Putting a Spring in their step

HIGHLAND Spring has been named as a "Superbrand" at the annual branding Oscars ceremony in London. Superbrands are the most highly rated brands in consumer research conducted for the Superbrands Organisation. The research also looked at the top performers in different sectors and revealed that brand heritage and advertising are still important to consumers but issues such as the brand owners' environmental policy, which 40 per cent of consumers claim influences their purchase decision, are becoming key. A brand's country of origin was an influence on 26 per cent of consumers and Highland Spring's Scottish provenance is one of its key assets. It was the first British brand to receive organic accreditation for its catchment area from the Soil Association. Sally Stanley, marketing director, of Highland Spring, said: 'This is our 25th anniversary year and Highland Spring is now recognised as a Scottish brand icon, trusted for its Scottish provenance and natural purity. The value of drinking natural mineral water is important to consumers and an increasing number of people believe Scottish water is the finest available.'

http://business.scotsman.com/index.cfm?id=824492004
Tesco set to dump Dotty from TV ads

By Peter Allen

Tesco's TV character Dotty, played by Prunella Scales, is heading for her last checkout queue as the supermarket giant reviews its advertising strategy.

She has captured millions of consumers and infuriated her on-screen daughter-in-law for almost a decade as Britain's fussiest shopper. But Dotty's role is being gradually phased out of the company's marketing plans.

She will make her final bow in Tesco's ads sometime next year.

Ms Scales, who is famous for her role as Aggie in the BBC TV comedy classic Fawlty Towers, first appeared as Dotty alongside fellow actress Jane Horrocks in 1989.

She helped introduce the Tesco slogan "Every Little Helps" to UK shoppers.

She has appeared in TV commercials since then.

The ads, in which Dotty has become Tesco's shop staff, fellow shoppers and her family, comprised one of the UK's longest running brand campaigns.

Retail supermarket chain Sainsbury's faced loss successfully when it hired another former Fawlty Towers star to front its ads.

Chef

It used John Chine after a disastrous campaign and now uses celebrity chef Jamie Oliver as the face of TV advertising.

A Tesco spokesman said there were no immediate plans to drop Dotty from their advertising.

But he added: "As you would expect from an innovative company like Tesco we will continue to explore other advertising options in the future."

The popular ads featuring Prunella Scales have been a hit with the public, so just last week they scrapped a "browning onion.

The adverts were voted consumers' favourite in the retail category for the Superbrands Organisation's annual "branding Oxford.

Page 1 of 1
GENERAL RETAILERS

Wooing the family of small investors helps M&S see off enemy at the gates

The retailer did a good public relations job to keep its shareholders onside and block Philip Green's approach. But, as Kate Burgess says, it must come up with the goods or its loyal followers could turn against it.

Somewhere alongside Mother's Pride and Marrinco sits Marks and Spencer, one of the great British institutions that has served Middle England since 1884.

For many Brits, M&S is more than a business and its shares are more than securities. For generations, the St Michael label has embodied pre- and post-war ideals of innovation, sound management, fair treatment of staff and suppliers and understated quality for low prices.

This week, the board topped the share price charts despite the turmoil while M&S has been pursued by Philip Green, the billionaire owner of HSN, who proposed to buy the company for 400p a share.

"It is still clearly a national darling," said the Brand Council, an industry body.

This was underscored at M&S's annual meeting on Wednesday when, in a piece of pure theatre, Paul Myners, chairman, and Stuart Rose, the new chief executive, wooed 4,000 private shareholders.

Later that day, Mr Green abruptly abandoned his advances on M&S, saying he had been shabbily treated by the board.

Plain-speaking Mr Green appeared to have the support of a third of shareholders represented by six institutional fund management groups, many of them US institutions that hold about 20 per cent of M&S's votes.

Branded Investment Partners, the US fund management group and M&S's biggest shareholder with an 11.7 per cent stake, was the first to back Mr Green, some what overshadowing the likes of Standard Life Investments, M&S's third biggest UK-based investor with 2.97 per cent, which backs Mr Bose's recovery plan.

But loyal private investors, who represent the core of M&S's shareholder base as well as making up about 20 per cent of its shareholder register, placed a vital public relations role on supporting Mr Rose against the phantom bid for the high street chain.

As Mr Green has acknowledged, "It's a very fragile shareholder base, with up to 50 per cent in private hands and shareholders needed to be treated with care."

"You are golden," Mr Myners told the AGM crowd made up largely of private investors, who worried that the fate of a British institution was being decided by short-term US investment groups and hedge funds.

Mr Myners reassured them that the company still cared about its employees, customers and small shareholders.

He drew a clear distinction between them and those who have used derivative instruments to take advantage of "what they see as a short-term opportunity to take a quick profit."

Mr Myners promised that the company would continue to take the lead in setting corporate governance standards and he emphasised M&S's continuing commitment to corporate and social responsibility. The week before it collected the company of the year award at the Business in The Community's annual Awards for Excellence.
Mr Rose, meanwhile, with his cropped grey hair and formal M&S suit, acknowledged that the brand had been "on the decline," but promised that he would do his best to listen to customers and shareholders and restore the group's core principles.

As the meeting progressed, the antagonism towards the big institutions swelled, drowning out those voices suggesting the board should open its books up to Mr Green.

One shareholder asked: "Is the return of capital aimed at rewarding long-standing shareholders?"

Another inquired whether there were any large shareholders present. "It's disgraceful if they are not here at this most important shareholder meeting," he said. "We do not want absentee shareholders deciding the future of the company."

As she left the meeting, another shareholder said: "I got the feeling that M&S is going back to the days when Lord Stoff was chairman in the 1970s and 1980s when M&S was at its height. It's going back to the standards that got lost when it was trying to follow the youth market."

Roger Lawson, from the UK Shareholders Association, a private investor organisation, said shareholders, particularly the older ones, tended to be very emotionally attached to M&S. "They've often shopped there for 50 years and have grown up with the company," he said. "Sometimes it's more personal than with other companies, even other retailers such as WH Smith.

Many believe that M&S is more than a brand. "It is a bit like a member of the family," said one analyst. "I am allowed to tear it apart but it is hard to take when someone else does it."

The brand "has a history that goes back to the immediate post-war era. In contrast, Philip Green represents a new generation."

The analyst added: "M&S doesn't have the same appeal for those harder-nosed 20-something-year-olds, who wonder why Green didn't win."

However, the well of older private investors' goodwill is not bottomless, either, said Fred Carr, of Carr Shephard Crosswaste, a private client broker.

Historically, private investors have always been sentimental about M&S but their confidence has been knocked, having "seen other trusted companies turn into dingy kidneys in the last few years," he said. "Back in the 1980s, there were hundreds of listings for shares from private investors when an analyst suggested switching over from Marks & Spencer into BHS. But they are much less sentimental than they were."

As one small shareholder said on leaving the meeting on Wednesday: "I was a 'don't know'. I have been encouraged by Mr Rose's presentation but I still need to go through the numbers."

The mutual appreciation at the AGM, distorted attention from a bearish trading update that was worse than analysts' expectations, with like-for-like sales down 2.8 per cent overall, for the 11 weeks to July 10.

General sales were down 3.7 per cent and food fell 5.5 per cent, both on an underlying basis.

Richard Perks, director of retail research at Mintel, the market research group, said: "The company had a fantastic reputation for value for money up to the 1980s. But then it cut quality to boost margins and profits and it all went pear-shaped."

It still has a "fantastic footfall" of customers, he said - the group claims 5m customers go through its stores a year.

But, whereas five years ago it was converting that into £240 of sales per square foot, now it is only achieving £98, he said.

That is significantly above the £200 sales per square foot he believed BHS achieves but it was 20 per cent below M&S's peak.

Mr Perks said M&S "has damaged customer trust and has become just another retailer. Prices are too high, it doesn't provide the quality and it looks dull."

He is concerned that the group has underestimated the effect of an uninterrupted customer boom and retail changes in the way we shop. "We are all more fashion-conscious."

One shareholder at the AGM gave the new management team 18 months to turn the group around.

But Mr Lawson from the UK Shareholders Association warned that Mr Rose would struggle to achieve this. "Where M&S went wrong is that it became institutional and bureaucratised," he said. "It will be very difficult to change this culture. Mr Rose will have to be ruthless. Even so, he is one man against the rest of the board."

Small shareholders might have helped to save the board this week but it should not count on their continuing support if it does not start delivering quickly.
The army of small investors helped to scotch Green’s M&S bid

MARKS & Spencer’s army of small shareholders proved a decisive factor in ending entrepreneur Philip Green’s takeover dream, it emerged yesterday.

In a telephone call to leading retail analyst Nick Bubb of Evolution Besson Gregory, Mr Green said the response of investors at the annual meeting of M&S on Wednesday convinced him to walk away.

M&S is unusual for a listed company as around 28 per cent of shares are in the hands of individual investors, with the remainder held by the big investment houses.

He already had the backing of the company’s biggest stakeholder Brandes but was also counting on other shareholders to back his calls for the M&S board to reconsider their opposition to him completing due diligence.

Mr Green is quoted in the interview, published as an analysts’ note from Evolution Besson Gregory, as saying: “Because of my financing I had to get at least 75 per cent of the shares to get control.

“The only way to do that was to get the private investors onside. The only way to do that was to get the board onside. Once the annual general meeting came out against me, I knew I couldn’t do it.”

More than 3,000 shareholders gathered in London to hear members of the M&S board explain why they would not open the books to Mr Green.

Most appeared to support the vision of new chief executive Stuart Rose on how to revive the retailer’s flagging fortunes, including the sale of financial services arm M&S Money.

This blueprint also included the acquisition of the Per Una fashion brand from designer George Davies for £125m and annual savings totalling £530m within three years.

Mr Green pulled out on Wednesday and in a statement from bid vehicle Revival said it was clear that the M&S board was unwilling to co-operate with his efforts to complete due diligence.

When asked by Mr Bubb why he insisted on access to the retailer’s books, Mr Green reportedly replied: “A lot of money was involved.”

“How would I get to know about the pension fund deficit, the state of the stocks, the Per Una deal with George Davies, the Financial Services deal, the property valuation, etc?” the Bhs and Arcadia owner asked.

Mr Green also revealed why he chose not to take a 2.99 per cent stake in the company before mounting his takeover bid, which would have enabled him to pay the fees of his advisers.

Stock market rules allow for an investor to build up a stake of 3 per cent before he has to declare it publicly.

“I don’t need to make a £30m profit. I didn’t want to be accused of profiteering by share dealing,” he told Mr Bubb.

AND THE SHOPPERS STILL LOVE YOU

Marks & Spencer may have spent the last few months under threat of a takeover, but the company is still Britain’s favourite retailer, it was announced yesterday.

The High Street giant has been voted the top retail brand by consumers – beating supermarket giants Tesco and Asda – to win the equivalent of a ‘branding Oscar’. M&S is clearly still a national darling with shoppers.

It was voted as one of the six best ‘Superbrands’ by consumers in research conducted for the Superbrands Organisation’s annual ‘Branding Oscars’, the winners of which were revealed yesterday.

These also included Gillette, voted consumers’ favourite brand in the clothing, household and healthcare product category. British Telecom, Duracell, Hennessy and Jaguar were the other main winners.
M&S branded a success despite takeover threat

BY NEVILLE DEAN
Business Correspondent

MARKS & Spencer may have spent the last five months under threat of a takeover, but the company is still Britain's favourite retailer, it is announced today.

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British Telecom, Duracell, Heinz and Jaguar were the other four main award winners.

The gongs were presented to leading industry figures last night at a ceremony in Knightsbridge.

There was also an award for the Walkers adverts featuring former England soccer star Gary Lineker.

The BBC presenter has been criticised in the past for promoting the crisps, but the adverts were consumers' favourite in the food and drink sector.

Dove's popular "Real Women" advertising campaign came out top in the clothing, household and healthcare sector, while the Tesco ads featuring Pru Delta and her computers were consumers' favourite in the retail category.

In other areas Heinz, Duracell and Tesco were the three brands that consumers would miss the most if they were no longer around. Jaguar Cars, Virgin Atlantic and Duracell were voted as the three brands consumers would most like to work for.

Stephen Chui, chair of the Superbrands Council said: "This is great news for all of the Superbrands especially those under short-term pressure like Marks & Spencer."
Dove wins award for keeping it real

Dove wins award for keeping it real

An advertising campaign for Dove featuring 'real' women rather than supermodels has been voted one of the favourite adverts of the year.

The soap and beauty cream maker came top in the Superbrands organisation’s awards for its firming body cream advert. Other brands awarded prizes included Marks & Spencer, which was voted top retail brand by consumers.

Gillette, British Telecom, Duracell, Heinz and Jaguar were also voted best brands.

http://www.thisisthenortheast.co.uk/the_north_east/business/BUSINESS2.html
Takeover drama fails to eclipse popularity of the brand

M&S is named favourite retailer

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Stephan Cheliotis, chair of the Superbrands Council, said: "Brands are still vital in the eyes of consumers and in the long-term give real competitive advantage, for example we have seen that consumers are still happy to pay a premium for their favourite brand.

"This is great news for all of Superbrands, especially those under short-term pressure like Marks & Spencer."

The research also revealed that a brand owner's environmental policies were becoming a more important factor in consumers' purchasing choices.

And despite Gillette's success, celebrity endorsement from the likes of Beckham influences a mere three per cent of consumers, the research found.
M&S takes top gong at 'branding Oscars'

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And despite Gillette's success, celebrity endorsement from the likes of Beckham influences a mere 3% of consumers, the research found.

Consumers were generally willing to pay a premium for a well known brand, with a quarter willing to ignore price and promotions to stay loyal to their favourite.

http://www.guardian.co.uk/business/story/0,3604,1262921,00.html
M&S named favourite retailer

M&S named favourite retailer 04:59 - 16 July 2004 Marks & Spencer may have spent the last few months under threat of a takeover, but the company is still Britain's favourite retailer. The High Street giant has been voted the top retail brand by consumers - beating supermarket giants Tesco and Asda - to win the equivalent of a "branding Oscar".

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http://www.thisisplymouth.co.uk/displayNode.jsp?nodeId=133207&command=displayContent&sourceNode=133160&contentPK=10600045
Does this man have the toughest job in logistics?

Who is the man with the most daunting job in logistics? Well, John Hogan must be a strong contender. In the middle of last year he was appointed managing director of DHL in the UK and set the task of bringing together all the express and logistics businesses Deutsche Post has bought over the past few years.

It's quite a collection of operations in the UK. First, of course, comes DHL, the international express operation; then there is Danzas, the international freight forwarder which had already absorbed the large US forwarders Air Express International & the Euro Express network.

On top of all that is the Securicor business which includes the largest parcels network in the country as well as the former Russell Davies business that covers logistics and container haulage.

Despite the size of the job, Mr Hogan seems surprisingly undaunted. "The absolute core of our mission is to offer much more to customers. At the heart of the strategy is bringing together a much wider service than any of the individual companies could have done before. And to do it under the DHL brand which is an enormous distance to the strongest brand Deutsche Post World Net has in its family."

Evidence for this comes from the fact that at the end of last year DHL was named as one of the UK's strongest business brands. In fact it was the only logistics company to be cited on a shortlist of 60 household names in the Business Superbrands programme run by the Brand Council, a panel of 15 independent business leaders which selects the 50 winners. DHL was awarded the accolade of 'Brand that keeps its promise'.

"It's been a great boost for our business and our people," he says. The essence of the strategy is a much wider offering.

"That offering includes, the domestic element, same day parcel-related, express related, pallets, full loads, part loads, warehousing and any combination of those along the way that a customer is requiring. Then under the brand, working with our colleagues in air and ocean we have got airfreight and ocean freight to add to the mix."

"So we can offer a solution for all parts of the supply chain and in various depths in terms of complexity. That is the business strategy. And on top of that when you are bringing all those organisations together, other opportunities arise."

"We are actually doing it to grow the business and the mission is a growth and expansion one and offering more to customers - it is not a cost-cutting strategy. But there clearly will be, in cost-base terms, overlaps and opportunities and we will be looking to pursue those over the next two or three years."

The past year has been spent in creating the new management structure based at DHL's site at Heathrow.

"I was appointed to this role officially in July 2003. The rest of Europe had started the integration journey in November 2002. We were starting in July because the Securicor Omega business needed to be acquired."

Deutsche Post had taken a half share in the Securicor distribution business a couple of years before and many people expected it to buy the other half fairly quickly. In the event, the sale took place when it did for technical tax-related reasons.

Securicor is now in the process of merging with security business of Copenhagen-based Group 4 Falck A/S to create Group 4 Securicor plc. This will have some 240,000 employees across 180 countries making it one of the largest security organisations in the world.

Mr Hogan says he has three key objectives for 2004. One was to get the rebranding programme under way with real energy. By the end of 2004 the plan is for all the vehicles and sites to be rebranded.
The second priority was building the management teams - this was completed by the end of last year.

The third was “setting up to succeed” - agreeing priorities for the success of the integration based on business continuity and service quality.

“The focus is on the existing customers and providing at least the same service quality that they have had in the past and improving it step by step. In addition, making sure that staff were completely focused on providing quality and consistent levels of service to customers.”

“In 2003 the sales and marketing organisation was integrated. So we had clear ownership of our customers and clear understanding of how we were working in the market. Everyone knew exactly who was responsible for what product lines, what customer lines and what relationships.”

For 2004, he says, “there are a small number of things that matter very much in the businesses we are in terms of providing service to customers. The main things we are doing are related to our offering to customers.”

As well as the integrated sales team DHL has put in place industry management structures that enable it to cover the different market segments in which it operates.

DHL is also working on the technology front so that by the end of this year so that all its drivers will be using the same hand-held terminals.

“That will improve the quality of information flows. It also means there is a base there for a common approach giving customers the same features in terms of information.”

It has two customer service sites for the express business. During this year we will put in place a common standard in terms of how they are managed - common management systems and common telephony systems.

The company is also amending its accounting systems to give management a “very clear view of new DHL’s financials”.

Putting systems in place is one thing but a service business relies on people. Mr Hogan says it is working hard to bring all the staff along.

Looking further ahead, the plan is to build a fully integrated business.

“We will be looking at new locations. We will be building a lot more detailed IS solutions for the long term. And we will be carrying on building our teams.

“I am often asked: ‘Do you have a deadline for when integration will end?’ We don’t see the integration issue like that. We are continuously building our business.

“We are building the offer to the customers and we are building the people and teams that support that.’”

While DHL in the UK is busy integrating its various businesses, a similar process is taking place with operations in other countries around the world.

“At a group level, by far the greatest integration effort is in Europe because that is where you have the greatest concentration of the group’s revenues.

INTEGRATION: “We are part of a European-wide project management approach to the integration. So on my team I have a change management director responsible for coordination of all the initiatives we are running here in our business and he is linked up with the European-wide corporate management.”

This is because many of the changes will have an impact on other parts of the group.

“If we choose a software route for our driver devices, it needs to be compatible with what our colleagues are doing in other countries.

“So it is very structured and very formal and we have got very strong support. So we are going forward as part of the European integration. In fact, I am a member of our integration steering committee for Europe.”

“One of the objectives we have of course is we are supporting multi-national customers and we need to be ensuring that there is consistent service and consistent approaches right across the market boundaries.”

Inevitably, bringing together a group of large players in the market will have an impact on customers. Mr Hogan says: “I can name two or three companies who said ‘every time Deutsche Post acquired another organisation we found we were using them’.

“There is a development that our group has undertaken called GCS - global customer solutions - to manage global customers. That is where the commercial dynamics around the various service offerings and use of different business lines are dealt with. The customers want one interface.

Also, he says, “customers are very realistic at that stage. They themselves have gone through integration and change management programmes. They are very realistic about timetables and the management challenge so you can work well with people who understand where you are at.”

He points to one major customer that has always used Securicor Omega for its domestic business and DHL for its international business. “Now we have got one account manager - one interface between DHL and the customer. That account manager now deals with international, import export, domestic and we are now also working with them on forward plans.

“We have got skill sets in the business that can come together and genuinely add value. It is not a company wanting to step up to being something that it doesn’t have skill sets for. It is a company that is coming together under a fantastic brand that has skill sets within it at different levels.

“For example, fleet management skills in Securicor was strong because of the scale. Procurement of vehicles was an area of expertise because these areas really mattered because of the scale.

“You are very much focused on your key cost drivers in a scale business. DHL focused very closely on its commercial excellence, its marketing excellence, its quality and has a brand position that takes that ground.

“If you pull the intellectual talent together and you work through the skill sets in the business you have very complementary skills.

“People ask ‘are there clashes - do people find it difficult to work together’. These are very different businesses.
superbrand unveils brand new image

KALL Kwik, formed in 1978, is seen as a model of excellence in the franchising world, providing unique opportunities for unique individuals and is the dominant force in the business to business print, design and digital sector.

This ‘Business Superbrand’ has officially unveiled its new corporate identity, which reflects the forward-thinking nature of the organisation and embodies the core brand values of modernity, fresh thinking, business orientation and creativity.

A nationwide re-branding programme has begun with some Centres already benefiting from a new and contemporary business-friendly interior.

All the key corporate identity elements were born out of extensive market research, which confirmed that both existing and prospective clients felt the new look would communicate Kall Kwik’s unique capabilities more effectively.

In 2003, Kall Kwik was awarded Business Superbrand status for brand recognition and strength by the Brand Council, which operates in over 25 countries across four continents and is internationally recognised as the highest independent authority on brand status. Kall Kwik was selected from thousands of brands to join companies such as PriceWaterhouseCoopers, NHS, FT and Virgin Atlantic Airways who already benefit from this status.

Less than 0.1% of brands considered actually qualify for Business Superbrand status and it is awarded to brands that have the finest reputation in their field and offer customers significant emotional and tangible advantages over competitors, which customers want, recognise and are confident about investing in.

“The Kall Kwik brand is now acknowledged as the leader in business print, design and digital services in the UK,” explains Marcello Karbou, Founder of the Brand Council, “in fact, the contemporary feel of its re-designed logo clearly reflects Kall Kwik’s own appreciation of the importance of powerful branding.”

Kall Kwik understands the crucial role that image plays in today’s business world and by weaving its own identity demonstrates to businesses on a local and national scale that it has professional expertise to undertake major design, print and communications projects. “Kall Kwik competes with the very best in Britain and that includes serious design agencies,” adds Phil Mader, Kall Kwik UK’s Managing Director: “Our new corporate identity is proof of our ability and our new look will reinforce perceptions that Kall Kwik is a professional outfit that provides great service and will solve design and print solutions for the business community.”

As a leader in business design, Kall Kwik invited its own Centre’s design teams to pitch for the creation of the new look alongside an external specialist design agency. The concepts were then presented at focus groups, with existing and prospective clients, and at meetings with Centre Owners in the Kall Kwik network, to gather opinions about the potential new look. Kall Kwik Winchester’s concept came out on top with proud franchisees Richard and Sally Baker and Senior Designer Rebecca Lee Potter being key to its development. Richard Baker comments, “we were delighted to be selected to pitch for the new design of the Kall Kwik logo, for after 25 years the old logo was beginning to show its age.”

The fresh and contemporary design breathes new life into Kall Kwik and since the launch, we have seen the design rolled out across the country in marketing elements such as signage, stationery, advertising etc. The transition to the new branding has been painless. It only cost us £2,000 to upgrade our Centre to the new fascia and signage, which is a huge expense for a complete makeover.

The new design was created to provide franchisees with a brand new image, whilst making the transition financially attainable and appealing. “This is crucial,” comments John Sylh, Kall Kwik UK’s Head of Marketing. “Developing a new identity that is not only practical and affordable would obviously have been counter-productive. We are confident that this new identity will represent our brand with impact and effectiveness. And not only does it look good, but it lends itself to a wide variety of applications enabling us to get the message across on all kinds of media, from Centre fascias to brochures.”

Kall Kwik’s new identity, coupled with its ‘Business Superbrand’ status, heralds an era of further success for this market leader.
Superbrands show pedigree

Homeware brands prove perceptions of quality are not all down to spend size, says Daniel Rogers

Waterford and Royal Doulton, two of the most famous names in British homeware, are better recognised for their quality than established FMCG brands including Heinz and Andrex.

In NFO WorldGroup research commissioned by The Brand Council, timed to coincide with the latter’s launch of the fifth edition of Superbrands, the homeware brands both earn impressive quality ratings of 5.4 out of six in a survey of a representative sample of 315 adults across Britain.

The travel sector, however, fares less well, with its highest-scoring representatives, British Airways and Virgin Atlantic, coming in at 25 and 31 respectively, while Jaguar has been crowned the top-scoring motoring brand – although it can only manage 26th place overall.

With the exception of the BBC (15), media brands fail to make much of a dent on the top 50. The UK’s bestselling newspaper – The Sun – ranks at 74, with a quality rating of just 3.3 out of 6.

Advertising vs brand quality

Aside from overall quality, the report also reveals consumers’ ratings of brands’ advertising – and suggests that perceived quality of advertising does not accurately correspond with perceptions of brand quality. Indeed, only three brands – Andrex, Kellogg and Duracell – have a top 15 position in both the advertising and quality rankings.

However, Andrex, which consumers rate as producing the highest-quality advertising (5.1 out of six), rates just ninth in the brand quality table, while ad quality runner-up Coca-Cola comes in at 33 in brand quality (4.5 out of six).

Conversely, Royal Doulton and Waterford Crystal are ranked 63 and 68 respectively in terms of the quality of their advertising.

While FMCG brands generally come out top in advertising terms, three motoring brands appear in the upper echelons: RAC (4), Land Rover (7) and Jaguar (8).

It is interesting to note that spend does not necessarily equate to creating a perception of quality. Heavy consumer advertisers McDonald’s and The National Lottery both fail to strike a chord with consumers, ranking only 47 and 60 respectively in the advertising ratings.

Also, while advertising is important in creating awareness and communicating brand values, it is not the predominant factor in influencing purchasing decisions.

More than a third of consumers (37%) claim good advertising or positive press coverage are key factors influencing their purchasing decisions. But much more influential are friends and family: more than two-thirds of respondents (68%) said they use friends as advocates on which brands to buy.

Brand longevity, provenance and heritage are also critical factors, with more than half (56%) saying they play an important role in their purchasing decisions – which helps to explain certain British brands’ supremacy in the quality rankings.

Stephen Chellotis, brand liaison director at The Brand Council, explains: “Factors such as heritage and word of mouth best communicate the high quality of brands such as Royal Doulton, Waterford Crystal and Seltolita, which is ranked 16th. The consumer clearly holds these in high regard, yet consumer rating of their advertising is relatively weak compared with other Superbrands.”

Despite revealing the power of the brand, the research shows that British consumers remain price-sensitive, with 86% citing competitive pricing as a key factor in their decision to buy.

Although brands continue to sign up celebrities to appear in their ads – the latest being Diet Coke with Kim Basinger, while Barclays is preparing a new phase of ads featuring Samuel L. Jackson (Marketing, 3 April) – there is little evidence that such tactics hold sway with consumers. Only 2% of those questioned cite celebrities’ opinions or use of those brands as a factor influencing purchase.

Premium test

The study also tested brand loyalty in a number of sectors, gauged by customers’ willingness to pay a price premium. It discovered that, on average, consumers would be willing to pay up to 9% more for favourite brands. But this varies significantly between market sectors.

Brand premium appears highest in the food and drink sectors, where consumers claim they will pay up to 14% for their preferred Superbrand. Next highest is the healthcare and toiletries sector, where consumers would pay 11% more.

Unsurprisingly, perhaps, ‘higher ticket’ purchases, such as travel tickets, cars and motor services, command a lower percentage premium. For the former, consumers are prepared to pay up to 8% to get their favoured brands, and for the latter, up to 5%.

But there is clearly a pressing issue of brand loyalty that these sectors need to address. Buyers of cars and motor services and travel products most accurately fit NFO WorldGroup’s classification of ‘brand switchers’: they are “loyal to a core set of brands but shop around for the best price within this”.

However, when examined in greater depth, the research reveals that almost half (47%) of car and motor services buyers agree that they ‘buy the same brand regardless of other special offers or promotions’. This applies to 42% of healthcare and toiletries purchasers and 40% of household goods purchasers, but only 35% of travel buyers, highlighting the dearth of brand loyalty in the sector.
New year, new look

Business Superbrand Kall Kwik has just launched its fresh new look. Sally Giles went to meet the masterminds behind the makeover.

Image is everything in business. It takes time, effort and money to convey your corporate image to your target market and, more importantly, keep it there. So, if you've made your brand identity internationally successful and widely-recognised, you might be forgiven for sitting back, reaping the rewards and congratulating yourself on a job well done.

Well, not according to Kall Kwik. The leading business design and digital print specialist, with 25 years' experience in the industry, has taken the bold move of totally rebranding and relaunching its corporate identity.

Gone is the dated blue and red lacking 'K' logo recognisable on every high street, replaced instead by a crisp, cool blue logo with a new circular 'K' icon.

'The new image epitomises the forward-thinking nature of our dynamic franchise operation,' says Phil Muller, managing director of Kall Kwik UK. 'It has been designed to embody our core brand values of modernity, fresh-thinking, business orientation and creativity.'

It's a brave move for a company already recognised as having a strong brand identity. In December 2003, Kall Kwik beat off competition from thousands of nominees to be awarded Business Superbrand status by The Brand Council, the definitive national authority in business branding. Kall Kwik joins a total of 60 other prestigious companies benefiting from the same status, such as Virgin Atlantic, Intel, PriceWaterhouseCoopers and British Airways.

Kall Kwik's nationwide rebranding programme has already begun. The first centre to be launched with the new design was Kall Kwik Eastbourne, and centres throughout the country are in the process of converting to the new look. The changes include not only new façades to centres but also the opportunity to have upgraded, contemporary interior design. The main features of the new corporate identity are the result of extensive market research with both existing and prospective Kall Kwik clients, who felt that the new image would communicate the company ethos more effectively.

The new brand identity was unveiled during an official launch event at The Ivy in London in January. Marcel Knobel, founder of The Brand Council, was guest speaker at the event. He praised the move by saying: 'The contemporary feel of its redesigned logo clearly reflects Kall Kwik's own appreciation of the importance of powerful branding.'

On a daily basis, 103 Kall Kwik centres are trusted to help develop the brand identity for an impressive array of clients, including Thomas Cook, Safeway, Thistle Hotels and David Lloyd Leisure. By updating its own brand image, Kall Kwik hopes businesses on a local and national scale will see this as evidence that the company has the expertise necessary to undertake major design, print and digital projects on their behalf.

'Kall Kwik can compete with the very best in Britain and that includes serious design agencies,' says Phil Muller. 'Our new identity is proof of our ability and will reinforce perceptions that Kall Kwik is a professional outfit that provides great service and offers design and print solutions for the business-to-business community.'

Further proving the point, Kall Kwik turned to one of its own centres to create the new brand image. Franchisees Richard and Sally Belcher of Kall Kwik Winchester and Newbury, and their senior designer Rebecca Lee-Potter, were instrumental in the development of the new image right from its inception.

'Research with centre owners indicated a general consensus that the existing logo was a bit dated,' says Richard. 'We were delighted that head office gave us a chance to come up with an alternative.'

'The brief we were set was very detailed and focused on the idea that the new image should not be too radical; more evolutionary than revolutionary. The company name was to stay the same, one of the primary colours from the old logo and a similar font were also to be used to give continuity. The idea was to move the emphasis of the brand identity away from copying and over to creative design services.'

'We pitched our ideas and were delighted to be shortlisted, along with another Kall Kwik centre and a professional design agency. The proposals were then taken around the country to gauge the opinion of the national franchise network and its customers. So, in the end, Kall Kwik franchisees and customers chose the winning imagery - our!'
Pritt celebrates 20 million sticks

The world's best selling glue stick has celebrated 30 years of UK sales — with the sale of its 20 millionth stick in 2024.

Pritt was invented in 1995 and launched to the UK in 1973, immediately making an impact on a market which, until then, had been dominated by liquid glues.

As legend has it, the now world-famous product was first created when a chemist saw his secretary applying lipstick and had inspiration for a non-drip glue.

Pritt, which has been manufactured in Winsford, Cheshire for the last 30 years (and counts sugar as one of its main ingredients), was recently inducted into the highly prestigious Business Superbrands, where it was shortlisted for an award — and has, over the last three decades, become synonymous with stick glues.

Mike Rowley, sales and marketing director, said: "We've come a long way in 30 years. Back in 1973, women were only just being allowed onto the floor of the Stock Exchange for the first time. The 3c disposable lighter was born — and we met the Winstons that year. Pritt has continued to sell well since then - 20 million sticks so far this year is a great tally!"
BRAND LEADERS IN BUSINESS TO BUSINESS

DHL, Virgin and Intel are household names around the world but it is rarely acknowledged that they are also brand leaders in the business to business world. The Brand Council's Business Superbrands 2003 Awards have revealed that these brands are among the most trusted and respected for B2B managers in the UK. But what factors have led them to the top of their fields?

The category winners were determined by a study from Research International, designed to identify the drivers of perceived business brand performance. Its hypothesis was that outstanding B2B brands perform strongly in the areas most critical to perceived excellence.

<table>
<thead>
<tr>
<th>Category winners</th>
<th>Key drivers of perceived brand excellence</th>
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<tbody>
<tr>
<td>Sellotape</td>
<td>Trust</td>
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<tr>
<td>Rolls Royce</td>
<td>Customer service</td>
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<tr>
<td>DHL</td>
<td>Delivering promises</td>
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<tr>
<td>Virgin Atlantic</td>
<td>Values employees</td>
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<tr>
<td>Intel</td>
<td>Innovation</td>
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<td>Intel</td>
<td>Exceptional Marketing</td>
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Drivers of excellence

Managers group specific aspects of brand performance into four clusters at different levels of importance: Trust, openness, vision and responsibility. The drivers were extrapolated from the rankings given to 21 separate questions on features of the candidate brands.

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<tr>
<th>Brand name</th>
<th>Top drivers of the brand factor</th>
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<tr>
<td>Virgin Atlantic</td>
<td>Trust</td>
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<tr>
<td>American Airlines</td>
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<tr>
<td>BMI</td>
<td>Responsibility</td>
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<td>British Airways</td>
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<td>EasyJet</td>
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<td>Exelstar</td>
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<td>Heathrow Express</td>
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Source: Research International

Interestingly, the brands which scored highest on these drivers also stood out by scoring more consistently across them. Only a handful of the 80 analysed emerged as overall high scorers; suggesting a halo effect is boosting the perception of these brands.

Brand performance in the communication & information technology sector

<table>
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<tr>
<th>Brand</th>
<th>Trust</th>
<th>Responsibility</th>
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<td>Intel</td>
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<td>Casio</td>
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<td>Samsung</td>
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<td>Siemens</td>
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Source: Research International

Trust includes reliability, length of time in the market, customer focus, peer approval, prestige and keeping promises. Executives, whose purchasing decisions may involve spending millions on a product or service, regard trust as the most desirable attribute of a supplier brand. Brands like Sellotape, Rolls Royce and Intel scored highly on trust.

Openness is associated with corporate social responsibility, valuing employees and investment worthiness. This forms a logical complement to managers' primary trust concerns. Without openness, trust is
blind. Virgin Atlantic, Rolls Royce and Sellotape again scored highly here.

Vision correlates with having a strong leader, exceptional marketing and an innovative brand. Although often regarded as the defining features of an outstanding company, these are not top of executives’ lists when questioned about the brands they respect. Intel, Virgin and DHL were all ranked as brands with strong vision.

![Brand Performance Chart]

Responsibility may well be a hygiene factor, ranked lowest because it is taken for granted in high-performing brands. Its components include environmental focus, peer acceptance and the approval of superiors.

It's clear that responsibility is closely related to both trust and openness. Overall UK executives seem to be very cautious in assessing business brands. Three out of four drivers are concerned with ethical rather than business or creative excellence.

![Brand Familiarity Chart]

Research International's brand database has shown over time that brands which score five points above average equity for their familiarity level are those most likely to increase market share. This position is known as positive Brand Edge.

Business Superbrands are outstanding performers in the B2B arena. Legendary and widely admired, they set the agenda for innovation and excellence. As good all-rounders, Superbrands naturally have high awareness but they also engage understanding and positive feelings in their key audiences. 

Paul Carney is a director at research company Research International. In November 2003 Research International surveyed 1,000 UK managers. This study was based on a sample of 68 brands selected by the Business Superbrands judging panel.
Superbrand status for print chains

Kall Kwik has caught up with Prontaprint in being awarded Business Superbrand status by the Brand Council, the international authority on the power of brands.

Both of the top print franchise chains are owned by Adare, the Irish print group, and operated through On Demand Communications, led by Philip Muller and Derrick Simpson. This is the second successive year that Prontaprint has been so recognised.

Kall Kwik is currently following the advice it gives its customers and is in the process of modernising its branding.

Commenting on the award and the new branding, Sandra Fitzgerald, Kall Kwik’s general manager, said, “We believe that by articulating our drive for confident and effective designs in a business environment through our own images, as well as by providing refreshing and effective solutions for our growing number of corporate clients, we can deliver truly exceptional results. We are looking forward to customer feedback on our new look.”

Marcel Knobil, founder of the Brand Council, said that the contemporary feel of Kall Kwik’s re-designed logo clearly reflected the company’s own appreciation of the importance of powerful branding.

Dedication

Commenting on Prontaprint’s second year as a Business Superbrand, Stephen Cheliotis, brand liaison director of the Brand Council, said that the award was testimony to the continued dedication to quality, reliability and customer service, by the company and its ambassadors, the franchisees.

Muller said that such prestigious recognition for Prontaprint highlighted its commitment to developing one of the most successful and forward-thinking franchise models, and also marked the sheer determination of the firm to succeed.

“Superbrand status certainly doesn’t happen by accident,” said Muller. “The digitally-connected Prontaprint centres have worked exceedingly hard to make sure that each one of their clients receives a standard of service that is second to none, and that they benefit from the continual investment in the very latest digital technology, print and copy solutions.

“The Superbrand accolade underlines the unrivalled opportunity which operating a Prontaprint franchise offers, and also the sheer size, scope and quality of the business printing services provided both at the local level and through the nationwide network,” said Muller.

● Keith Davidson (right), head of marketing at Prontaprint, receives the Business Superbrand award from Bill Colegrave, the international director of the Brand Council.