn programme was realisation

of the critical role of back of house staff in delivering the brand experience.

If the support staff don't get the cleaning and room preparation process just right, the customer contact process is irrelevant.

5 Brand strategy should drive people strategy

Great processes do not run themselves of course. In a hospitality business, people *are* the experience, therefore the brand strategy must also drive the people strategy.

At TGI Friday's, for example, we designed the ideal guest experience for the three principal occasions and built touchpoint profiles for each. We then designed an employer branding programme that embraced the most critical components of people management: recruitment and joining, talent management, reward and motivation, and business transformation.

In recruitment and joining, TGI Friday's looks for staff personality, behaviour and attitude that enable our guests to experience our brand promise and 'escape the ordinary'. We are now starting to specify the nature of these psychographic profiles for three key employee segments, and then flex the profile according to store location, typical guest profile and relative weighting of occasions.

When it comes to reward and motivation, our TGI Friday's 'Talent Matters' initiative will turn the delivery of occasion-driven brand promise and touchpoint fulfilment into key personnel evaluation criteria.

These core people-management processes of recruitment and performance management cannot occur in a vacuum though. Our internal branding and internal communications must reflect and drive the behaviours we are looking for, creating a truly immersive brand culture.

One early internal branding realisation from our 'Know What We Know' initiative was that local store cultures were overly dominating the desired TGI-wide brand culture. In response,

Managing the tension between brand consistency and service flair is never going to be easy . . . The two magic ingredients lie in developing a culture which recognises 'occasions' as the key driver of customer expectations, and then building the capability to recognise and respond in brand-true ways to these occasions with individual commitment and flair

we are overhauling the recognition and incentives programme to incentivise branded delivery, and revitalising those elements that TGI Friday's is known for – language, uniform, icons, myths and legends.

Finally, in internal communications, we are sweeping away the spaghetti communications that have previously prevailed and linked every piece of communication to our key business objectives. Furthermore all communication will be visually and tonally consistent. It's bold, authoritative and overtly American in style, using a clear set of symbols and a primary colour-palette.

Staying tight-loose

Managing the tension between brand consistency and service flair is never going to be easy. It's an evolutionary process.

However, having brand principles that extend to every facet of the customer's experience goes a long way to enabling this balance.

The two magic ingredients, though, lie in developing a culture that recognises 'occasions' as the key driver of customer expectations (the brand house), and then building the capability to recognise and respond in brand-true ways to these occasions with individual commitment and flair (brand touchpoint mapping).

Achieving that shift to pervasive brand intuition requires a culture in which everyone feels like a brand marketer, and in which learning is continually refreshed, from the top down and the bottom up; it remains, by its very nature, a work in progress. ☺

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- (1) The term Brand Learning Organisation, was coined by Chris Macrae in *The Brand Chartering Handbook: How brand organisations learn living scripts*, EIU, 1996.
- (2) 'Capitalizing the M in Marketing: How high performance businesses are transforming marketing to enhance customer management for the 21st century', www.accenture.com.
- (3) 'Human Sigma', *Harvard Business Review*, July 2005.