

THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND



Newsletter of The Marketing Association
of Australia and New Zealand

Issue #050901

Contents

Quotes	1
From the Media	2
Airlines Suffer Over Fuel Costs.....	2
Japan Wants Free Trade	3
Branson Plans Oil Refinery	3
3G	4
eBay May Buy Skype	5
New Digital Video Technology	5
Tiny iPod Launched	5
Japanese Get Head Start	6
The Big Rip-Off	6
Ethics Start From The Top	7
Many CEOs Get Paid Too Much	7
The Serious Business of Games	8
Aust Slow To Embrace Digital TV	9
Articles.....	9
New Study Pinpoints Passions That Drive Australian Sports Fans.....	9
AFL – ‘The most ‘all consuming’ fan experience in Australia’.....	10
Rugby League – ‘The most tribal sport in Australia’	10
A True Wine Making Experience	12
The Seniors Market	13
Customer Service Online	14
Tips for email etiquette:	14
Breaking Cassandra's Curse	15
Brand Truth - The American Red Cross Story	16
The Client's Role in the Creative Briefing Process	18

Quotes

"Achievement seems to be connected with action. Successful men and women keep moving. They make mistakes, but they don't quit."

-- *Conrad Hilton*

"An ounce of practice is worth more than tons of preaching."

Mohandas Ghandi

Each generation will reap what the former generation has sown.

--*Chinese Proverb*

The world is made of stairs, and there are those who go up and those who go down.

THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

"All people dream, but not equally. Those who dream by night in the dusty recesses of their mind, wake in the morning to find that it was vanity. But the dreamers of the day are dangerous people, for they dream their dreams with open eyes, and make them come true."

-- *T.E. Lawrence, a.k.a. Lawrence of Arabia*

"You can't always change your situation, but you can always change your attitude."

-- *Larry Hargraves*

"If you don't like something, change it. If you can't change it, change your attitude."

-- *Maya Angelou*

"Ability is what you're capable of doing. Motivation determines what you do. Attitude determines how well you do it."

-- *Lou Holtz*

"Positive thinking will let you do everything better than negative thinking will."

-- *Zig Ziglar*

Greatness is not standing above our fellows and ordering them around--it is standing with them and helping them to be all they can be.

-- *G. Arthur Keough*

"The most splendid achievement of all is in the constant striving to surpass yourself and to be worthy of your own approval."

-- *Denis Waitley*

"Successful people begin where failures leave off. Never settle for 'just getting the job done.' Excel!"

-- *Tom Hopkins*

"If a man is called to be a street sweeper, he should sweep streets even as Michelangelo painted, or Beethoven composed music, or Shakespeare wrote poetry. He should sweep streets so well that all the hosts of heaven and earth will pause and say, here lived a great street sweeper who did his job well."

-- *Martin Luther King, Jr.*

"Good is not good where better is expected."

-- *Thomas Fuller*

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

From the Media

Airlines Suffer Over Fuel Costs

International airlines have slammed an oil industry "cash grab" that they say is helping push the industry's global losses up 23 per cent to an estimated \$US7.4 billion (\$9.6 billion). The International Air Transport Association joined angry motoring organisations yesterday in a

THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

prices and was forced to raise fuel surcharges for the second time in four months.

Branson did not say where he wants to put his refinery, but some analysts said he should not look to the United States, where no one has built a refinery in 29 years.

Branson said plenty of places would welcome the jobs that a new refinery would create, adding "Some people will kick and scream, but they may be the same people screaming about the fact that they're having to pay enormous prices every time they get into the car."

But building a refinery to ease high fuel prices would be far from a quick fix: any refinery would take at least four or five years to build, if not longer.

And according to Energy Security Analysis' Flemming, another refinery would not ease record high crude oil prices as Branson suggests, since it would not increase actual crude oil production.

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

3G

The third-generation mobile services, or 3G, launched by Telstra last week is not Australia's first such service, but it is likely to provide the impetus for a wider adoption of mobile content services.

3G is about delivering internet-like services and more to mobile handsets, providing access to email, news, sports and music from one handy and portable platform. Much of the content can be streamed as video.

3G services allow the transfer of voice and data across the mobile phone network at much higher speeds than most current systems. It is capable of delivering real-time video calls. But before you can enjoy the benefits you will need a handset capable of connecting to the services.

Video telephony was expected to be the killer 3G application, but the Japanese experience has shown this is not the case. Users favour other applications including comic strips and music video clips. Japanese users are embracing 3.5G services, the next generation of 3G, featuring even higher bandwidth. But even as that is happening, critics are pointing to the flaws in the 3G service model and to a new technology called WiMax as a possible replacement.

Although it has promised consumers a great deal, 3G has taken longer than expected to be picked up by mobile phone networks in Australia. Optus and Vodafone have teamed up to build their own 3G network, which should enable them to launch a broad range of services and plans this year.

Hutchison, whose service covers 96 per cent of the population, claims to have 540,000 subscribers on its 3 network. However, customers are not always connected to the 3G service. Handsets switch to Telstra's 2G network where 3G is not available. It has full 3G service in the six big mainland capitals as well as the Gold Coast.

Telstra's consumer and marketing group managing director, David Moffat, says 3G isn't about technology but about services for customers, such as video message banks, video greetings, sports, news and email access (including Yahoo and Hotmail). Ninety per cent of the content available is Australian, he says, but there are also more than 40 foreign-language sites. Telstra has recently struck a deal with Publishing and Broadcasting Limited to extend its content services. This will include video content from Channel Nine and content from ninemsn and Australian Consolidated Press's magazines. The i-mode service has a wide range of content. The news service has 14 channels, while sports coverage includes Australian football, rugby league, rugby union, several football sites, Foxsports, Cricinfo and extensive motor racing coverage.

Vodafone will launch its service in Sydney, Melbourne and Canberra next month and in Brisbane, Adelaide and Perth early next year.

With more providers in the market, the race for subscribers is on. The marketing will increase and the



THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

price of 3G handsets will continue to fall as more are sold. The telcos will deliver deals, as they have done over the past year with broadband internet access.

The Age

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

eBay May Buy Skype

Recent published reports said the web auction leader was in talks to buy internet telephony provider Skype.

eBay and Skype both refused to comment on what they called rumours and speculation.

Skype's free software lets people talk free over the internet using computers and microphones. Calls to landline telephones are also possible at costs that, along with other low-cost Voice over Internet Protocol providers, are creating upheaval in the telecommunications industry.

Skype has 53 million registered users and the company says more than 2 million people use Skype at any given moment. Since it was introduced in 2003, the company's free software has been downloaded more than 151 million times.

Earlier this year, the industry was abuzz after a British newspaper reported that Rupert Murdoch's News Corp. had explored a \$US3 billion offer for Skype.

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

New Digital Video Technology

Texas Instruments says it has developed semiconductor technology that will let manufacturers quickly produce digital video devices with more power and features.

Officials say manufacturers will be able to use the new chip, microprocessor and software by year end. The company hopes the technology, called DaVinci, will give it the same stronghold in digital video components that it enjoys in the market for mobile phones, about half of which run on Texas Instruments chips.

Company officials said the technology would allow digital cameras to correct colour and lighting problems instead of fixing them on a computer, and allow a single box to let TV viewers record, play or hold a video conference.

They also said it would cut the development time for new devices by more than half, to between six and 12 months.

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

Tiny iPod Launched

Apple has introduced a long-anticipated music-playing mobile phone and surprised the faithful with a new pencil-thin iPod.

THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

The phone, called the ROKR and made by Motorola, will come loaded with iTunes software, store up to 100 songs and include a colour display screen and a built-in camera. The ROKR, will include built-in dual-stereo speakers as well as stereo headphones that also serve as a mobile headset. Users will not be able to load the phone with music files over mobile networks. They must transfer songs from their computers. That contrasts with popular over-the-air music purchases available in such countries as Japan.

The new iPod, called the Nano, replaces the iPod Mini. In contrast with the Mini, which is hard drive-based, the Nano relies on flash memory, making it lighter and more energy-efficient. One-third the size of the Mini, the Nano weighs about 42 gms and will fit into a breast pocket. Apple says it can store up to 1000 songs or 25,000 photos.

Besides music, the Nano features games, photo storage and a calendar. It also has a "screen lock" feature that allows no one except the user to access content. A 4-gigabyte Nano will retail for \$US249 (\$A324), and a 2-gigabyte model will sell for \$US199. The devices will be in stores in the US today and were likely to be widely available by the weekend, Apple said.

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

Japanese Get Head Start

WANTING to be as punctual as possible, Japan will next year move its clocks ahead - by one second. Japan will head one second into the future on January 1, 2006 when it adjusts the high-precision atomic clock, which keeps Japan Standard Time using advanced physics.

The "leap-second" is being added onto the clock in line with a global effort to make official time in synch with the Earth's orbit, the National Institute of Information and Communications Technology said.

The institute said that standard time should not be 0.9 of a second faster or slower than the actual astronomic time. The last time the atomic clock had a second added on was seven years ago.

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

The Big Rip-Off

Oil companies have gouged \$80 million from the pockets of Australian families in the past three weeks as profit margins on refined oil soar.

Prime Minister John Howard said he sympathised with motorists and would move "heaven and earth" if there was anything he could do to cut prices, which have hit a record \$1.40 a litre.

Australian Competition and Consumer Commission chairman Graeme Samuel criticised the oil companies, saying "something funny" is going on with pricing.

As motorists struggle to cope with the record petrol prices at the bowser, it has been revealed that oil giants have increased profits on an average barrel of oil by \$13 a barrel.

Mr Samuel said refiners had been extracting an extra \$US10 (\$13) a barrel from the consumer over the past three weeks.

"[A refining margin of \$US17 (\$22) a barrel] is abnormally high. It is far higher than we would normally see in the past," Mr Samuel said. "That is an enormous increase and that affects our petrol

THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

price in Australia.

"The indication is that with that very high refining margin, something funny is going on."

Refining figures show that Caltex, Shell and BP are all pocketing more than an extra \$1 million a day on the total 398,500 barrels of gasoline refined each day - adding up to a total of \$83.79 million over the past three weeks.

The Government's GST revenue also rises with every cent rise in petrol.

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

Ethics Start From The Top

Tough corporate laws are all very well, says ethicist Steve Salbu, but you can't legislate honesty.

"I think it was good something was done legislatively and I think it was good, if for no other reason than to instil some confidence in the marketplace, but I really don't see Sarbanes-Oxley being a true impediment to another Enron," Professor Salbu said.

"If there are greedy people who want to steal, they will find a way to do it and I don't see anything in Sarbanes-Oxley that will preclude it from happening."

All the emphasis on compliance under Sarbanes-Oxley, the tough new corporate law in the US, created a lot of box-ticking and paperwork but not much focus on ethics, he said.

While Sarbanes-Oxley creates lots of new work for companies, it doesn't really touch on the nuances and shades of ethical and moral behaviour where the world is not necessarily black and white.

Professor Salbu said too much focus on compliance could fool directors and managers into thinking that everything was above board.

"Companies now feel they have paid their dues in terms of what are viewed sometimes as onerous regulatory requirements," he said.

Professor Salbu, an associate dean at the University of Texas, has been brought to Australia with the aim of developing the morality and character of the next generation of business leaders.

Professor Salbu says there are no guarantees. But incorporating ethics into business education would at least allow students to practise ethical thinking in preparation for the workforce, he said.

"If it's not part of the conversation for that period, then we shouldn't be surprised that it's not part of the conversation when they leave. I'm not naive. I think it's going to help in some instances and in other instances not, but training is important."

Ethical behaviour starts at the top. "Leaders have to send the signal that quarterly earnings are not everything, that there are other things that are priorities and here are the behaviours I don't want you to engage in.

The Age.com

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

Many CEOs Get Paid Too Much

Many of the directors of Australia's biggest companies say chief executive officers are paid too much, and about one in 10 reckons bosses should be on half that amount.

In an extraordinary admission by the people who determine bosses' pay, a survey by consultants McKinsey of the directors of the Australian Stock Exchange's top 200 companies found 42.5 per cent



THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

Rugby League – ‘The most tribal sport in Australia’
Cricket – ‘The least homogeneous fan base in Australia’
Plus More...

Sydney, A new research study commissioned by one of the World’s leading sports, music and entertainment companies, reveals a number of key factors that ignite fans’ passion for their preferred sports. This unique Passion Drivers™ research was designed and developed by Octagon’s research division and has already been conducted in 3 major markets: China, the UK and the US, and has now being extended to include the following sports in Australia: AFL, Cricket, Football, Golf, Rugby League, Rugby Union and V8 Supercars.

On August 31, Rick Dudley, President and CEO of Octagon Worldwide will be in Australia to launch this research and to present some summary findings at an exclusive conference for Sports Federations and leading Sponsors and Marketers in Australia.

For the first time in the sports marketing industry in Australia, quantified data will provide fascinating insights into the emotional connections and affinity fans have for their sports. As well as showing, for example the distinctions between the motivations of a rugby league fan and an AFL fan, the Passion Drivers™ research findings also reveal different types of fans within the fan-base of each sport.

‘For marketers and sponsors in an increasingly globalizing society and a shrinking world, understanding these differences will enable them to create targeted programming that resonates much more closely with the preferences of fans. Broad programs can give way to tailored initiatives that speak directly to a fans’ emotional connection for his or her sport’, says Justin Ricketts, General Manager of Marketing Services, Octagon Australia.

Whilst specific details will be revealed on August 31st, a top level review of the research has already uncovered some very interesting insights and comparisons for each of the sports covered:

AFL – ‘The most ‘all consuming’ fan experience in Australia’

Unsurprisingly, ‘Team Devotion’ is the leading Passion Driver™ factor for AFL Fans. Compared to other sports, AFL appears to provide the most ‘all consuming’ fan experience whereby fans ‘live and breath’ the sport more than any other sport in Australia. However, for a sport that has over a hundred years of history, a surprise finding is that the ‘Nostalgia’ factor, while it is an important factor for some AFL fans, does not contribute more significantly to fans’ passion for their sport when we look across the entire AFL fan base...

Rugby League – ‘The most tribal sport in Australia’

Like Football (Soccer) in the UK, Rugby League is the most tribal sport in Australia – indeed “Team Devotion” is the dominant Passion Drivers™ factor for each fan type within the NRL fan base. The research also demonstrates strong fan loyalty to the rugby league code and suggests that the NRL’s ‘That’s my Game’ strategy has worked with fans in ensuring that ‘Love of the Game’ is a key passion driver to the sport...

Rugby Union – ‘Low “Team Devotion” and ‘Player Affinity’ indices suggests opportunities for growth for the professional aspect of the sport’

In contrast to Rugby League, Rugby Union does not have as strong team loyalty and fans are not as connected with the stars within the game. The Passion Drivers™ analysis reveals that the ‘Team Devotion’ and ‘Player Affinity’ factors are much less important for Rugby Union fans than Rugby

THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

League fans and this represents an opportunity for the Australian Rugby Union to deepen their relationship with their fans. Rugby Union fans primary connections to the sport are predominantly driven by 'Love of the Game' and 'Lifestyle'...

V8 Supercars – 'Drivers have become more important to fans than the traditional Ford/Holden Rivalry' Drivers, rather than Race Teams or the two competing manufacturers are the primary connection point for V8 fans, suggesting that leveraging programs focused on the drivers (rather than the team or car manufacturer) will resonate strongly with V8 fans. 'Nostalgia' also scores surprisingly highly perhaps providing sponsors with an as yet untapped opportunity to better leverage the history and traditional associated with the sport...

Golf – 'Australian golf fans are starved of exposure to the elite end of the game' The lack of mainstream TV coverage of the elite game, due to the limited and decreasing local market of major tour events and the time difference issues associated with large televised events in the US and Europe, means that unlike fans of golf in the UK and US, Australian golf fans are primarily connecting to the professional sport through factors related to their own active participation in the sport rather than more media-driven factors...

Football (Soccer) – 'The lack of a prominent club competition, TV exposure and local stars has resulted in football fan passion being largely confined to grassroots participation' Whilst the sport continues to have the largest participation base, the lack of any prominent club competition has left a vacuum at the professional end of the sport, and thus fans are driven by their active participation in the game. The research will act as a fascinating benchmark to the success of the relaunch of the FFA and the Hyundai A-League...

Cricket – 'Cricket appeals to most Australians – but it appeals to them in many different ways – in terms of what drives the fans passion for a particular sport, cricket is the least homogeneous sport in Australia' Unlike the other sports, there is not a clearly defined hierarchy of leading Passion Drivers™ factors for Cricket in Australia. Deeper analysis of the cricket fan-base reveals that there are three distinctly different types of cricket fan in Australia that are following the sport for very different reasons – as a marketer, it is therefore essential to understand what type of cricket fan your target consumer is, in order to develop a leveraging program that will be relevant and compelling ...

Marketers in other countries are already reaping the benefits of the deeper levels of understanding that Passion Drivers™ research uniquely delivers. For example, Michael Robichaud (Vice President – Sports Marketing, Nextel) states that "We always knew that NASCAR fans were incredibly passionate about their sport, now we have a quantified understanding of exactly why they love this sport. We also know what motivates different types of fans within the NASCAR fan base. This information will be extremely valuable as we strive to make Nextel's leveraging of the 2006 NASCAR Nextel Cup as exciting and compelling as possible to the fans."

Commenting on the research, Eric Bradlow, a professor of marketing and statistics at the University of Pennsylvania's Wharton School, "In essence, Octagon has applied the same marketing discipline to sports as brand marketers have used with different consumer categories over the years, to redefine sponsorship leveraging by starting with the consumers and the emotional connections they have with the sport of their choice. After reviewing this research, we believe sports marketers will be able to consider their consumers/fans in a completely new light, and develop programs that are much more compelling and cost effective than in the past".

S-COMM Australia, also believes this signals yet another positive move for the credibility of the sports marketing and sponsorship industry. "Whereas a few years ago, the big question was can sponsorship

THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

Baby boomers are not out to hijack the genuine culture of youth. Instead they are interested in a youthful way of life, the recognition that being young is a state of mind, and in a physical, turbo-charged approach that allows you to bend and stretch well past your 40th birthday.

The most successful advertising campaigns targeted at mature consumers focus on active and healthy lifestyles and introduce positive role models. However it's not all about image and communication. Products and services also need to suit older consumers.

Most companies are only just waking up to the impact shifting demographics will have on consumption. While some fret about the old age demographic time bomb, others are investigating the possibility that the next wave of pensioners simply will not act like, well, pensioners, but more like teenagers. Those that choose to ignore the over-50 opportunity are ignoring a global redefinition of age, but more importantly, a looming social gerontocracy that will decide their survival in the marketplace.

Paul Roberts is CEO and founder of Desire Brand Management in Sydney, Australia.

[Back to top](#)

MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ MAANZ

Customer Service Online

Tony Ferris

The e-business boom has brought with it a host of new challenges for customer service operators. As firms have battled to understand the technology and to create business opportunities, in many cases they have forgotten the needs of the customer. The fact that a firm is dealing with new technology does not mean that old-fashioned customer service values should be forgotten.

E-technology has changed language - many IT experts seem to talk a different language. If your customers don't understand what you are saying, they'll simply turn off, and go elsewhere. Let the experts have their e-speak, but translate what it means for your customers.

Tips for email etiquette:

Be brief but detailed

Include a signature

Be polite - please and thank you count

Don't use capitals - people will think you're shouting

Never send spam

Be courteous with attachments - large attachments take time to download

Think about file formats - send attachments in formats most people can open

E-firms wanting to do business, would do well to remember that there are more easily available choices online than in even the biggest shopping centre. You go shopping at Chadstone and have maybe 20 or 30 choices of dealers in ladies or mens wear. Try to shop for clothes online and there are thousands of opportunities at your fingertips. Remember that if you don't gain your potential customer's interest very quickly, there are lots more choices for them at the flick of a button.

Your website needs to be easy to navigate. Make sure that ordinary people can access your site and get information easily and quickly. Tailor your site so that people can purchase easily - a mouse-button click is best. Have a returns policy that is 'real-world' and not 'gobbledegook'. And most

THE MARKETING ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

documented. Many businesses responded with remarkable speed to pull or alter advertising of questionable taste. Not all organizations exercised such good judgment, however. Ironically, it was a non-profit agency that responded most ineptly. Even more ironic, the guilty party was the American Red Cross, the very organization at the forefront of aiding the World Trade towers' victims.

The Red Cross is the brand name in disaster relief worldwide. Not surprisingly, the American Red Cross immediately committed itself to helping the 9-11 victims. Disaster mobilized the American public's goodwill and donors rushed to fill Red Cross coffers. It seemed the charity's overwhelming success at raising funds – more than \$500 million – would be its defining moment. The Red Cross brand worked – perhaps too well in this case. Donors thought they knew the Red Cross. They presumed to know how the Red Cross operates and how it would handle their donations. They assumed their money would be channeled exclusively to 9-11 victims and their families. Some weeks later the media discovered that more than one-third of the donations – some \$200 million – had been set aside for future relief operations, rather than for the current crisis. Many donors, feeling misled, reacted angrily.

In response to the uproar, the American Red Cross president resigned, the organization promised all donations would be dedicated to September 11-related relief work and, to further appease angry donors, the Red Cross offered to refund donations on demand.

Some saw the failure to immediately channel all funds to victims as a case of deception. I think it reflects a simple, but fundamental, misunderstanding between donors and charities. Most charities, whether the Red Cross, a university, or a hospital, prefer traditional giving: donated funds are put into a general pot and doled out, by the charity, as needed. The resources of most charitable operations are thinly-stretched, so traditional giving allows them to operate effectively and predictably. By contrast, charities are less favourably disposed to directed giving, which ties donated funds to a particular program. Directed giving complicates the management of charities because it fragments the efforts of fundraisers and removes their control over the distribution of funds. But because donors increasingly want to control how their money is used, traditional giving and directed giving usually operate in tandem.

There was nothing wrong with handling the September 11 donations like any other donation and putting them in the general pot. The American Red Cross deals with myriad crises in any given year and does not operate on a crisis-by-crisis basis; it needs reserve funds in case other national emergencies, including further terrorist attacks, arise. But it wasn't up to emotionally-wrought donors to make these distinctions. It was up to Red Cross management – business professionals – to know their "customers." Asking the right questions when donations were accepted would have revealed that donors expected their gifts be tied exclusively to 9-11 victims; the Red Cross could then have respected donors' wishes. Or they could have used the opportunity to persuade donors to untie their donations. Or they could have used their ads to clearly define the organization's involvement in relief work. Instead they let the Red Cross symbol do the talking for them, and clearly it was misunderstood.

At one level, this is a simple communication problem. More specifically, it is about understanding what the brand means and being able to translate that meaning into effective action. A brand tells people what an organization, a product, or a service will do, and whom it will help. Consensus about these goals is very powerful. A superior, well-managed organization is marked by its ability to accurately communicate all of its brand messages – everything from identity to mission to operational tactics to history. When employees understand and believe in the brand's meaning, they can use that insight to adapt their actions to whatever critical situation might emerge. But making sure consensus exists so employees can correctly deliver on the brand's promise requires training. Any employee must train, just as pilots, doctors, firefighters, or soldiers do, so they can respond

