

## Building Equity

Marketing executives must build leadership brand equity at a personal level.

By William B. Locander and David L. Luechauer



**FEW TOPICS HAVE** captured the attention of academics and practitioners in a discipline the way “brand equity” has in the field of marketing. A dozen managerial and leadership fads have come and gone since David Aaker first proposed brand equity in the 1980s. Yet Aaker’s ideas endure and sometimes it seems that all our students, clients, and colleagues want to talk about is how to establish and build their brands.

Churches, hospitals, schools, and the producers of any variety of goods and services, including not-for-profit organizations, are currently conducting brand-building programs. The branding process is not limited to organizations. In his 1997 *Fast Company* article, “The Brand Called You,” Tom Peters discussed how the principles of corporate branding could be applied

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at the individual level. People regularly participate on self-branding Web blogs, they take online courses to build their brand, and they can even purchase a six-CD set for \$69.95 to help create and enhance their personal brands.

The Peters article is thought-provoking and compelling. He suggests that everyone needs to understand the importance of branding regardless of age, job title, or the business we happen to be in. As Peters puts it, we are all CEOs of Me Inc. and must learn to become free agents who set our eyes on having the best season we can imagine in our fields, doing the best work we can, and building our own micro equivalent of the Nike swoosh. Ever the optimist, Peters tells the reader that everyone has a chance to stand out by learning, improving, and building up their

skills. He concludes that with a little effort we can all become a brand worthy of remark.

Reflecting on all this “branding” makes us think that perhaps the Texas cattle barons of the 1800s weren’t so far off the mark—no pun intended—when they emblazed the signs of their ranches on the hides of their herds. These pioneers understood that a good brand was more than burned leather. The brand of yesterday evoked images of quality, ownership, and differentiation on cattle the way it does on tennis shoes, soft drinks, and liquors today.

### Brand Equity Is Emotional

In a 2000 issue of the *International Journal of Market Research*, Rory Morgan suggests that brand equity has both functional and emotional components. Although product or service functionality is necessary to have a brand, it’s the emotional component that adds equity. The emotional aspect creates differentiations like authority, identification, and approval.

Authority relates to a brand’s heritage, the trust it instills, and the degree of innovativeness it displays. Identification refers to the alignment of a consumer’s personal values with those of the brand. Approval relates to a brand’s ability to meet the social needs of a consumer. Although these concepts apply to goods and services, they also pertain to the work of leaders and leadership.

In this regard, there are functions of leadership that can’t be escaped, such as providing direction, developing a system of communication, and creating a strategy. We might call those elements the science of leadership. Those functions are important, but there are also sublime elements to leadership, such as creating and maintaining relationships, establishing and influencing the culture, and promoting esprit de corps, that are equally, if not more, important. This might be called the art of leadership.

Thus a leader builds his or her brand by enhancing the functions of leadership and builds equity by

enhancing the more emotional, artistic, or ethereal aspects of his or her leadership style. It is this second aspect, building leadership equity, we address in this article.

## Promises Delivered

Brands are promises made, while leadership is promises delivered. A branding Web site, [www.branddoctors.com](http://www.branddoctors.com), provides some insights on brand equity that have some very clear leadership implications. The site suggests: "To its buyers, a brand is a promise ... that reduces risk, saves time, and provides reassurance." At some level, isn't this what good leaders do as well?

Thus, CMOs or sales executives might be wise to ask themselves if they create a safe space and collegial atmosphere for subordinates to work [reduce risk]; if they seek to find ways to help them perform their jobs more efficiently and effectively [save time]; and if they provide timely and relevant performance feedback [reassurance]. Moreover, rather than answer these questions in their own minds, CMOs and sales executives might engage in some "market research" and actually direct those questions to those they supervise.

## Identification With Associates

The brand doctors also suggest that "brand equity equals retained customers." In an era when voluntary and involuntary employee turnover has skyrocketed, the notion of employee or subordinate loyalty might seem ancient and charming. Yet, the Fortune 100 best companies to work for continually find ways to attract and retain awesome talent.

Thus CMOs and sales managers should continually ask: Does my leadership style promote organizational loyalty or are the resumes of my staff continually updated and ready to be sent to the nearest competitor with the click of a mouse? Marketing or sales executives concerned about loyalty must engage in sustained dialogue with those they lead and should seek to regularly inquire about their hopes, fears, dreams, and complaints.

To assess this issue with a former client who was worried about employee morale, we asked each person to answer two questions: (1) When you go home and brag about your boss or company what do you most likely say? And (2) when you go home and complain about your boss or company what do you most likely say?

The answers were revealing. Money and benefits were rarely mentioned for either question, but things

like having input; being treated fairly; being treated like an adult; and being given the opportunity to grow, develop, and contribute were mentioned consistently. In short, leadership style formed the core of the brags and the complaints. The astute CMO or sales executive knows that employees rarely voluntarily leave organizations for issues pertaining to cash, but they are quick to bolt when the leadership style degenerates into micromanagement, command, and control.

## Approving the Leader

A final tidbit from the good doctors: "A brand cannot have equity until it has produced a predictable stream of revenue and profit and that, inherent in the concept of brand equity, is the idea of enduring value." The same can and should be said about leadership.

Indeed, what differentiates a marketing or sales leader from a marketing or sales manager is that the leader makes a difference. Leaders grow the business and develop the people who work for them. Put another way, when a manager leaves the organiza-

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tion, little difference is noticed and a temporary feeling of joy may even be felt among the ranks.

However, when a leader departs, everyone feels the loss in both personal and organizational terms.

A wise marketing or sales executive should consider whether the organization and its people would feel the loss of his or her departure. No person is irreplaceable, but what a leader brings to the table and the legacy a leader leaves behind will differ qualitatively and quantitatively from that which managers bring and leave behind.

Therefore, a good marketing or sales executive needs to honestly and continually assess both what they are bringing and the legacy they are likely to leave. Failure to take this perspective often leads to a series of transactional and episodic assignments that are unfulfilling to either leaders or followers. A successful brand leaves a mark on the company, the marketplace, and customers, so its absence will be

noted. The same should be true for one aspiring to successfully lead a marketing or sales organization.

## Leadership Brand Equity

At this juncture you might be asking what you can do to become a marketing or sales leader instead of a manager. Peters suggests that you forget your job title, your education, and your past experiences because often the past serves as a self-limiting lens that prevents us from thinking innovatively and creatively about what sets us apart from others in the field or company. To this end, he advises those who seek to brand themselves to vigorously pursue new assignments, learn new skills, and network with those outside their typical realms.

Peters goes on to suggest answering some very thought-provoking questions, such as: What makes you unique? What are your “product” features or benefits? What is your story? How can I evoke positive brand emotions about myself? What is my personal brand heritage and does it instill trust and innovativeness? Do others identify with me by resonating with a common vision and values? Do I create the type of social environment that gains the approval of those I lead?

Developing reasoned and thoughtful answers to these questions can help in the pursuit of personal differentiation. Moreover, answering these questions might lead to new opportunities that one never considered in the past. This list (and the list in the “Leadership Development” sidebar) is by no means exhaustive, nor is it intended to be. Rather, we are simply suggesting that marketing and sales executives need to “differentiate” themselves. They need to build leadership brand equity at a personal level in much the same manner as they attempt to do at the product level.

As David Aaker and Erich Joachimsthaler insist in their 2000 book *Brand Leadership*, becoming a brand leader requires a radical shift in an organization’s culture, strategy, systems, and structures. Achieving an effective brand leadership strategy requires deep understanding, passion, and a heck of a lot of work. If we have to do all of that to reposition goods and services, shouldn’t marketing and sales executives do the same with their own leadership attitudes and behaviors? ■

### About the Authors

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## Leadership Development

Anyone seeking to awaken, enlighten, and transform his/her style from manager to leader should consider the following:

- Hire an executive coach or find a mentor who will regularly and candidly assess your leadership efforts.
- Become a mentor who seeks to help others transcend their current level of performance.
- Monitor your interactions for a week and assess the proportion of time you spend “asking” and the proportion of time you spend “telling” others what to do. You will likely be surprised to find that you spend more time telling and selling than inquiring.
- Write your “leadership obituary.” How do you want to be remembered when you pass away or retire? What are you doing to see that you will be remembered in that manner?
- Lead in arenas other than work and examine the impact of your approach in those settings. The Little League coach who screams at players or the pushy volunteer is likely just as abrasive at work.
- Inspire and ignite your heart. Intellect can take you only so far, so engage in what sets your heart aflame. You will likely find new and innovative ways to inspire your team.
- Take a vacation! It’s sad but true that a burned-out manager has no hope of inspiring subordinates. As a wise mentor told us once, even the good Lord takes one day off a week—shouldn’t we?
- Do something crazy with your team. Take a page from Herb Kelleher, former CEO of Southwest Airlines, or any other innovator. We know a marketing executive who makes his team leaders perform their quarterly status reports as skits or oratorical fiction. PowerPoint is banned! Boring, run-of-the-mill managers can’t expect to inspire much in the way of product innovation or differentiation when their team is passively blinded by a series of mind-numbing PowerPoint presentations. Leaders who think creatively inspire followers to think creatively.

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