



## The Value of Branding in Tough Economic Times

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The last "Branding Moments" outlined methods for efficiently reaching people and making an impression. Efficient communications are especially relevant as the economy continues to decline and utility budgets are trimmed. Given this, insights from the last "Branding Moments" are revisited in this edition. However, it is important to remember that utilities communicate with community members primarily for two reasons: 1) customer service (which includes making it easier for people to pay bills, solve problems, or use less water), and 2) providing information and building trust towards investing in the future.

**Appropriate Investment and Policy Decisions** - Being efficient begins by focusing on a well-defined objective. An important objective for utilities is securing appropriate investment in time to address environmental changes and meet future needs. It may be difficult to talk about investment in a down economy, but developing new water resources, repairing or replacing aging infrastructure, and protecting the environment are not going away. Federal stimulus packages are not the long-term solution to water and environmental sustainability. Sustainability will come from consistent local investment. To be effective advocates for investment, utility staff must plan activities based on a sound understanding of the local process and politics of investment. Investment decisions (approval of rate increases) are typically made by elected officials; therefore, communication efforts must focus on helping these policy makers feel confident in making tough decisions. Most utilities, however, do not connect "outreach" activities with supporting policy makers.

**Build Relationships with the "Authorizing" Public** - To support policy makers in making good investment decisions, utility staff must build relationships with influential community members. All too often, staff sends policy makers a difficult decision on rate increases with little information or input from the general public or, more importantly, community leaders. Asking elected officials to make a decision that could damage their careers will not result in a good decision and is arguably unfair. In this political environment, vocal opponents may end up having undue influence. "Politically palatable" rate setting and under-investment often follow. This unfortunate situation is avoidable if staff has built relationships with the top 50-100 community leaders.

It is useful to think of community leaders as the "authorizing public" because they are in a position to influence policy makers. Utility staff should document the opinions and concerns of these leaders and use this information to facilitate a dialogue with policy makers about public support. Elected officials come and go, but maintaining relationships with key community

members provides support for both veteran and freshman policy makers. Building these relationships should come before spending money on media campaigns or other traditional communications that may have little impact on investment decisions. The results are better decisions and money saved. Don't have a public meeting just because "that's what utilities do." Every activity should have a specific purpose that supports decision makers and good decisions.

**Make an Impression on the General Public** - A single utility does not have the resources to get a large number of busy and distracted people to pay attention. Given this, how can both large and small utilities make an impression on the general public?

The simple answer is to connect with people when they are already paying attention. People are paying attention when they are paying their water or wastewater bill, reporting a problem, visiting a recycling center, or experiencing water or sewer construction in their neighborhood. All are opportunities for making a lasting positive impression. Taking advantage of these interactions requires that the utility understand its brand and make branding a high priority. Recently, a senior manager from a large municipal water utility remarked that the utility had over 4-million interactions with customers every year; this is a significant amount of access, leading to numerous branding opportunities.

**Take Advantage of Branding Moments** - Every time a customer or community member pays attention is both a branding moment and a potential branding opportunity. For instance:

- **The Monthly Utility Bill** provides a branding opportunity if it reads more like a simple statement of the value that customers receive in return for their service fees and investment. Bill inserts can also be used to build a brand, as demonstrated in the Butler County Department of Environmental Services case study (see <http://www.utilitybranding.net/agencies.php>).
- **The Construction Planning Phase** is an opportunity to collaborate with community members about project details and aesthetics. This process allows people to get to know utility employees and demonstrates that the utility is concerned about the quality of life of its customers.
- **Current Construction Projects** provide a branding opportunity when door hangers or other forms of communications are used to clarify the value of the construction investment and highlight the utility's brand.
- **Customer Service** personnel should make it easy for customers to conduct business with the utility, whether it is discussing options for paying bills, finding a recycling center, or resolving a problem.

Interactions like these are opportunities for making lasting impressions on community members. Private companies pay large sums of money to gain similar access. Utilities already have this access and should use it to their advantage.

**Document Public Opinion** - Whether building relationships with community leaders or reaching out to the general public, utilities need to collect information about public sentiment and concerns. This effort does not require formal, expensive, or "statistically accurate" surveys. With the proper questions and interview techniques, the most important information about public

opinion can be obtained in small sample sizes. Gathering this information can be integrated into relationship development and customer service activities. This information should be used to improve policies and communications, and should be shared with policy makers so they can assess their risk when making tough decisions. Without this information, a vocal minority can exercise undue influence on investment decisions. Don't blame the policy makers.

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