



Branding for an Initial Public Offering: Simple. Purposeful. Memorable. Scalable.

As the human cost of Covid-19 escalates, so does the economic cost. With a baseline predication of global GDP contraction sitting at 5.2%, the fallout has been significant. Despite this, many see big opportunities. Stock markets have rapidly increased activity creating an opportune time for brands to move towards an Initial Public Offering. Following a raft of selloffs, a surplus of cash has flooded the market with the NYSE and NASDAQ amassing over USD\$25bn in 2020.

The IPO market continues to be increasingly busy. Ant Group in Hong Kong and Shanghai is looking to launch two massive public offerings. The London Stock Exchange has returned to the scene with e-commerce brand Hut Group raising over £1.8bn. Farther west, Silicon Valley starlets Sumo Logic, JFrog,

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Unity, Snowflake and Asana, all moved towards IPO in the second half of 2020. And of course, Airbnb. Raising over USD\$3.5bn for the company, the valuation has soared over USD\$100bn, stunning everyone including the CEO. An impressive feat considering the difficulty the travel and tourism industry faced this year. Right behind them, DoorDash shares doubled within the first day of trading, interesting when we look to post-pandemic life and the relevancy of delivery brands. Business conditions for an IPO have proven helpful, but for brand marketing leaders, it's an added layer of complexity. Feeling the pressure to differentiate and demonstrate value to an impatient group of investors and stakeholders.

In tackling these challenges, preparation is focused on financials. Corporate governance, listing protocols and profitability forecasts are the main priorities. And new issues like cybersecurity and data management are now more important than ever. But those who truly win see beyond. Successful IPOs prepare their brands with the same care and attention as their balance sheets.

Brand is not just a differentiator, but the foundation of an organization's strength. With a brand based on genuine purpose and clear values, it can be the inspiration for stakeholders, from employees and customers to investors and peers.

By following four key steps and the right preparations, marketers can handle any challenge to prepare their brand for a successful IPO.

Simple

Our world is increasingly complicated. Organizations are forced to move in multiple directions stretching their brand to its limit. This brand stretch can create confusion around what an organization actually does. Ensuring what you do as a business is clearly communicated in concise and simple language will help people easily connect to your value and intended space within the market.

Now Rackspace Technology

After hitting their target of USD\$700m, Rackspace Technology has seen a steady rise since their IPO on August 5th of last year. The business isn't easy to explain, nor has it stayed the same. As CEO Kevin Jones said of the 20-year-old brand, "The company is completely different than we were before we were taken private [in 2016]." They eliminated confusion by rallying around a common descriptor—Multicloud Solutions Experts. They even adapted the name, adding "Technology" to place it firmly in the B2B tech world. Not everyone knows what a Multicloud Solutions Expert is, but for those in the market it's extremely clear.

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Purposeful

Profits come from brands that reach people in a meaningful way. The mission doesn't have to be lofty but it does have to be relevant, authentic and clear. Use your purpose as a guiding light to traverse challenges at speed. In difficult times when decisions need to be made quickly, your purpose can be the roadmap that tells you where you can play and where you should avoid.

Thinking early: SADA

With a desire to IPO within the next three years, Cloud technology firm, SADA, has been moving steadily towards a billion-dollar goal. Having been named the Google Cloud Global Partner of the Year for the last two years, they easily demonstrate their desire to deliver on their purpose of together we're all in. It led to a brand refresh, differentiating the firm and articulating the capabilities and offerings, while also giving stakeholders a defined north star to guide the business direction as well as the everyday micro business decisions made by each person within the organization.

Memorable

The 'how' of your brand can be as powerful as the what and why. The language a brand uses, the visuals it evokes and even a clever brand name can build intrigue and excitement to rise above. It may sound simple, but it's often overlooked. A memorable brand is one of the first steps to increasing brand awareness, and in turn, brand value.

(Saudi) Aramco

As part of a mission to support the diversification of the Saudi economy, Saudi Aramco rolled out one of the largest IPOs ever recorded. The most valuable company in the world was set at USD\$1.7 trillion by international investors in an offering that involved over two dozen banks. The key, a memorable name, deployed carefully. Simply, Aramco abroad allowed the brand to expand internationally such as the Formula 1 track. As well as at home with the Aramco Saudi Ladies International golf tournament. It's a small change designed to build a memorable, global brand.

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Scalable

IPOs are succeeded by rapid growth in revenues, geographies and headcount. The foundational aspects of a brand are vital, but they're nothing without proper management and engagement. Preparing your brand to scale effectively is key. As investors look toward the potential for exponential growth, demonstrating an ability to sustain that growth is paramount in your maximum potential value.

Branding with Experience: Dun & Bradstreet

Dun and Bradstreet, the 180-year-old financial data brand, re-listed in July 2020 to a surprise windfall of USD\$1.7bn. A brand overhaul in 2015 set the stage for IPO success but, most importantly, maintained it for the five years it took to reshuffle management, de-list and re-list. All thanks to a well-honed brand management community. Punctuated by a world-class brand center (public and private) housing standards, templates and tools. Coupled with open access to the global brand team through email accounts and internal social media engagement under the invitational name, @Askbrand, available 24/7.

What does the future hold?

With 2021 set to bring as much market uncertainty as 2020, we will likely see the increase of brands moving toward IPO or preparing for one in a few years.

To amplify the strong financial position companies will need, a robust brand is also vital. By following the four key steps of simple, purposeful, memorable and scalable, brands can directly increase market value and help drive a successful IPO.

Brand Research + Strategy

Naming, Communications + Verbal Identity

Customer Experience

Visual Identity

Employee Engagement + Culture

Training

By embracing simplicity, brands drive results for their business, for their employees and for their customers, evolving through a clear understanding of who they are.

Siegel+Gale is a brand experience firm that collaborates across seven offices around the world - New York, Los Angeles, San Francisco, London, Dubai, Shanghai and Tokyo. We have been leading brand programmes for start-ups, global businesses and national institutions for fifty years.

