



Protecting the company's brand(s)

Introduction:

There are two aspects to protecting the company's brand(s);

the first is the legal aspect of monitoring the markets for violation of infringement and counterfeit of their products and brand(s) and take legal actions against those violators.

The second is protecting the brand against negative publicity (incident) that could damage the brand and implication on the business.

Branding is extremely important in today highly competitive and informative markets where consumers are spoiled for choice.

Well-known brands are easily **recognised** by their logos. That is why companies find it **easier to promote** their brands with their recognised logos. Consumers purchased from those brands that they **trust**.

Companies are spending a proportion of their revenue in branding related activities and some large companies have responsible person for "Public relation or corporate communication".

Values of Brands:

There are three important factors that distinguish well-known brands from their competitions (or the alternatives). They are;

- i. How much extra would consumers willing to pay for your product/service instead of from the competitions/alternatives?
- ii. Why consumers choose your brand instead of the competitions/alternatives?
- iii. How much your brand is worth to the investors?

Forbes has published “The World’s most valuable brands” where it shows the “Brand, Rank, Brand value, Brand revenue, how much it spent on advertisement and what industry it is in”. **HSBC** is ranked 37 in the list (a great success story for a bank that was originated from Hong Kong).

Legal aspect of Protecting the Company’s brand(s):

Well-known brands are more concerned with the legal aspect of “Protecting the brand” against infringement and/or counterfeiting.

They have the resources to employ a team of brand management staff to monitor the markets for possible violation of their brand(s) and legal experts to take legal actions against those violators.

In our study, we concentrated on negative publicity that could damage company brand and have serious implication on the business.

Incidents that could affect the company’s brand(s):

The influence of conventional and social media on consumers’ judgement of any brands (whether it is positive or negative publicity) is extremely important especially negative publicity.

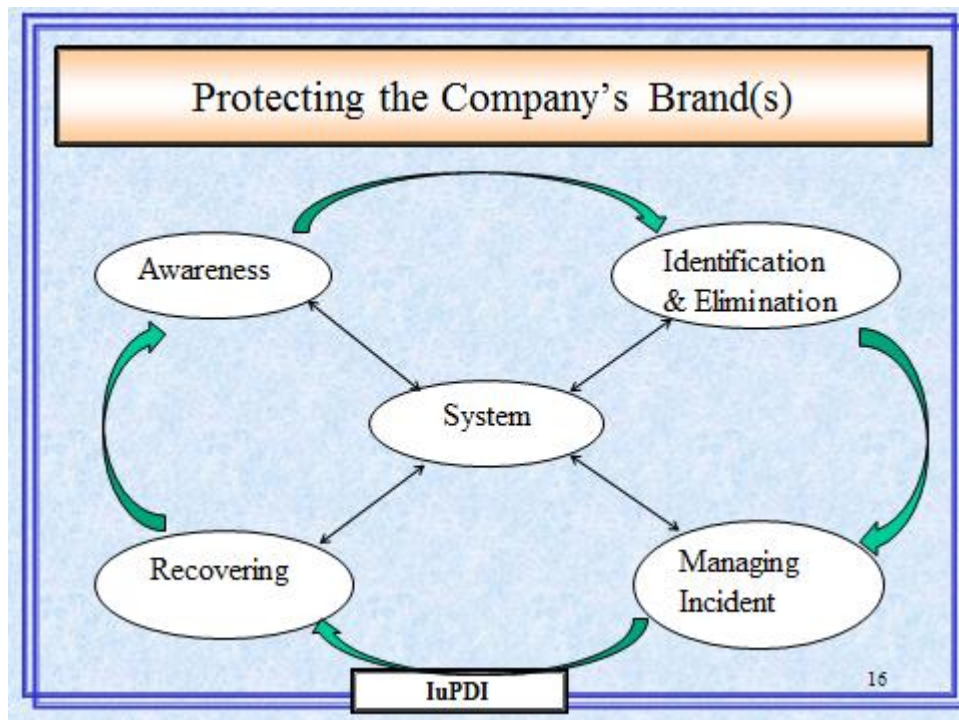
In the study of incidents that affected brands from Hong Kong and overseas. We have identified the following types of incidents that companies experienced of negative publicity and the implication on their businesses and brands were significant.

Protection against **NEGATIVE PUBLICITY**

1. Product/service quality
2. Scandals
3. Pressure groups
4. Individual protest
5. Prank through media
6. Self-inflicted
7. Poor business results
8. Wrongly accused

How to protect the Company's brand(s):

We have developed a Five stages model for companies to adhere to.

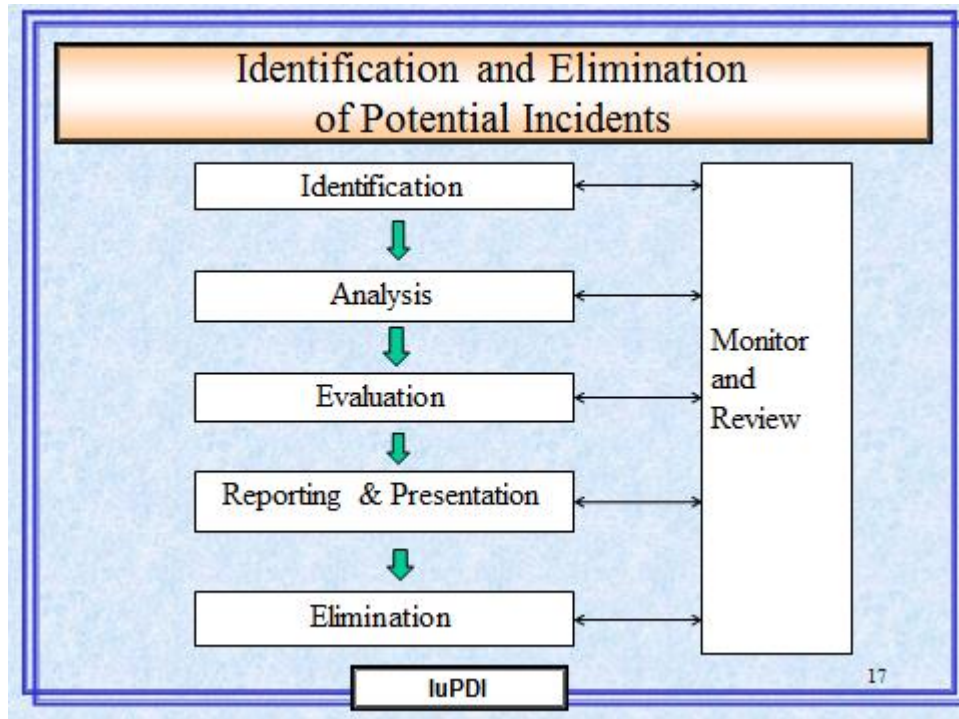


Stage 1: Raise awareness of incident that could damage a brand and have serious implication on the business

In the awareness stage, seminar was provided with the aims of sharing cases of negative publicity had on companies and individuals (personal brands) and convincing companies to take actions to protect their companies' brands. Participants found our cases quite interesting and amusing (certainly not amusing for those victims of negative publicity).

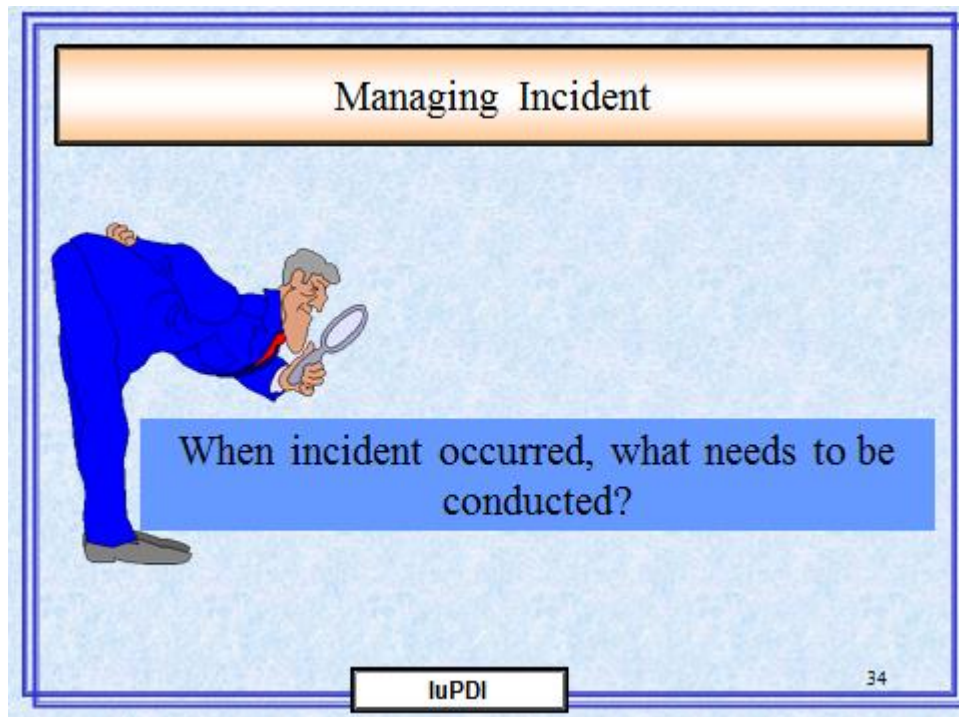
Stage 2: Identification and Elimination of Potential Incident(s):

The next stage is to identify potential incidents that company should be aware of and take action to eliminate them. We used "Risk management methodology" for this.



Stage 3: The dreadful scenario of negative publicity and how to manage it (we termed this Managing Incident):

In our study, we developed a list of actions based on study of cases.



Stage 4: After managing the incident, the next step is to recover the brand. This will depend on the damage done on the brand and course of actions to take.

Stage 5: The system to assure that the company is protected against potential incident. This includes the preparation and implementation of a Brand Recovery Plan.

Prepare a Brand Recovery plan

1. Introduction:
2. Scope:
3. Brand Assurance policy:
4. Brand Recovery teams:
5. Internal contacts:
6. List of potential incidents identified:
7. Prevention of incident
8. Managing incident
9. Implementation of Brand Recovery plan:
10. Management drills:
11. Evaluation of Brand Recovery plan:

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