Wipro: Building a Global B2B Brand

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This case was written by Karthik Nagendra, Strategic Marketing, Wipro technologies under the supervision of Prof Amitava Chattopadhyay, the L’Oréal Chaired Professor of Marketing Innovation and Creativity at INSEAD. The support of Ms. Jessie Paul, CMO, Wipro Technologies, and Mr Rajasekharan Unnikrishnan, Strategic Marketing, is gratefully acknowledged.
I. INTRODUCTION

It was August 2006 and Jessie Paul, Chief Marketing Officer at Wipro Technologies pored over the results of the latest Brand Tracking Study. Wipro’s awareness level among the survey population of key non-clients was 35%, whereas the leading Indian competitor, Infosys, had an awareness level of 50%. International competitors such as IBM and Accenture were way ahead with near perfect awareness levels.

It was clear that if Wipro wanted to be recognized among the Top 5 global IT companies, the company needed to take its branding efforts to a whole new level and come up with a distinct positioning that would increase awareness levels among the target Fortune 1000 companies. But, compared to its global peers, Wipro was constrained in terms of budgets.

Jessie Paul knew that she would have to take a comprehensive proposal to Wipro Chief Azim Premji. The activity required addressing the issue from three levels: first, identify the attributes that global customers look for while evaluating companies for various projects, second identify the key theme that Wipro could focus on and project as a key differentiator, and third identify the right set of low cost high impact touch points to communicate this.¹

II. INDUSTRY ANALYSIS

An ITSMA Brand survey among 400 US-based IT CXOs and decision makers, conducted in 2006, showed that IBM Global Services had the strongest mindshare among all IT companies globally. It had the highest unaided awareness at 27.5% whereas the second-in-line Accenture only had 8.3% unaided awareness.

WIPRO’s INDIAN COMPETITORS

Wipro’s main competitors in India are Infosys and TCS. Instead of being seen as another offshore services provider, the company's goal was to build a reputation as a trusted transformation partner that can help businesses compete in a global market. ² In 2006, TCS launched the “Experience Certainty” campaign, a comprehensive, multi-year branding initiative focusing on differentiating TCS as an organization that delivers real results to global businesses, ensuring a level of certainty that no other firm can match. External awareness of TCS increased 200% since the launch of the initiative.³

Customer Expectations

According to the ITSMA Brand Equity study the IT service provider selection process revealed 6 important considerations for prospective clients. These are:

1. IT firm must have the requisite abilities to deliver results, collaborate with clients and meet quality expectations.

¹ Interview/Notes with Jessie Paul
² www.hindustantimes.com: Feb 2008
³ http://www.itsma.com/News/mea/recent_winners.htm
2. Selected firm must help client to fulfil multiple organizational goals: a) Finding growth opportunities and boosting competitive advantage, b) agility in adapting business processes to changing market scenarios, integrating business and IT strategy, and adapting IT infrastructure to changing market requirements, and c) risk and cost mitigation by following quality processes.

3. Clients use multiple service providers, as they want to spread their risk by working with several vendors.

4. Some clients are willing to pay premiums for exceeding service level agreements.

5. Clients do not require IT service providers to support only their specific products. Many technology companies market themselves as knowing their product offering or technology the best. While this is a valid strategy, there may be no competitive advantage here as other firms can also put forth the same claim.

6. Clients are increasingly willing to offshore non-mission critical activities in pursuit of cost savings.

IV. BUILDING THE WIPRO BRAND

The Wipro brand has been built around the values that form the core of Wipro. Every few years, Azim Premji would re-examine the company’s beliefs and along with management and employees, take stock of what the company stood for and where it wanted to go. The first exercise took place in the mid-1970s, when the 6 Wipro beliefs were laid out. (See Table 1).

Table 1: Evolution of Wipro Values and Brand

<table>
<thead>
<tr>
<th>Mid-1970s</th>
<th>Late 90s: “Applying Thought”</th>
<th>Late 2005-06: “Spirit of Wipro”</th>
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<tr>
<td><strong>6 Wipro Beliefs</strong></td>
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<tr>
<td>1. Respect the individual</td>
<td>1. Human Values: We respect the unique needs of customers and employees. We are sensitive to their differing needs in our interactions with them.</td>
<td>1. Intensity to win</td>
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<td>2. Be a business leader</td>
<td>2. Integrity: We deliver what we commit. With honesty, fairness, reliability and uprightness in whatever we do.</td>
<td>2. Act with Sensitivity</td>
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<td>3. Accomplish all tasks in a superior manner</td>
<td>3. Innovative Solutions: We constantly offer novel and superior solutions to satisfy the needs of the customer.</td>
<td>3. Unyielding Integrity</td>
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<td>4. Maintain the highest ethical standards</td>
<td>4. Value for money: Delivering higher value to the customer through continuous improvement in quality, cost and speed.</td>
<td>3. Unyielding Integrity</td>
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<td>5. Serve customers well</td>
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<td>6. Measure performance based on long-term profitability</td>
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<th>4 Wipro Values</th>
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<td>2. Act with Sensitivity</td>
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<tr>
<td>• Make customers successful</td>
<td>• Respect the individual</td>
<td></td>
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<tr>
<td>• Excel through innovation and teamwork</td>
<td>• Be thoughtful and responsible</td>
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<td>2. Act with Sensitivity</td>
<td>3. Unyielding Integrity</td>
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<td>• Make customers successful</td>
<td>• Deliver on commitments</td>
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<tr>
<td>• Excel through innovation and teamwork</td>
<td>• Be honest and fair in action</td>
<td></td>
</tr>
<tr>
<td>• Be thoughtful and responsible</td>
<td>• Conduct and unwavering search for truth</td>
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Applying Thought Campaign (1996-98)

The first major focus on Wipro as a brand came about in the late 1990s. The focus was on building brand awareness and building a quality and leadership positioning. Since the beginning, the challenge had always been to build a brand that would compete with Accenture or IBM but with a fraction of their marketing budget.

Shining Strategic Design (SSD), a France based consulting firm was brought on board for a complete brand makeover. Research commissioned by SSD revealed, “Wipro has diligent, hardworking, and sincere employees. But end-users felt Wipro had unfocussed multifaceted businesses. Wipro was seen as very cold and process-oriented, yet Wipro delivered on its commitment.”

SSD identified four values that provided the most important benefits to end-users: human values, integrity, innovative solutions, and value for money. Next came the creation of the core concept of “Applying Thought” which referred to “Wipro is process oriented + thinks for you that signifies being ahead of time.” A validation research into the dual brand logo of the rainbow flower and slogan of “Applying Thought” was undertaken in 1997. In 1998, Wipro formally adopted its “Applying Thought” slogan and rainbow flower as part of its corporate identity, which was summarized as the following: “The WIPRO brand stands for a trustworthy partner, a partner who delivers on commitments. The WIPRO rainbow flower symbolizes the energy of our diversity, the dynamism of Team Wipro, and the Yin-Yang balance that we strive for. The slogan “Applying Thought” that accompanies the rainbow flower holds the promise of innovation, quality and superior value for all our stakeholders.”


The key business challenge that Wipro faced was one of building trust among potential clients.

In its efforts to build a “quality” leadership position, Wipro had focused on getting a slew of quality certificates, adopting Lean Manufacturing and Six Sigma principles in the late 90s. Getting listed on the NYSE in 2000, supported its efforts in showcasing itself as a quality provider that had arrived on the global stage. Meanwhile, the efforts of the marketing department ensured that Wipro participated in major trade shows abroad and spoke at public forums. To create a local face abroad, Wipro started having a sales force abroad. Other marketing efforts included setting up a website and building a public relations network with business magazines such as Business Week and Forbes, building a network with analysts that featured the IT industry and working with educational institutions on case-studies and whitepapers.

Around 2003-04, Wipro started the Strategym event, which was aimed at getting prospective and current clients to meet Wipro on a regular basis. At these sessions, Wipro started showcasing its technology and services to inform clients that it was capable of developing new solutions on its own accord. Participation in these events increased once clients got wind of Wipro’s sizzling stock price after its NYSE debut and Azim Premji’s “richest Indian” tag!

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Another key strategy that Wipro adopted in building a local presence abroad was to enter into strategic partnerships that would compliment Wipro’s technologies, while gaining access to the partner’s wider local client base. Between 2000 and 2006, Wipro had also made significant acquisitions: Spectramind and Northwest Switches in India, mPower, cMango and Quantech Global Services in the US and New Logic, Enabler, Saraware and Hydroauto in Europe. It also entered the Middle-East market by setting up an office in Saudi Arabia and acquiring the Middle-East operations (along with its India and SAARC segment) of 3D Networks and Planet PSG.

Spirit of Wipro Campaign (2005-06)

However, Premji was not one to rest on his laurels and embarked on a third values exercise in late 2005. More than 28,000 employees were surveyed following which, in January 2006, Wipro adopted its new value statement called the “Spirit of Wipro”.

The new value statement was rooted in the values of the past. Respect for employees and customers remained integral to the statement, along with sensitivity to society and the natural environment. But the new focus was on “Intensity to win”. This reflected Wipro’s aspiration to play a larger role on the global stage.

Brand Benefits and Core Competencies:

Wipro draws its competitive advantage vis-à-vis the other Indian IT service providers from five specific differentiators:

- **Technological Excellence:**
  The biggest differentiator for Wipro against its Indian competitors is that “Wipro entered IT services through the engineering and route”, given its entry into hardware in the 80s and then later to positioning itself as an engineering lab for hire to the IT multinationals that entered India in the 90s. The “lab-on-hire” business was eventually scaled up and today accounts for one-third of Wipro’s revenues, making it the world’s largest third party R&D provider.

- **Innovative Solutions:**
  Wipro also prides itself as being a centre for innovative excellence and offers its clients customized innovative technological and process solutions. In 2000, Wipro set up an Innovation Initiative with an internal innovation council, which worked like an internal venture capital fund. Today there are 800 people working on such innovative ideas. This approach has helped the company to position itself as an innovator rather than a commodity provider of technological products.

- **Operational Excellence:**
  Over time Wipro has come to stand for operational excellence. The commitment to quality has been a critical part of Wipro’s product offering and Wiproites say that “Six Sigma is big in Wipro across the company, whether it is BPO or IT Services or R&D. The company is very process-oriented and focused on operational excellence”. Today, Wipro has built up its reputation and credibility by being a stickler for process excellence and delivering on quality commitments is a key brand benefit.
• Global Footprint with Emerging Market Knowledge:

Wipro’s global footprint is also an important differentiator among its Indian rivals, especially given its higher portfolio split towards emerging markets. The Asia-Pacific (APAC) region contributes to $1 billion in revenues and is considered to be a key differentiator vis-à-vis Infosys.

A lot of emerging market clients, especially in India, the Middle-East and South Africa are interested in Wipro not just developing technological solutions but also bringing their developed market knowledge in retail, finance and telecom to manage their business processes better. Other American clients such as Cisco and Microsoft have gone on record to say that they would prefer to work with Wipro given its 60-year presence in India and the Middle-East.

• Company Culture of Linking Values to Business Performance:

Wipro’s cultural fit with its clients is also important in the self-selection process. Wipro’s company culture is “less flashy and less aggressive” than some of its Indian rivals. This culture resonates with Wipro’s clients in the manufacturing and retail sector who prefer a more laid-back approach at building a relationship. The company’s cultural tone has been set right from the top, with Chairman Premji often being quoted as saying that the brand Wipro is all about “humility”.

V. THE PROBLEM AT HAND

Between 2005 and 2006, favorability scores in the Brand Perception Survey had increased dramatically. Those who knew about Wipro now had a far more favorable impression about the company. The key was to develop a distinct positioning to help increase awareness levels. Wipro wanted to compete with the likes of IBM and Accenture but did not have the financial clout to advertise and build awareness on a similar scale. With US$ 1.3 million, for marketing communications directed at 1. building awareness and 2. a differentiated image, Wipro’s budget was a tenth or less than that of its main international competitors. How could it use its communication dollars in the best possible way? Wipro needed to carefully evaluate all the touch points where such decision maker could be communicated to and would be receptive to Wipro’s message. The need of the hour was to reach as many of these people as possible in a captive environment, obviously with limited dollars.

Finally, Jessie Paul considered the geographic scope of the marketing campaign that was required: spanning US, Europe and Japan. The budget to build different communication collaterals in all these different locations just did not exist. There was a need to distill the customer knowledge from all these areas into a central communication production base and then find location specific channels that could be leveraged effectively.

Applied Innovation Campaign

When Wipro wanted to position itself in the market and launch the campaign, Jessie Paul conducted internal research and the results pointed towards the key role played by innovation in Wipro. The unique and clear positioning that “innovation” offered Wipro over an emphasis on quality or being customer centric was distinctive. Internal research showed that over 8.5%

5 Interview/Notes with Jessie Paul
of Wipro’s global revenues were a direct result of the company’s innovation agenda, and the company aimed to raise that to 10%.

Wipro has always nurtured a culture of innovation and research. It is one of the few companies to have an in-house VC fund for innovation, driven by the realization that innovation revenues have a multiplier effect, giving the company a significant year-on-year revenue upside. It was also felt that innovation would be an enabler for Customer Value Management at Wipro.

It seemed that the “Applying Thought” positioning, which was intended to represent an organization that is constantly thinking of ways to improve its service to clients, would lend itself to being interpreted as "Applied Innovation" to connote that Wipro had ready-to-use innovation in place to improve its offerings to clients. Jessie Paul believed that framing Wipro’s client focus as “Applied Innovation” would help to showcase innovation that had already been accomplished. The task before Jessie Paul thus was to articulate the strengths of “Applied Innovation” that Wipro had to offer customers.

VI. Wipro’s Unique Solution:

To be effective, Wipro’s brand campaign was primarily required to be focused at CXOs. Jessie Paul’s team went about the task of identifying key touch points that could assist in the campaign. Since a CXOs job required considerable travel, airport lounges, cabs and hotels became the primary channels for the campaign.

A campaign was built around these locations. Some of these included:

**Airport Business Lounges:** Wipro found this medium highly effective to reach the target audience in a captive environment. Wipro tied up with British Airways, Delta and Lufthansa to run interactive promotions like the Magic Box Challenge by distributing a difficult wooden puzzle box to passengers and challenging them to open it. People who opened the box would find an insert instructing them to log on to the Wipro website to choose a prize.

**Airport Displays:** Wipro advertised in key airports in US, UK and Europe to reach the target audience more effectively. Placing these near the business lounges offered a tightly controlled reach which allowed a reduced budget.

**Promotion in star hotels (Leela Palace, Bangalore):** Wipro tied up with the Leela Hotel where guests based on a pre-identified list provided by Wipro received a note introducing Wipro along with a small gift.

**Cab Promotion:** Wipro found that cabs were key customer touch points when the target audience visited Bangalore which is the IT hub of India. So Wipro decided to run a promotion by leaving the Magic Box puzzle along with an “innovation kit” inside the cab. The innovation kit kept the audience engaged, conveying the Wipro message to the customers in a subtle way.

**Wipro branded buses at the World Economic Forum, Davos:** WEF, Davos is a focused platform where Wipro gets access to its target audience of senior level decision makers, media and analysts across the globe. Wipro branded 30% of the buses in this small town with the Applied Innovation message. These buses gave high visibility for Wipro.
Cover wraps: Wipro with a limited marketing budget could not afford to take large size ads in newspapers and magazines, but found an innovative and cost effective way of reaching the audience through cover wraps which was done for limited copies that were distributed to the c-level executives at key events & forums.

Applied Innovation Awards: Wipro launched the Global Applied Innovation Awards for Business Excellence, recognizing organizations that innovated collaboratively with a sourcing partner. The award was executed in association with the IT Association of America, International Association of Outsourcing Professionals and Forbes.com. The awards received an overwhelming response from leading innovative organizations across the globe. The award was followed by the Wipro-Forbes.com Applied Innovation Conference, focusing on trends and best practices in co-innovation and global sourcing. Wipro released a glossy hard-cover book on the applied innovation awards capturing the entire exercise and showcasing case studies of winners. Running such an awards program focused on innovation further strengthened Wipro’s image as a thought leader in innovation.

Applied Innovation Council: Wipro also launched the Applied Innovation Council comprising of Wipro customers, industry experts, analysts and thought leaders to analyze industry trends and work on collaborative innovative solutions to address new consumers, markets and business challenges.

Academia: Wipro set up the Wipro Council for Industry Research comprising of domain experts from within the organization who partnered with leading universities globally like Harvard, Wharton, LBS and INSEAD to run joint thought leadership series comprising of research studies, the findings of which were presented to the CXO communities at Wipro’s customer forums.

Internal innovation awards: Wipro held the Applied Innovation Awards internally. This event honored Wipro innovators and innovations. The jury panel had eminent members from both industry and academia. This awards program was carried out to foster innovation to bloom within Wipro.

Mandala: The Strategym event was later rechristened as Mandala signifying the confluence of thought leaders, customers & Wipro to share views & best practices on innovation. Mandala was also used as a forum to showcase how Wipro “applied innovation” to its customers.

VII. The Outcome:

Positioning Wipro with the statement “Applied Innovation” had an impact on the awareness levels vis-à-vis competition as it articulated a powerful differentiator. The focused, low-cost, high-impact branding exercise undertaken by Wipro through innovative marketing channels moved Wipro to a new level as reflected in the Brand Audit for Oct 06-Jan 07 by Penn, Schoen and Berland Associates which showed that Wipro ranked second only to IBM in favorability amongst prospective clients. A limited marketing budget, which was a fraction of what global competition had deployed, proved to be a driver of innovation rather than a handicap for Jessie Paul and the Wipro marketing team.