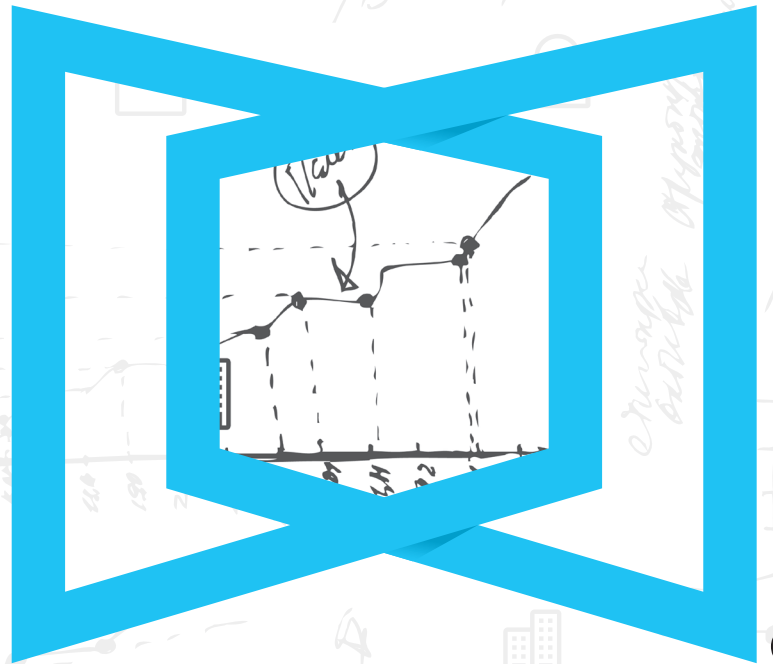


White Paper

Brand Uptime



A Publication of



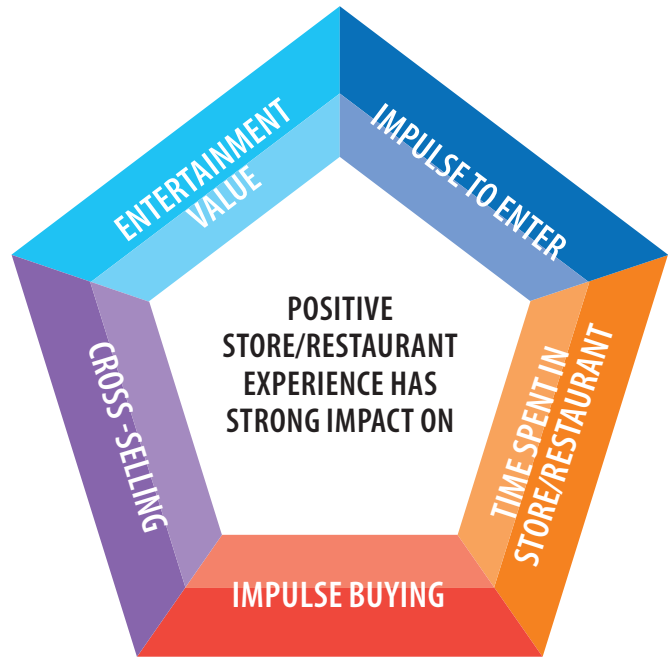
ServiceChannel[®]
Transparency Drives Performance

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“Brand Uptime” A NEW APPROACH CONNECTING:

- Quality of Your Store/Restaurant
- Perceived Quality of Your Product or Service
- Brand Perception

Today, your store/restaurant experience drives consumer perception of your brand. Maintaining the “uptime” of your brand directly impacts corporate results, necessitating a focus on store/restaurant quality from all levels of an organization.



What Is *Brand Uptime*?

Brand Uptime is a new way to think about your physical infrastructure and the impact it has, positively or negatively, on overall company performance. Infrastructure and how it’s perceived, whether or not it’s an accurate perception, directly leads to how a customer experiences your brand. And that experience correspondingly has a direct and quantifiable impact on corporate results.



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Why Is *Brand Uptime* Important?

Everyone's familiar with the concept of website uptime, particularly as it relates to online business, e-commerce and other digital initiatives. If your site's down or not responsive, you're not making money, period. In fact, the impact on your brand and thus, your results, can be devastating.

However, even a sluggish or poorly performing site can lead to lost revenue. We live in an increasingly interrupt-driven, short attention span, impatient world. For example, studies have shown that even page load times of a few seconds more than desired will drive customers away in droves, often to competitors. Those dollars will be spent elsewhere; those customers will need to be re-acquired, if possible.

But are you aware that there can be just as big an impact offline from the "uptime" of your bricks and mortar locations, and its corresponding view of your brand? Can your brand, in fact, be 'down' and if so, what does that mean for you?

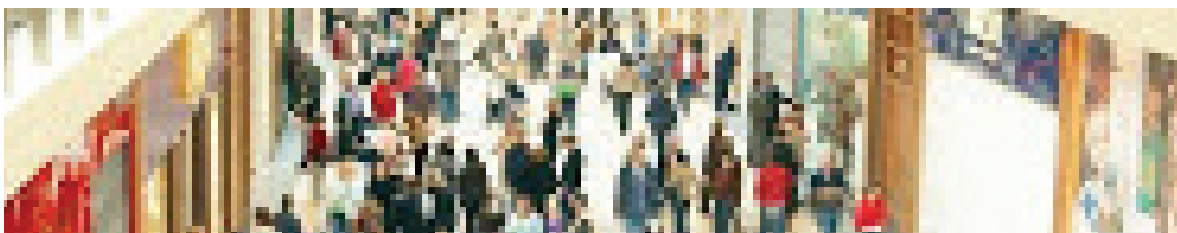


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The Impact of *Brand Uptime*

To your customers and, as important, potential customers, your brand in many ways is simply the physical aspect of your company that they directly experience. It's where they have a one-on-one relationship with your brand. Sure, there are global ad campaigns, carefully crafted messaging, beautifully designed logos and the rest. But it's often the positive physical manifestation of your brand that actually:

- Brings people into your store, restaurant or location
- Keeps them there
- Drives them to purchase even more than they anticipated
- Has them refer you to their friends and come back to make repeat purchases



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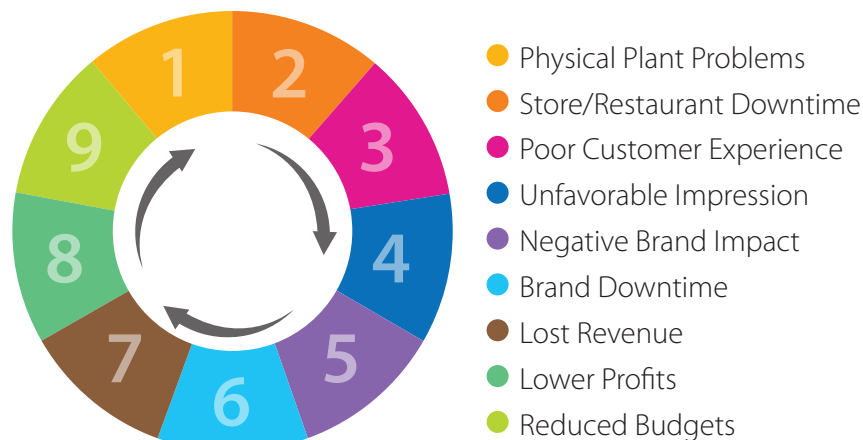
The flip side is that flaws in that physical impression will deter people from your location, minimize time spent and their dollar spend if they're there, and most important, can lead to them bad mouthing your presence to friends - and the world - via a multitude of social media channels.

Today, retail companies, restaurants, convenience stores - anyone with physical locations - realize the importance in projecting a consistent and positive brand image to their customers. From lighting and cleanliness to HVAC and exterior landscaping, how you "touch" the customer can be as critical to your brand and its value as multimillion promotional or ad campaigns or even product quality and selection.

The right appearance is a major factor in achieving customer satisfaction and can determine if a customer even enters your store or visits your restaurant - or your competitor's. In fact, companies that neglect maintenance, for example, will find that even superior product quality and pricing won't overcome the negative impact of a poor experience in a customer's eyes.

What's the Relationship Between Store Uptime and *Brand Uptime*?

Does your entire organization know that the impression of the physical plant is the impression of your brand? Your physical locations (stores, restaurants, establishments, kiosks, etc.) are the most direct touchpoint with your customers. A store (or other physical location) with an inconsistent look and feel is comparable with site downtime. However, a store's being down impacts more than simply that store, during the relevant time period. A customer will build a negative opinion of a store due to ceiling leaks, faulty A/C, broken lights, parking lot potholes, etc. But the negative experience doesn't end there. This opinion will likely help form a more general perception of the company, its other stores or restaurants and even its seemingly unrelated products and services. The brand itself is now being harmed.



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It may seem obvious that a clean store or restaurant with properly operating equipment is a must-have but there doesn't seem always to be the awareness and critically, the requisite processes and systems in place to ensure that throughout an organization. If everyone across the company doesn't understand the risk to your brand from sub-optimal operating facilities and locations, it's unlikely that *Brand Uptime* can be achieved.

Let's look at how this applies to one competitive sector, convenience stores. In this category, studies have shown not only that consumers are focused on their experience being quick, clean and friendly, but that these factors directly impact revenue levels. Thus, all customer interactions need to operate smoothly and consistently.

Convenience stores have more equipment per square foot than traditional retailers. A single episode of malfunctioning equipment, whether the fuel pump, food dispenser or restroom, can lead to an attitude that "nothing works" from a consumer, reducing sales at that point and likely raising the bar for that customer to even consider a return on their next potential trip. Ensuring proper operation of even minor parts of a store can greatly increase a positive attitude and confidence in its offerings. Conversely, a single "bad apple" store can negatively impact the entire chain's brand perception and its associated uptime.

What's at Risk With *Brand Uptime*?

Why is your brand's perception so important? According to a study by Interbrand in association with JP Morgan, "on average, brands account for more than one-third of shareholder value." When there's a poor brand perception due to customer touchpoints that fail to meet expectations, you're putting your company at a significant competitive disadvantage.

How? According to Interbrand Design Forum's study of most valuable retail brands, a brand's measurable components can be critical in driving consumer selection and impacting purchase decisions. Thus, when the brand is harmed, whatever the cause, those components will be harmed as well.



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InterbrandDesignForum



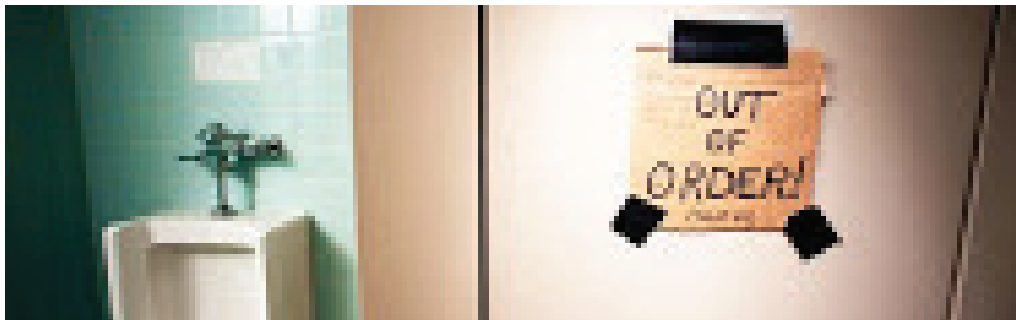
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The near ubiquity of mobile interaction and social media today can magnify issues with brand perception and image caused by ill-timed maintenance and infrastructure issues. Unfortunately, even when focused on *Brand Uptime*, you'll likely end up fighting a very much of a "what have you done for me lately" mentality, making even one slip up harmful.

No one's going to go online and share with the world that everything was working and that a store experience or restaurant visit was pleasant. But anything from poor snow removal to leaking ceilings to unsafe conditions can quickly lead to unwarranted "publicity" detrimental to any previous brand building efforts.

What Impacts *Brand Uptime*?

We've seen how issues with your physical assets can negatively impact your brand perception or *Brand Uptime*, and the corresponding hard dollar costs. What could these include?



Potential brand impacting problems

- Faulty or broken equipment
- Closed locations or promoted good and services unavailable
- Unscheduled or missed maintenance requests
- Uncomfortable or non-functioning environmental services, lighting, HVAC, etc.
- Non-compliant or unsafe customer environments
- Risk of food spoilage or lost supplies
- Staff redeployment from customer interaction responsibilities

Infrastructure flaws leading to problems like these can severely impact how customers view your brand, even after issues are resolved, and thus impact their future consideration and purchase decisions. The ramifications on the bottom line from such brand-related behavior change can be substantial.



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Do You Have a *Brand Uptime* Action Plan?

Responsibility for maintaining facilities and ensuring proper operations has typically been the purview of facility management (FM) groups within companies. As detailed herein, we've shown how the quality of maintaining facilities can't be solely looked at as a stand-alone operation given it directly impacts a company's overall brand perception across its entire audience. Thus, a focus on ensuring *Brand Uptime* must also fall within the domain of a company's brand stewards, given the real dollar effects that poor levels of *Brand Uptime* can cause.

This potential revenue impact from failing to maintain an exemplary level of *Brand Uptime* is making facilities management increasingly important not only as a needed expense line item to monitor but as a core component of an overall brand strategy.

As we've highlighted, customers see your store or restaurant being "down" as equivalent to your brand being down. Ensuring your brand is "up" at all times, just as your online presence needs to be, will drive increased revenue and shareholder value. In fact, delivering a consistent physical store or restaurant experience for your customers will likely prove to be a compelling critical advantage.

But how can you be in a position to guarantee *Brand Uptime*? Most important, visibility is paramount. As is said, you can't improve what you can't measure. It's critical to have insight as to the state of all your physical assets, active service orders, level of contractor compliance, problem resolution metrics, outlier locations, etc.

Supporting processes and procedures to effectively respond to issues as they arise, proactively maintain equipment on schedule as necessary and have the business intelligence tools to cost effectively monitor all your operations is critical. Only by being in a position to maintain a smooth running physical infrastructure can you ensure your *Brand Uptime*.



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Ensuring that a positive store or restaurant experience leads to a positive brand experience is the responsibility of the entire organization.

BRAND UPTIME QUESTIONNAIRE:

Is Your *Brand Uptime* at Risk?

YES NO

- Do you have stores/restaurants with open issues needing repair?
- Do you have visibility into all open R&M issues?
- Is all your equipment under warranty serviced on schedule?
- Does store/restaurant management spend time on monitoring maintenance service issues?
- Does faulty equipment negatively impact your customers' experience with your company?
- Are you able to track the current status of service requests and ensure they get resolved expeditiously?
- Are you reliant on third-party contractors to ensure your operations run smoothly?

If you answer "Yes" to a majority of these questions, then your *Brand Uptime* is at risk from physical infrastructure issues. Ensuring that a positive store or restaurant experience leads to a positive brand experience is the responsibility of the entire organization.

About ServiceChannel

ServiceChannel provides facilities managers with a single platform to source, procure, manage and pay for repair and maintenance services from commercial contractors across their enterprise. By delivering unprecedented transparency and data-driven analytics of service quality, across all trades, locations and contractors, facilities managers drive significant brand equity and ROI for their organizations without outsourcing or investing in new infrastructure. The world's leading global brands use ServiceChannel and Big Sky solutions daily to help optimize millions of transactions and billions of dollars of spend annually.

