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Corporate Image Management: A Marketing Discipline for the 21st Century by Steven Howard

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 calibre 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 ó 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 deserving 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 most attention given to name selection, typography, logo design and usage rules, colour palettes, uniforms, and marketing collateral. This approach no longer suits 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 called Corporate Image Management. This is a holistic management 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 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, and services.* These perceptions affect its ability to recruit the financial resources, people and partnerships it needs to attain its goals and objectives.

This approach evaluates corporate image from a marketing, rather than a graphic design, perspective. The premise has two predominant concerns for companies entering the 21st Century:

- an understanding that the corporate image is a major strategic concern that 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 and branding consultants.

Corporate image management, therefore, becomes a comprehensive and all-embracing process that internalises a new skill set for managing relationships between constituents at all levels in the organization. Its goal is to enable sustainable relationship advantages to be developed with key audiences.

Since the process of corporate image management is on-going, these relationship management skills are applied to all current, prospective and future relationships. It applies equally to commercial, non-profit and government organizations.

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 to each of the organization's constituents.

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. It represents one of the highest levels of functional control of the organization.

Perhaps more importantly, its value as a management tool is greater because it 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 that can be created and communicated to customers and marketing partners. From both a marketing and management 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 behavioural 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. It should be thoroughly planned and constantly managed in order to support and sustain the corporation's mission. If managed effectively, it should protect the organization against competition from new competitors or from current competitors offering new products and services. Unfortunately, this is usually not the case.

The corporate image combines the organization's self-perceptions with those of its constituents. It is the *raison d'être* of the corporate body and gives direction and meaning to the whole enterprise. Thus, management of the corporate image should be a primary concern of the Board of Directors, the CEO and the senior management, working in conjunction. Again, unfortunately, this is usually not the case.

However, in today's world of deteriorating brand power, rising perceptions of parity products, reducing employee loyalty, and increasing competition, the management of the corporate image has taken on renewed importance in 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 the need to communicate and to deliver through action 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 distinguish graphically the corporation from its competitors, and positions the enterprise visually in the global marketplace through a consistent use of typeface, colour palette and logo identifier.

Previously, the company's visual identity system was sufficient to project and protect the image of the organization. Today, all aspects of the corporate image need to be managed, from the refinement of the mission statement to how well the employees on the front-line understand, communicate and portray this mission.

Management of the corporate image integrates the corporate culture with the process of managing and it requires the best leadership, communication and training skills the organization can muster.

Corporate image management entails the creation of a corporate language, behaviour patterns, symbology, traditions and a dialog that focus on an appropriate expression of the company. This dialog matches the expectations and understanding of both customers and employees about what the organization stands for, where it is heading and what its core strengths, traditions and principles are. It also develops relevance within every single aspect of the company, its products and its services, and results in perceptions that 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.

A phased process, such as the one described in my book *Corporate Image Management: A Marketing Discipline for the 21st Century*, will help to develop a corporate image management system that is thoroughly based on the organization's characteristics, the perceptions of its key internal and external audiences, and the position it occupies in the marketplace. Not until this position is understood can a corporate identity be developed or modified. And it is only through careful monitoring of the implementation phase that the image can be refined and marketed successfully.

Change Management

A successful identity system, combined with a planned image management system, will assist the organization to manage change and remain flexible in its response to changing market conditions, competition and innovation. Implementing a corporate identity system is also a useful way of changing a company's image by providing a catalyst for the initiation of internal and external reforms vital to successful marketing 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. This creates an internal image network sufficiently entwined and developed that it can disseminate 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 meet and deal 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 the corporate image management process provide senior management with the highest level of functional control of the organization, it also provides 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.

The underlining principle of this discipline 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 factor that determines whether the customer will decide to conduct business with you and, more importantly, 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 now takes place in the minds, hearts, emotions and perceptions of the customers.

The Author

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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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