



The Brand Establishment

CASE **STUDY** RETAIL AUTO
CLASSIC



Sales a little wobbly?

Check the alignment.

The BMW story

illustrates how much

velocity can be

generated when a

great business

strategy and brand

strategy are in precise

alignment.

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The BMW Story

A company's business strategy has a far greater chance of success if it is aligned with the company's brand strategy. Here's an example of a terrific business strategy perfectly aligned with a brilliant brand strategy:



Mercedes-Benz

The Situation



In the early seventies, BMW held a miniscule share of the European luxury car market, and an even smaller share of that audience's mind. Mercedes-Benz outsold BMW three to one. Mercedes established its foothold in the U.S. market by promoting their "European Engineering."

The Insight

When the strategist talked to BMW designers they made it very clear that their engineering was far superior to the MBZ cars. They knew that they designed and built cars with much greater responsiveness to the driver's actions, providing a better sense of the road beneath the wheels and offering drivers greatly enhanced control.

While Mercedes, according to BMW, had a smoother ride, BMW's tighter feel and enhanced responsiveness gave drivers the sense that they were in complete control, something no other brand of automobile offered.

This handling advantage was greatly appreciated by sports car aficionados and car enthusiasts.



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Business Strategy

Understanding BMW's unique claim of distinction, a business strategy was born. "At Bayerische Motoren Werke, we will build highly engineered automobiles and market them to performance-minded enthusiasts." This new strategy would be communicated to all of the company's employees, strategic partners, suppliers, distributors, customers, sales teams and marketing.

At this point, with BMW's agency Ammirati & Puris involved in every step of the strategy development, a brand strategy was carefully crafted and aligned for the purpose of advancing an overall corporate message: "BMW, the ultimate driving machine." It, too, was delivered to the same employees, strategic partners, suppliers, distributors and customers.

The Results

For three decades, BMW's business strategy and brand strategy alignment have driven the company to the top of the category and, today, BMW outsells Mercedes-Benz three to one.



This strategic alignment should never be ignored, nor should businesses and brand strategies operate exclusively...nor should C-level company executives and their agencies ever stop collaborating. The combined intelligence, know-how and experience of company and agency can be a great value to all.