Corporate Image Management
A Marketing Discipline for the 21st Century

Book Excerpt
Chapter One:
Introduction

The Corporate Image is a dynamic and profound affirmation of the nature, culture and structure of an organization. This applies equally to corporations, businesses, government entities, and non-profit organizations. The Corporate Image communicates the organization's mission, the professionalism of its leadership, the caliber of its employees and its roles within the marketing environment or political landscape.

Every organization has a Corporate Image, whether it wants one or not. When properly designed and managed, the Corporate Image will accurately reflect the level of the organization's commitment to quality, excellence and relationships with its various constituents -- including current and potential customers, employees and future staff, competitors, partners, governing bodies, and the general public at large. As a result, the Corporate Image is a critical concern for every organization, one which deserves the same attention and commitment by senior management as any other vital issue.

Historically, thinking and writing about the subject of Corporate Image has come from the area of graphic design, with attention focused on name selection, typography, logo design and usage rules, color palettes, uniforms, and the appearance of corporate stationery, forms and marketing collateral. This approach is no longer suited for the global, dynamic, cross-border and cross-cultural world in which a growing number of today's businesses and organizations operate. What is needed, instead, is a practice we call Corporate Image Management, a holistic approach and discipline designed to prepare organizations to compete for resources, partners, customers and market share well into the early years of the 21st Century.

Corporate Image Management is a management discipline founded upon modern cooperate identity practices and the marketing premise that *everything an organization does, and does not do, affects the perception of that organization and its performance, products, services and affects its ability to recruit the financial, people and partnership resources it needs to attain its goals and objectives.*

This approach evaluates Corporate Image from a marketing perspective, rather than a graphic design perspective, and the premise has two predominant concerns for companies entering the 21st Century:

- an understanding that the Corporate Image is a major strategic concern which can have a direct impact on the level of success the organization achieves through its other marketing and management efforts, and
- an understanding that a coherent Corporate Image needs to be integrated into the organization at all levels.

Looked at from a marketing perspective, Corporate Image Management becomes an on-going, synergistic management tool, rather than a one-time "corporate image exercise" as currently practiced by most organizations and almost all corporate identity consultants. Corporate Image Management, therefore, becomes a comprehensive and all-embracing process which internalizes within the organization a new skill set for relationship management which can be conducted at various levels throughout the organization. These relationships include internal, external, supplier, financial, partner, shareholder and customer and, since Corporate Image Management is an on-going process, the relationship management skills are applied to both current, prospective and future relationships.

By incorporating a post-graphic design management process into the practice of Corporate Image Management, today's organizational leaders can develop an integrated approach to managing all verbal, visual and environmental elements and media used in communicating the organization's identity with each (and all) of the organization's constituents. Because Corporate Image Management focuses on the very heart and soul of the organization (even to the extent of evaluating why the organization exists and determining the organization's key purposes as an entity), Corporate Image Management represents one of the highest levels of functional control of the organization and it is equally applicable to commercial, non-profit and government organizations. That is the value of Corporate Image Management as a management tool. As such, Corporate Image Management needs to be integrated into the organization's development at all levels, starting from the top.

Perhaps more important, the value of Corporate Image Management as a marketing tool is even greater because:

> *Corporate Image Management provides a mechanism for the organization to differentiate itself from competition, to create recognized added- value to the products and services marketed or delivered by the organization, and to attract and maintain customer relationships in order to prosper in an increasingly competitive and constantly changing global marketplace.*

Corporate Image Management, therefore, also represents the highest level of brand personality and characteristics which can be created and communicated by the organization to its critical customer and marketing partner targets. From a marketing

perspective, Corporate Image Management needs to be integrated into the organization's development at all levels, starting from the top.

The Corporate Image
The Corporate Image comprises all the visual, verbal and behavioral elements that make up the organization. In many respects, the Corporate Image should be a dynamic actualization of the Chief Executive Officer's vision, integrated with the corporation's mission and strategic plan. As such, it should be thoroughly planned and constantly managed in order to effectively support and sustain the corporation's mission in any environment and to protect the organization against encroaching competition from new competitors or new product and service offerings by current competitors.

Unfortunately, this is usually not the case.

The corporate image of the organization is a combination of the tangible and intangible perceptions that the organization has of itself and how it is perceived by its various publics and constituents. It is the *raison d'être* that justifies the existence of the corporate body and gives direction and meaning to the whole enterprise. Because of its inherent importance, management of the corporate image should be a primary concern of the Board of Directors, the CEO and the senior management, working in conjunction as a group. Again, unfortunately, this is usually not the case.

However, in today's world of deteriorating brand power, a rise in the perception of parity products, reduction in employee loyalty, and increased competition, management of the corporate image has taken on a renewed importance in the management and marketing processes. A weak or strong corporate image can make a significant difference in terms of a company's sales volume and its stock price. It will also affect the marketability and acceptability of the company's products, services and human resources. A strong corporate image is obviously better than a weak image, but most important of all, from a marketing perspective, is to communicate a clear, concise and consistent image to all target audiences. Having a coherent corporate image can make a significant competitive difference in marketing results, recruitment expenses, staff morale, employee turnover and share P/E ratios.

The corporate **identity** is the visual representation of the company and should not be confused with the corporate **image**. This visual representation usually takes the form of a corporate signature and a corporate symbol or logo. These are used to visually and graphically distinguish the corporation from its competitors, and positions the enterprise visually in the global marketplace through a consistent use of typeface, color palette and logo identifier.

Previously, it was enough to just concentrate on the company's visual identity system to project the image of the organization. Today, this is no longer sufficient. Today, all aspects of the Corporate Image need to be managed, from the refinement of the mission statement to how well the troops on the front-line understand, communicate and portray

this mission. Management of the Corporate Image integrates the corporate culture with change process management, requiring the best leadership, communication and training skills the organization can muster.

Corporate Image Management involves the creation of an individual corporate language, symbology, traditions and dialogs that focus on an appropriate expression of the company. This dialog matches and manages both customer and employee expectations and understanding of what the organization stands for, where it is headed and what its core strengths, traditions and principles are. It also involves developing relevance within every single aspect of the company, its products and its services, resulting in perceptions which become the key to long term success. In a way, Corporate Image Management is the purest definition of total quality management: if everything has relevance to the company or to its customers, then nothing retained is wastage.

Change Management

A successful identity system, combined with a planned image management system, will assist the organization in managing change and in remaining flexible in its response to changing market conditions, competition and innovation. Implementing a corporate identity system is also useful in changing a company's image and acting as a catalyst for initiating internal and external reforms vital to marketing success and the creation of highly efficient and flexible organizational structures.

The end result of this new management discipline is an optimal image management system for the organization which results in an internal image network sufficiently entwined and developed which disseminates information within the entire company with little or no supervision. This not only saves valuable response time when handling customer interactions, it also frees senior management's time to be more proactive and visionary in meeting and dealing with new or unforeseen challenges and opportunities.

Summary

Corporate Image Management is one of the most potent marketing and management tools available for senior executives to use in ensuring the viable execution of the corporate vision. Not only does it provide senior management with the highest level of functional control of the organization, the Corporate Image Management process also provides the management with one of the most powerful strategic marketing weapons available in the corporate arsenal. Progressive corporate leaders will use this new management and marketing discipline to drive their organizations forward in victory in today's and tomorrow's marketing battlefields.

This book has been prepared to illustrate:

- a systems approach to affecting and managing change,
- managing the total corporate image from a marketing perspective,

- providing the organization with a necessary and effective infrastructure to maintain an innovative and stimulating work environment, and
- developing and managing a marketing communications strategy which builds a clear, unambiguous and definitive understanding of the organization's desired corporate image.

It will give you the tools to gain the competitive edge to help ensure that your organizational objectives are both achievable and achieved.

The underlining principle of this book is simply this: **if it touches the customer, it's a marketing issue™**. Nothing touches the customer more than how he or she perceives your corporate image. This fundamental perception will be the major determining factor on whether or not the customer decides to conduct business with you and, more importantly, if the customer decides to enter into a long-term and mutually rewarding relationship with your organization.

There may be no greater marketing issue than Corporate Image Management in today's increasingly competitive markets. In short, Corporate Image Management will be a key marketing discipline well into the next century. The ultimate battleground for winning and maintaining customer relationships still takes place in the minds of the customers.

This Chapter is excerpted from Corporate Image Management: A Marketing Discipline for the 21st Century by Steven Howard.

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He is a positioning specialist, whose 30-year marketing and sales career in Asia and Australia has covered a wide variety of fields, ranging from consumer electronics to publishing and from a national airline to personal financial products.

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