

Luxembourg synopsis

Hamish works from the principles of Skills Exchange – the ability to adapt lessons from other environments to help find breakthroughs in our daily work. For example, BA stole a march on its competition in the mid 1990s by introducing flat beds into the airline industry. However this innovation came by moving away from traditional seat designers and turning, instead, to a yacht designer. When looking for new ideas to relieve the pressures of queuing at the airport, they turned to Disney for help.

Tonight, Hamish looked at Risk management and some of the lessons we can learn from the world of successful brands.

Hamish started with the importance of **customer “insights”**. The ability to get closer to the customer than your competitors is at the heart of building a leading brand. Insights go further than traditional “data driven” approaches to customer understanding as they provide a more in depth understanding of your customers world. Examples include the development of Sainsburys Bank based on a knowledge of the *mood* a customer was in when they arrived at the store; BA where the insight was about how a customer feels after *the product experience* rather than during the journey itself and Eurostar where a closer understanding of the customer led to the realisation that the whole business model was wrong – the competition was not other forms of transport as previously thought, but “anything else you could do with your disposable income!!”

Next on the agenda from observing world class brands was the recognition that **customers buy benefits not products**. Sales pitches for a brand are much more powerful when the language used is that of the customer. The job of the brand is to show the customer how their product can add value to the customer’s world and not to focus solely on telling the customer how good your product is. Examples used included

- Volvo sells “*safety*” not product features,
- Mars sells “the snack you can eat between meals” or the “longer lasting snack” rather than telling you about the ingredients of the product.;
- BA sells “arrive ready for business” rather than telling you about the details of its seats etc; and
- Eurostar sells you the excitement of visiting Paris or Brussels rather than telling you about the train.

A further lesson from Brands is to recognise **the importance of communication**. Success comes, not only from having a great product and service, but also from your ability to communicate this clearly to your audience. There is much that can be learned from the techniques used by the world’s largest advertising companies such as Procter and Gamble that can be adapted for use in all forms of communication from corridor conversations to how you write a full blown business plan.

Lastly, Hamish took an example from the world of BA to illustrate the need to “**make it easy**” for others to follow your instructions. Some times persuasion is not enough and you need to help your audience to take the first step!

Lessons for risk management from all this?

- You can never be close enough to your customers' world. To influence others effectively, you need to immerse yourself in their world! How close are we to the other departments we have to influence? Do we really understand their daily pressures, measures of success and language used??
- Our customers are not interested in our processes, but in the end point!
- Do we sell benefits enough? How often do we try to sell what we do (or want our customer to do) rather than the benefit our customer will gain as a result of this action?
- Are we using all of the communication tools available to ensure our message gets through to our customers?