

Aviva is right to embrace **the single life**

Farewell Norwich Union. After more than 200 years, it is about to be buried in the big brand graveyard. As we speak, a plot is being dug, right next to Midland Bank and opposite British Rail.

Whenever a company buries an asset that has been two centuries in the making, questions will be asked. However, what seems like a radical move actually makes perfect marketing sense for parent company Aviva.

For starters, Norwich Union, like most financial-services brands, is no longer an organically built, single-branded house. Recent consolidation in the sector has seen Norwich Union merge with CGU, which was created by an earlier merger between Commercial Union and General Accident.

Consolidation makes sound strategic and financial sense, but often leaves a mess when it comes to brand architecture. The residue of remaining brands, combined with the continued acquisition of other international brands, can make coherent brand strategy virtually impossible as the company suffocates under the weight of so many different, yet allied, brand equities.

Aviva's major competitors have streamlined their brands into single global operations. To build awareness and distinct associations against these big global players, it has recognised the need to create a single global brand and pump its resources into it.

The strategic advantage of uniting an organisation around one brand is huge. Most big companies struggle to manage one brand well, and as you add more to the portfolio, the chances of market leadership and differentiation fall. As Aviva chief executive

Andrew Moss put it, 'one Aviva, twice the value'.

It is no coincidence that the key leaders and growers – Vodafone, Tesco, Goldman Sachs, HSBC, McDonald's, Toyota, McKinsey – all operate a virtual single global brand operation. One positioning. One employer brand. One global marketing strategy. One brand tracking system. One culture.



Aviva is exemplifying brand consolidation, and has given itself two years to get the marketing right

Aviva's textbook approach is one that others would do well to study.

First, the chief executive is leading the charge, saying some very smart things, and taking his time. Rather than thrusting Aviva onto consumers out of nowhere, à la Consignia, the brand was introduced six years ago and has gradually built familiarity.

By moving Aviva down the brand relationship spectrum, from parent brand

(Aviva as holding company) to endorsed brand ('an Aviva company') and ultimately to the product brand, the organisation is exemplifying brand consolidation, and Aviva has given itself up to two years to get the internal and external marketing right.

Moss has also wisely avoided divulging to the media the exact cost of the rebrand. The reality of major strategy changes such as this is that they cost tens of millions to execute, but generate much more in savings and growth. However, the media, given half a chance, will tell only the story of the millions blown on a revamped logo.

A final stroke of excellence is Aviva's handling of the city of Norwich. With 7000 employees and 200 years of heritage, Norwich was always likely to be at the centre of any anti-Aviva movement. However, thanks to excellent community engagement work, clear communications and a sponsorship deal with Norwich City FC from next season, this potential flashpoint has remained almost silent.

Aviva is proving to be a global brand, and demonstrating world-class marketing in getting there.

Mark Ritson is an associate professor of marketing and consultant to some of the world's leading brands



30 seconds on... Andrew Moss on streamlining Aviva

- On **the vision**: 'Moving to one brand for all our operations across the globe is consistent with the **One Aviva** theme. I need to make sure that all the people that work for us understand what it is they are trying to achieve.'
- On **the advantages**: 'There are obvious potential **financial benefits**. At the moment we have to promote four

brands. If we can do that with one, it makes financial sense. It will take **investment** over the short term, but in the long term the **payback** will be there. Fundamentally, this is about **growth**. We want the global brand to fuel customer trust over time.'

- On **brand consolidation**: 'The Commercial Union and General Accident names disappeared a while ago and I think we managed to migrate successfully and maintain **customer trust** through that change. We will be aiming to do the same thing as we change from Norwich Union.'