

## LIPPINCOTT

### The TELUS Story:

#### Brand Management Strategies for a Customer-Focused Identity

Successful brand management is a complex, long-term undertaking. From its inception, TELUS—one of Canada's largest telecommunications companies—faced multiple brand management challenges. These included fierce competition in a newly deregulated marketplace and the burden of its history as government-owned enterprise. To succeed, TELUS not only had to defuse negative perceptions in the marketplace, it had to

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focus attention on its positive brand attributes and develop and communicate strong new ones.

TELUS was formed as a holding company when the Alberta provincial government privatized Alberta Government Telephone (AGT). Initially, AGT continued to operate under its own name, as did newly-acquired Edmonton Telephone (ED TEL)—a former competitor. The TELUS name remained largely unknown (less than 10 percent of Alberta residents recognized it) as the company went to market with a myriad of sub-branded products and services under the AGT and ED TEL names.

While the TELUS name—derived from a combination of "telecommunications" and "universality"—was meant to convey a company that was both friendly and forward-thinking, the sub-brands projected an old-fashioned, slow-moving and government owned image. As its share of the Alberta long distance market began to erode, TELUS faced the prospect of overcoming the weak image of its key marketing brands. Recognizing the competitive advantage of projecting a unified, customer-focused image, TELUS's CEO initiated a major evaluation of TELUS's brand identity structure. To guide this important undertaking, TELUS called on our firm, Lippincott.

Based on extensive internal and external research, the Lippincott consulting team recommended a master brand strategy, using the TELUS name to communicate a company with a rich tradition of innovation, a breadth of competencies and a responsive, customer-friendly attitude. This approach would entail a single name for most operating units.

A detailed plan established guidelines for communicating a unified message about TELUS's strengths, culture, style and future direction to each key audience: customers, employees, agents/partners, potential employees and the financial community. TELUS's goal was to be seen as open, accessible, responsive, dynamic, trusted and uniquely Albertan, yet world class. The new TELUS brand identity would be centered on a dynamic brand identity system to be used for all signs, uniforms, vehicles, marketing materials and advertising. Change, however, had to be more than cosmetic; it had to signal the launch of a newly energized, customer-centered enterprise.

To provide an improved customer experience, the entire company was involved in a series of service-driven initiatives. A new 24-hour repair service was introduced, as well as a highly competitive pricing strategy, each were timed to support the launch of the TELUS master brand. Employees at all operating entities underwent training to respond to customers in a

more friendly and responsive way.

If the introduction were to be executed with impact, employee involvement was essential. A massive implementation effort, facilitated by employee volunteers enabled the new TELUS identity to be incorporated—virtually overnight—on over 16,000 pay phones and on 2,000 vehicles. The identity was also integrated into all corporate, marketing and internal communications, and in all print and television advertising. A teaser campaign helped generate anticipation for the launch and conditioned the market for the change. A separate "new promise" campaign introduced TELUS's new brand attributes.

Several publicity "coups" helped launch the new brand in dramatic fashion. Across the province, TELUS held "retirement ceremonies" to retire existing brands with dignity and respect. And just prior to the public brand launch, a repair person and truck, both displaying the new TELUS logo, appeared prominently in an episode of the popular TV show, "The X-Files." This surprise "guest" appearance energized employees and created enormous interest and awareness throughout the TELUS marketing area. TELUS's CEO received a wave of phone calls—some from competitors—marveling at the speed and effectiveness of the brand launch.

AGT had a top of mind awareness among 52 percent of Albertans, the best of any brand in any category in the province, 96 years into its existence. But within six weeks of its launch, TELUS had achieved a 60 percent top of mind awareness, well surpassing management's 40 percent goal.

Within the same time frame, ratings for TELUS's image attributes quickly outstripped those of AGT: Service—AGT 78 percent, TELUS 88 percent; Innovation—AGT 66 percent, TELUS 90 percent; Competitiveness—AGT 70 percent, TELUS 86 percent; Solutions—AGT 72 percent, TELUS 82 percent. Subsequently, TELUS has retained 70 percent market share in long distance while every other provincial telephone company has lost between eight and ten percent market share over the same period.

TELUS's success reflects its ability to complement a strong brand communications plan with a positive brand experience. Alignment of brand experience with brand promise—a key to effective brand management programs—has enabled TELUS to establish and maintain its image as a provider of superior, flexible customer-focused service. As a result, TELUS remains a powerful competitor in the marketplace.