

Reprinted from

# HARTFORD BUSINESS JOURNAL

July 8, 2013

**BUSINESS STRATEGY**

## TALKING POINTS

# When the CEO *is* the Brand

By Andrea Obston

**W**hat do Paula Deen, George Zimmer, Richard Branson, Walt Disney and JK Rowling have in common? All of them are living icons of the brands they created. Through good times and bad (and whether they like it or not) these individuals are their companies in the minds of the public.

They are their company's chief brand ambassadors and, as we've seen over the last few weeks, the rise and fall of their lives affect the firms they represent. Their personas and personalities, good or bad, are tied to their organizations' reputations in the marketplace. And sometimes, that just isn't pretty.

No one better illustrates this than "Butter Queen" Paula Deen. Deen's business relationships have been steadily unraveling since she revealed the use of a racial slur in her deposition in a Georgia courtroom. It hit the media and blogosphere like a grease fire in a hot pan, scorching every part of her business empire.

Within days, the Food Network announced they would not renew her contract. Smithfield Foods jumped in by cutting their ties with her as their spokeswoman. Then, the world's largest retailer, Walmart, ended their relationship and Caesars Entertainment took Deen's name off of four of its restaurants.



Andrea Obston

And who can project the damage to the Men's Wearhouse brand from the sudden and very public ouster of its founder, George Zimmer? The company finds itself in the midst of a firestorm over its unceremonious dumping of the man who has been promising us "You're going to like the way you look — I guarantee it."

Zimmer has had that role since he founded Men's Wearhouse 40 years ago. In a very public catfight over who wants the best for the company, both parties have been playing out their respective points of view. Expect the damage to the brand to be significant as loyal customers and lovers of those hokey TV spots line up to vote with their dollars.

Deen and Zimmer remind us that high profile leaders' personas and personalities, good or bad, are tied to their organizations' reputation in the marketplace. That's especially true when the companies choose to make them their chief brand ambassadors. These folks are seen as the face of the company. They are the very human embodiment of the company's core values and identity. They give life, meaning and passion to the brand's story.

Consumers see them as authentic representatives of their brands, providing them with their own reasons to buy their products.

The idea of using a CEO as pitchman is not new. Frank Perdue, Lee Iacocca, and Dave Thomas each served as the face of their respective franchises.

The personalities of these and other business leaders have shaped and enhanced their companies' reputations. They are icons for the corporate brand, giving it "coolness," prestige and an honest-to-goodness personality. But, they can also threaten the very health

of their companies when they are involved in something nasty.

Think Martha Stewart, whose face, voice and personality were the brand. Her five-month prison sentence in 2004 sent the company into a tailspin.

Clearly, her prison sentence was damaging to the brand that was so closely associated with her as an individual. She affirmed her relationship five months after she got out of prison with an interview in the New York Times in which she said, "I always disagreed with the separation of the name and the brand and the person. To build on that name and brand is one thing. To divorce the name and the brand from the person was not an approach that I agreed with."

Clearly, there are pluses and minuses to building a brand around your company's leader. The CEO as a brand has its place in today's business environment, but it can't be all a company has.

It's not a short-cut to long-term success. Like all aspects of a company's reputation, it needs to be consciously built, enhanced and defended.

If an organization wants to outlive a high profile leader, its reputation has to be based on more than just that one person's personality. It has to be based on foresight, sensitivity to the market, an ability to entertain and respond to change and an understanding that what worked yesterday may not be the answer for tomorrow.

CEOs can be the face of a company, but not its entire heart and soul. ■

*Andrea Obston is president of Andrea Obston Marketing Communication in Bloomfield.*