

Talking Heads

BRAND OR BUST

03/11/2014

According to **David McRobert**, director and co-founder of aviation marketing agency Octant Marketing, business aviation needs to sharpen its marketing edge.

Aviation markets have changed significantly over the last 10 years. Globalisation, consolidation, emerging economies, new technologies, increased regulation, environmental issues, ease of communication, e-commerce and many other factors have all played their part in reshaping our markets. These factors have changed how companies think and operate, reacting to how customers now view our industry and make buying decisions.

Business aviation is no exception.

As business aviation markets have matured, they have also become increasingly homogenous. It's now harder for businesses to differentiate products or services in ways that once served them well, because their competitors are routinely offering the same or similar attributes. Not surprisingly, most CEOs work very hard to avoid differentiating on price, but in an industry where 'low cost' became synonymous with a whole airline sector, avoiding it is challenging.

Unless you've developed a game-changing product or service, homogeneity is a factor that businesses in maturing markets are stuck with. Like it or not, our markets increasingly favor the buyer because competition is already intense and there is a huge amount of choice instantly visible in our on-line connected world.

If you're concerned or intrigued, I suggest you ask yourself the following questions:

- Does your business have a clearly defined value proposition?
- Does this value proposition differentiate your business from your competitors?
- Do all your employees know and understand this value proposition?
- Do you communicate your value proposition clearly and effectively through marketing communications that your target market truly understands it?

In my experience, if you can get past the second question without hesitation and head scratching, then you're doing well. If you can honestly answer 'yes' to all questions, then you are in a select minority and your business is probably very successful, outperforming your competitors, and likely to stay that way providing you review your position regularly and innovate to stay ahead of the game

The fact remains that in homogenous markets it is extremely difficult to differentiate. Many businesses just carry on doing what they've always done without actually sitting back, pausing for thought and considering options that would allow them to stand out and be more successful.

Consider your brand

One really important area to consider is your brand, and it surprises me just how few businesses actually focus on this valuable asset. Frustratingly, 'brand' is a term that is often misinterpreted. It is certainly not just a visual identity, a logo or 'look' created and promoted by a new website or brochure. A brand is considerably more: it defines who you are, what you do, why you do it and how you are different.

In business aviation, strong brands are rare, a situation that needs to change. [Netjets](#), [Gulfstream](#) and [Rolls-Royce](#) stand out as companies that understand the strategic importance of this issue. Their brands have helped differentiate them from competitors, built customer loyalty, gained market share and, perhaps most significantly, resisted price competition. A business with a strong brand will, therefore, become more profitable than a comparable business without one.

Some consider strong branding to be unaffordable for all but the largest businesses. Again, this is to misunderstand the nature of a brand. At its heart, a brand is a clear vision from the boardroom of the company's role, purpose and positioning, the core components of which will provide clear direction for marketing communications and all other business functions.

Once you have achieved this clarity, brand-building activity need not cost a fortune. Consistency and imaginative communication is the key, as online broker [PrivateFly](#) is currently proving. In a short period of time, the company has made a big impact on the market by having a clear value proposition and telling its story very effectively through lower-cost activities, such as public relations. In this respect, PrivateFly has borrowed straight from the playbook of Virgin Atlantic, Southwest Airlines and easyJet in their early days.

A compelling case

In my opinion, the business case for CEOs to make brand strategy a central part of their management agenda is compelling. Once you consider other tangible, proven brand benefits, such as improved employee loyalty and retention, consistency in marketing communications and the ability to unify all stakeholders behind a clear purpose, the case for 'CEO as Chief Branding Officer' is overwhelming.



According to David McRobert, the business case for business aviation CEOs to make brand strategy a central part of their management agenda is compelling.

There are many reasons why developing a strong brand will add significant value to your business. However, one thing is for sure: it certainly won't happen on its own or by accident. Above all, a winning brand strategy calls for significant and continued focus from the senior executive team. It also needs to be an integral part of your business and marketing strategies, because this will help define the way you think, operate and project your business and will help you create a sustainable competitive advantage.

Ignore or underestimate the importance of brand strategy at your peril, because it can make a huge difference to the development and future value-creation of your business. Delivering service excellence and being nice people to do business with is of course great, but it is no longer enough: success in today's business aviation market calls for a far more sophisticated approach.

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