

## Case Study: Corporate Brand Strategy for Brandix

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### SITUATION

Brandix (which was founded as Phoenix Ventures) and commonly referred to as MAST Lanka was established in the early 1980's. This was a time when there was a focus in apparel manufacture resulting in significant growth of the industry.

The early days involved setting up basic manufacturing facilities which grew in sophistication to meet the requirements of buyers and more exacting brands. In nearly 25 years the Company has grown into a major player with revenue equivalent to the largest Companies listed on the Colombo Stock Exchange.

The Company relentlessly focused on expanding which involved growth through new factories, mergers and acquisitions as well as upgrading the manufacturing technology. During this phase the Company established strong working relationships with major US buyers such as Gap, Limited, A&F etc.

Having reached the status of a large corporate in Sri Lanka, the Company then turned to STING Consultants to revamp their corporate identity.

The Company had a very poorly defined corporate identity with many individual names for each of the plants. Many of the plants had by now acquired a reputation which in turn was very well known with certain customers. These individual brands included LMApparels, Lux Shirts, Kuruwita Manchester Textile Mills (or KMTM), Finitex which was recognized as a world class finishing plant.

### THE PROCESS

#### Market Scan

STING Consultants carried out an extensive amount of research in order to understand the context in which the company was operating. This included interviewing employees at all levels within the organization, key managers, suppliers, customers as well as banks and other partners.

Specific attention was given to understand their perceptions of the Company and what it stood for in the minds of the different stakeholders. We used several projective techniques to understand the personality of the company.

The research also included understanding the trends in the international apparel industry as well.

#### Strategic Visioning

Through further discussion with the senior management insights were gained on where the company intended to be taken, what the strategic focus was and where the company was investing in order to keep up with customer requirements. In 2002, just over 2 years before the quota free era, a significant amount of resources were being spent on improving efficiencies through process improvement, all of which was position the company as a world class operation.

The corporate brand strategy was based on 2 key findings. One was recognizing the market in which the company was operating: a high fashion, dynamic environment and the other was the core business driver which catapulted it to being so successful : a highly entrepreneurial spirit and the growth through mergers and acquisitions.

We also assessed that there was very low recall of the existing corporate brand (Phoenix Ventures) which had virtually no equity. Therefore the task was to build a brand virtually from scratch.

During this phase a detailed analysis was presented to the Board setting out the two options the company had. One was to build on the existing name and the other was to create a totally new name. This was done by presenting strategic options analyzing the advantages and disadvantages. It also led to recommending the rationalizing of their brand portfolio.



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### **The strategy defined**

Using STING Consultants unique brand positioning model, we defined the brand in a manner in which it would be distinctly different, yet relevant to the core target group. The audience were international customers (buyers) working in the fashion industry.

With the objective of differentiating the company from other traditional corporate brands, the challenge was to maintain a blue chip image with a youthful and contemporary appeal. We set out the brand to be the "Coca-Cola" of Corporate brands.

### **Brand Architecture**

STING Consultants identified the key drivers which would influence perceptions for a corporate apparel brand. And then built the brand around that. This is a vital component of our branding method.

These were the pillars on which the brand was anchored. At the same time an organizational alignment was carried out (as a separate exercise outside the scope of our project) which then led to aligning the brand throughout the company through a single minded focus. We proposed a monolithic brand architecture to unify the company under single proposition, and to leverage the synergies of this large organization.

### **Living the brand**

The core brand values were then used to communicate the brand message throughout the organization, thereby uniting a work force of nearly 14,000 people under a common theme. The brand values became an internal motivator, by translating it into behavioral values in the work place resulting in the employees living the brand and delivering the brand experience to customers.

### **THE BENEFITS**

The branding process has generated considerable tangible value to the company which can often be measured. It can be measured through the quality of the applications for employment which the Company receives. There is a significant improvement in the quality of the application that are being received now relative to the pre branding phase. Employee surveys have indicated a significant improvement in motivation levels under the new corporate brand. Employees are proud to be known and associated with the Brandix name. Customer perceptions of the company has increased, as well as supplier preference. The latter has been measured through preferential trading terms that the company has recently received due to suppliers wanting to be associated with "Brandix".