

Q12: Name of Innovative Best Practice:

Structured Joint Branding Process for Alliances

Q13: Provide Key Highlights of the Innovative Best Practice:(Use the boxes below to provide a bulleted overview)

1. A Structured 2-step Approach to create a Joint-Brand identity for an Alliance, supporting all activities, from co-branding strategy to communication of the joint branding to customers.
2. Deep understanding of brands' value and creation of a joint branding identity to communicate the new "joint-story" in the market.
3. Using the structured approach prevents conflicts and enhances effective communication between partners; it supports an equal and well-grounded relationship.
4. Internal Approval Process for the Joint Brand Identity by the Global Brand Team, ensures support throughout Philips to communicate and implement the Joint Brand Identity and guarantees the new joint brand identity fits the Philips Brand Identity.
5. A well-defined joint branding maximizes the success of the Alliance; enhances the communication of the new story to customers.

Q14: How is this Innovative Alliance Best Practice High-Impact?TIPS:• Describe how this new best practice improves the management of alliances.• A specific example of the practice and its effect in a particular situation must be provided.

- The joint branding process supports the management of alliances because it offers a structured way to define and align the joint branding on the joint proposition:
 - o Initial understanding before the agreement on the joint branding process
 - o Clear defined branding guidelines to be used by both partners
 - o Incorporation of brand identity of each parent company
 - o One voice and defined explanation of the joint proposition to the consumer.
 - o The right branding increases value of the proposition and thus the value of the alliance.
 - o The structured way of approaching joint branding avoids potential conflicts between partners and creates a good and equal relationship.
- The joint branding process is part of the Philips structured Strategic Alliance process.
- The joint branding process is a framework and methodology to define the most appropriate branding for the joint proposition: and helps to define and create the best brand identity and the most appropriate way to communicate.
- The joint branding process consists of two steps: 1) Determine the alliance branding strategy, and 2) Implement the joint branding strategy into a brand identity.
- Example: In 2013 Philips and Disney announced the Alliance between Philips Lighting and Disney imaginative world. The two brands agreed on the brand name and joint brand identity:
 - The joint branding is well-perceived and recognized by consumers.
 - The jointly developed proposition is a true connected product which combines the Philips lighting technology and meaningful innovation to the imaginative world of Disney characters. The co-branding leads to: leveraging each brand's strengths, higher level of credibility for consumer, better addressing specific target group and developing new channels.

The structured approach to define the joint branding was used to identify the most appropriate branding strategy. The two brands are equal partners of a jointly owned proposition, creating a dedicated brand identity that respects the communication principles of each partner. Both partners' brands equally lead the alliance proposition with a defined joint identity (see example and identity in separate presentation).

Direct Impact of the joint branding for the joint proposition is: 1) Purchase intend increase, 2) Better proposition understanding, 3) Explaining the story, 4) Proposition uniqueness, 5) differentiation.

Q15: How is this Alliance Best Practice Innovative?TIPS:• Clarify why this best practice was invented and what is unique about it. • A major extension of an existing practice qualifies as well, which improves the use of metrics considerably. • A brief description of how you developed the new practice must be provided: Who is the inventor? How was it validated? What tests were conducted?

- The number of Philips alliances that require joint branding, has increased significantly the last years. Due to the fact that the type and nature of each partnership is unique, there was a need to set up a structured way to approach joint branding, able to support each type of alliance.
- It is a detailed approach that is applicable to all potential and existing alliances where the brand equity of both partners is relevant and contributes to the success of the proposition they jointly bring the market. The approach supports the dialogue between the partners in defining the joint brand identity, using each brands equity and developing one story to the market.
- This best practice aims to provide a structured approach towards joint branding and supports the alliance partners to jointly define the joint branding identity and guidelines for the joint proposition they intend to bring to market. It improves considerably the communication and cooperation between partners. Alignment on the way of working to define the joint branding and make this part of the agreement before entering the partnership. Prior entering the co-branding process, a deep understanding of each brand's values is necessary in order to find the right balance when working together.
- The co-branding process contributes to:
 - o Right fit of Philips and partner's brand in terms of brand association and strengths and expertise
 - o Reinforcing existing brand associations
 - o Building on the purchase and category drivers for each brand
 - o Communicating the brand in the right way
 - o Developing a brand which is compelling, attractive and innovative to customers.
- The Global Branding team within Philips has developed the co-branding approach for everyone involved in defining and creating joint branded alliances. The process had been developed based on learnings from actual joint branding alliance cases. It is validated on multiple joint-branded alliance since it was created and evolves over time based on the learnings from different joint branding alliance cases.

Q16: How is this Innovative Alliance Best Practice Embedded?TIPS:• Must be embedded in the company's alliance process. • Must have become part of your company's alliance management. Should not be a one-time solution for a specific problem. Or, have been applied at least to a significant subset of your alliances. • Describe which alliances the practice is applicable. Is the best practice used widely in your company?

- The joint branding is embedded throughout the Strategic Alliance process: 1/ When defining the strategic rationale and partner selection the brand fit and brand selection is an important criteria. 2/ Once a partner has been selected, and the dialogue between the partners enters the 3rd step of the Strategic Alliance process, the Joint branding process will be used to define the joint brand strategy and identity. The joint branding agreement aims to support the joint proposition and is a critical element of the overall alliance agreement and alliance execution.
- The joint branding process is widely used in the Philips organization and is applicable for all alliances where the two partners want to bring a joint proposition to the customer with support of the strength of both brands (examples: Senseo Philips – DE Masterblenders, Philips – Disney, Philips- AXE, Philips –Somfy, Philips-Ecophon, Philips-Jamie Oliver). The joint branding process can easily be downloaded from the Global brand intranet site and from the Alliance intranet site.
- Philips' employees appreciate and prefer the structured approach. They follow this process in any case, since it supports the effective coordination with the potential partner to define the joint branding and supports internal joint branding approval.

Q17: How is the Alliance Best Practice Transferable?TIPS:

- It is a plus when the practice can also be used by other companies.
- What other organizations, if any, could also use this practice?
- Have you already made the practice available to others (for example your partners)?
- Has there been publicity in trade journals or presentations at conferences and ASAP meetings and web pages related to this nomination?

- The purpose of the joint branding process is to support the dialogue between the potential alliance partners and the steps and tools should be used together with the partner; it facilitates the joint process to come to joint branding. This structured approach contributes to a more effective communication and cooperation. It could be considered as a “best practice” for potential partners to learn and leverage from.

- The process can be used as a best practice for other organizations that develop alliances that require any form of joint branding.

- The Philips joint branding process and its tools has been openly shared at the ASAP Summit 2014 in Scottsdale and is also part of the Philips’ Alliance management presentations at other events.