



## AN EVOLUTION IN FOUR LETTERS

By Karen Gullett, Senior Vice President, Global Brand and Marketing, Visa International

“What’s in a name?” asked William Shakespeare back in the 16<sup>th</sup> century. Four hundred and fifty years later, most multinational companies with globally recognizable brands would probably respond: quite a lot. In the case of Visa, it encompasses 21,000 member banks worldwide, which collectively issue more than 1 billion cards that are used to pay for US \$3 trillion worth of goods and services at more than 20 million retailers in 150 countries

What lies behind the figures is an emotional quotient that is hard to define and almost impossible to quantify – the brand. A brand is more than a logo and a name; it is the way in which a consumer perceives the organization behind the corporate identity. Based on a number of consumer, retailer, and bank research studies, the Visa brand promises the user the opportunity to accomplish what is important to them embodying such qualities as relevance, convenience, “security”, and “global and local acceptance”.

A number of years ago, Peter Sealey, professor at the Haas School of Business at U.C. Berkeley, California, shocked an audience of Visa member banks and employees by claiming that if he had to choose between the Visa brand and all its systems, buildings, equipment, employees, he would opt for the brand. His point, while radical and thankfully hypothetical, gets to the heart of what more and more organizations are realizing: brands are extremely precious and should be valued just like any other corporate asset. In most instances, great brands are the result of a confluence of disciplined management, great people, great products, great creative energy, mixed with time and a continued commitment to evolve the brand to meet the current business needs.

### The Origins of the Visa Brand

In the case of Visa, all the above factors played their part. What made the Visa brand experience different was the singularly unique vision and style of the organization’s founder Dee Hock and his small team of ambitious and innovative employees.

Interestingly, the Visa logo – the familiar blue, white, and gold stripes – predates the name Visa. In 1958, 65,000 residents of Fresno, California received a BankAmericard emblazoned with a variation on a flag theme.



By the 1970s, National BankAmericard Incorporated (NBI) had grown to become an international organization, though there was no unifying brand name. Each bank used their own name with some form of the blue, white and gold flag. Some countries went so far as to create pan-national brands. The Canadian banks, for example, issued BankAmericards under the “Chargex” brand.

## An Evolution in Four Letters

Dee Hock recognized the power of a coherent global brand that would unify the disparate members of the NBI family worldwide. Rather than turn to a renowned branding agency, Dee Hock turned to his employees for inspiration. He created a set of principles to guide employees in the right direction; the name had to be short, graphic, international, and instantly recognizable. Over the next couple of months, the name Visa emerged as the obvious choice, though few people believed that such a name would not yet be trademarked. Incredibly, Visa was available for trademark for use in financial services.



The three stripes survived the transition from BankAmericard to Visa to become an integral part of the Visa brand image. In fact, while incremental changes have been made, the Visa brand has hardly changed in the intervening 30 years.

The name Visa was an inspired choice. First, it fulfilled all of Dee Hock's criteria. What's more, Visa is a rare example of a brand that communicates its essence simply and elegantly.

### Why Do Companies Change Their Brand?

"If it ain't broke don't fix it," is a common expression that is often applied to the business world. When it comes to world-famous brands where the stakes are high and the risks are enormous, it is very tempting to stick with the status quo. Nevertheless, the organizations behind great brands are living organisms that evolve. In the lifecycle of any major organization, the relevance and potency of the brand image needs to be assessed constantly.

Like the custodian of any major global brand, Visa has a commitment to its stakeholders and to the general public to preserve and enhance the equity of its brand. Visa's worldwide brand management organization continuously assesses the strengths and weaknesses of the brand using global quantitative and qualitative research.

Companies in other fields have made significant changes to their brand framework with huge success.

### FedEx

Federal Express revolutionized the delivery business when, in 1973, it began an overnight shipping service to U.S. businesses. The company grew rapidly and by the end of the 1990s it provided shipping services to clients in 200 countries. However, research by the company found that customers and the general public continued to associate the company with its domestic deliver business. Federal Express' expansion into new services and new regions provided the company with the perfect opportunity to revisit its branding strategy.



In 1994, Federal Express underwent a comprehensive re-branding exercise in an effort to differentiate itself in an increasingly competitive marketplace. The company concentrated the core assets of the original brand. The name Federal Express was officially changed to FedEx, a name that had become synonymous in the marketplace with the overnight delivery business. Consumer research concluded that FedEx projected a more dynamic and innovative image. The new brand image retained the purple and orange colors of the original with a bold, distinctive



## **An Evolution in Four Letters**

new typeface that could easily be applied across all the company's materials, as well as trucks and airplanes.

In 2000, FedEx consolidated all its operating companies (or business units) under the FedEx name, a major exercise that unified the disparate units of the organization under one coherent brand identity. According to Gayle Christensen, director of Global Brand Management at FedEx Corp., the company faced fresh challenges as it expanded and acquired more companies in different areas. "We were posed with a difficult question: how do you take companies that are known as leaders in their field and brand them FedEx while communicating their business clearly? That was when we came up the color-coded system for each of our business units."

### **BP**

British Petroleum (BP) was transformed into a Fortune 10 company when it acquired Amoco, ARCO, and Castrol in the late 1990s. BP Amoco recognized that it needed a new identity that reflected its attributes and aspirations – environmental leadership, innovation, and progressive ideas. The company was seeking to grow beyond the confines of the term "British Petroleum" (BP) to the more aspirational "Beyond Petroleum" (BP)

The challenges for the organization were to unite the identities and culture of the four merged companies, and break away from the petroleum sector. The new brand image was a bright, ambitious departure from the original. The decision was made to retain the BP name and green color equity but add a newly-developed Helios symbol that reflected the innovative and growth orientation of the company. The new brand identity was closely tied to BP's other marketing efforts; in particular, the "Beyond Petroleum" program.

### **Why is Visa Changing Now?**

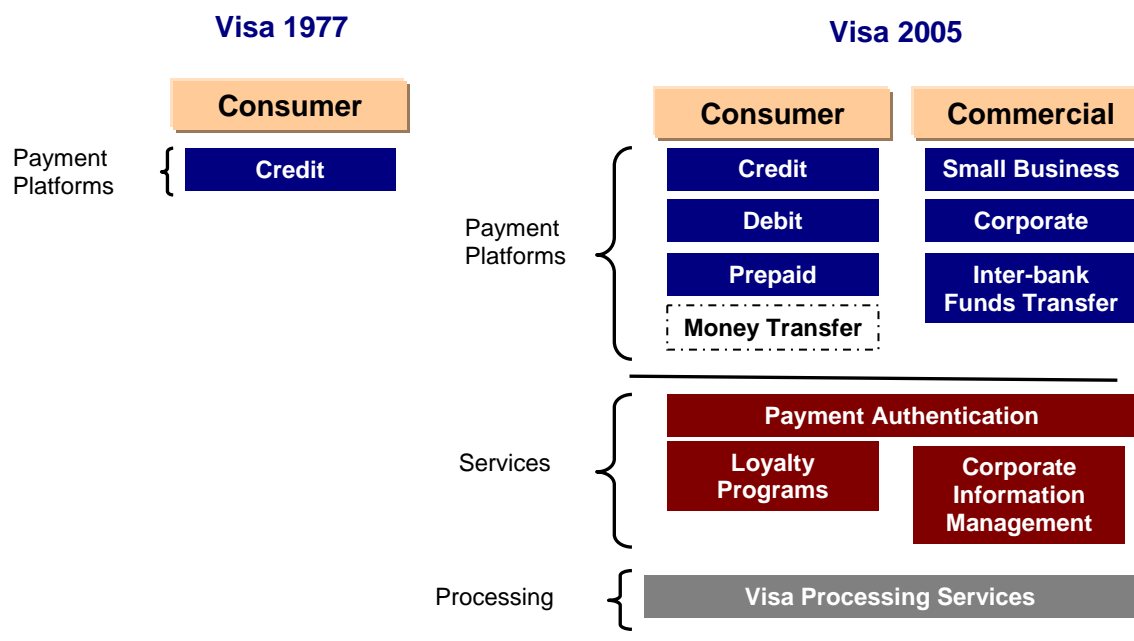
When Visa's founders sat around a table in Northern California in 1969, they could hardly have imagined its metamorphosis from a lending instrument tied to a plastic card, to a global entity processing more than US\$3 trillion a year. The transformation in such a relatively short time is a testament to the power of the concept and the collective efforts of Visa's 21,000 member banks.

Today, Visa is much more than a credit card company. Visa's platforms are used by banks for credit, debit, prepaid and commercial payments, as well as multi-million dollar interbank money transfers. Visa's member banks are enjoying the freedom afforded by advances in technology to push the Visa card into new and exciting areas.

Meanwhile, the concept of a "Visa card" is less rigid than it once was. Today, the card is one symbol of the Visa brand promise. It is the technology behind the 16-digit card number that is more relevant to a generation of consumers growing up in the age of the Internet and mobile technology. Last year, for example, consumers spent US\$150 billion online using their Visa card. In parts of Asia, a Visa "card" is an applet stored in a mobile phone that can beam payment information using radio waves. In fact, when one considers how Visa has evolved over the last 30 years, it is remarkable how well the current brand framework has performed.

## An Evolution in Four Letters

### Visa: Then and Now



Studies undertaken by Visa over the course of many years have come to the same conclusion: the Visa logo is closely associated with consumer credit cards used at retail locations. The phenomenal success of Visa as a product in the marketplace could very easily become an anchor that limited the ability of Visa to extend to new payment segments and channels. There was a feeling within the organization that, given how far Visa has expanded beyond credit and consumer retail, there was a unique opportunity to review the current brand framework.

### The Branding Process

Once the decision was taken to revisit the current structure, the Visa International Brand Management group embarked on a comprehensive assessment covering all aspects of the brand.

Research revealed that consumers responded to the name Visa rather than the logo itself. The Visa logo continues to have positive associations but it was recognized that it no longer told the whole story of Visa in 2005 and beyond. Time and again, the research came to the same conclusions: current and potential customers in retail, commercial and processing areas consider the Visa name to be sacrosanct but were open to other changes, most especially the borders of the Visa logo design that closely resembled a card shape.

The challenge for the design team was to develop concepts that maintained the positive values associated with Visa, while more accurately reflecting the breadth, depth and diversity of the organization's platforms and services. Visa worked with a number of leading design firms to develop design concepts that ran the gamut from the conservative to the more radical. These designs were then shown to a number of focus groups yielding fascinating and unexpected results. All the groups were extremely open to most design changes with the caveat: the Visa name should be clear and legible. With so much trust invested in Visa, consumers wanted a visual assurance of the brand promise when they paid with Visa.

## An Evolution in Four Letters

The qualitative research findings, coupled with multiple internal reviews, helped narrow down the design concepts to one that retains elements of both the Visa logo and the corporate identity mark.



In contrast to many other branding exercises in other organizations, Visa itself was instrumental in progressing the design process using in-house talent. In fact, Visa designers developed the final brand design themselves. By driving the design process from beginning to end, the Visa Brand team is continuing the traditions of entrepreneurship and self-reliance that echo the birth of the original Visa brand.

### What has changed?

The evolved Visa brand framework concentrates on the essence of the original architecture, namely the distinctive Visa name and logotype. The “V” in Visa has been enhanced with original gold accent that highlights the Visa wordmark’s unique serif. The banners used as borders will disappear and the Visa word-mark will be prominent.

The elegance and clarity of the new brand image has practical benefits for the Visa member banks. First, it occupies significantly less space on the card than its predecessor, giving the bank a greater share of the front of the card to use for its own designs.

The evolved Visa brand framework has two important qualities that are prerequisites for Visa’s member banks and retailers: flexible and unifying.

- Flexible – the evolved Visa brand was designed specifically for use in multiple environments. The image’s bold and distinctive look works equally well on cards, computer screens, PDAs, and shop windows.
- Unifying – as Visa’s platforms and services expand beyond plastic, there is a growing need for a brand framework that accommodates multiple payment types and services under one brand mark.

Visa took the opportunity, while reviewing the brand architecture, to update and streamline other aspects of the card design using the latest advances in card technology. For example, the Visa dove hologram that now resides on the front of the card will be moved to the back of the card



## **An Evolution in Four Letters**

and integrated with the magnetic stripe. The change in the placement of the hologram combined with the new Visa brand image increases the amount of space available to banks on the front of the card by 65%.

### **When will the changes take place?**

The evolved brand architecture will be unveiled officially in late May this year at a meeting of Visa member banks in Beijing. Cards and marketplace applications bearing the brand approach will begin to appear later in the year. The task of moving to the new brand framework is massive. More than one billion cards and 20 million merchants will adopt the new design as part of the normal business process. Visa expects the full transition could take from three to five years. Banks will be able to issue Visa cards with the evolved brand design as old cards expire or they launch new programs. Merchants can replace Visa signage, such as window decals, tent cards, point-of-sale terminals and check presenters over time.

### **Conclusions**

Visa stands at a watershed moment in its 30-year history. When Visa's visionary founders created an international credit card association, they could hardly have imagined that it would become a global, multi-platform services organization. The time is right to evolve the Visa brand framework to better reflect the platforms and services currently offered and to support the growth of Visa in the future, whatever exciting shape that may take.