Building an Effective Marketing Campaign—After IPO

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The successful IPO was once the holy grail of all high-growth startups. As the regulatory environment became more onerous following Sarbanes-Oxley and related legislation, many companies that would have gone public back in the go-go '90s are choosing to stay private. And with the success of "Unicorn" private companies valued at $1B+, many successful startups have access to private investment resources previously unavailable outside the public markets.

But for those who choose to IPO, once the company starts trading, everything changes. There is some protection in couching future plans in the safe harbor of "forward looking statements," but the stakes are far higher for every on-record utterance. This transition requires a fundamental shift from the rhetoric of hope to the more sober reality of experience. It's not that the company's aspirations or its potential change after an IPO, but the way the company talks about the present and the future does shift. With the added pressure of releasing quarterly financial results, any deviation – both positive and negative – from previous forecasts needs to be carefully considered and scripted to avoid outsized impact on the price of the company's shares.

Unfortunately, the solution is not so simple as turning over communications to seasoned investor relations professionals and lawyers, although this can help. The problem is that many lawyers have the self-reflexive disposition to protect against the downside vs. see the opportunities for success. It’s is easier for lawyers to say “no” than “yes.” Building a successful post-IPO marketing campaign requires new partnership and collaboration between those who dream the big dreams of marketing and those responsible within the company for keeping the promises made. With the real threat of securities class action litigation based on what public company executives say or fail to disclose, there’s often a corresponding need to craft more deliberate, measured marketing claims than at earlier stages of the company’s growth.

But the added scrutiny of living in the public spotlight can’t lead to institutionalized timidity. Companies don’t go public just to stay the way they are, and each public company needs to provide an ongoing compelling case of how it is using investor resources to achieve its growth objectives. That’s where a strong, coherent and consistent brand can play a big part. Amid the vagaries of earnings and customers won and lost, a brand promise that serves as the “true north” of the company’s value proposition gives customers a reason to buy, employees a reason to believe and investors a reason to maintain or increase their investment. For any recently public company that can’t provide coherent answers to these questions, articulating a foundational, compelling brand strategy can prove to be a lasting annuity bearing dividends long into the company’s future.

About the Author: *As a Co-founder and Managing Director of BrandCulture, Eric leads BrandCulture’s strategy practice. Across his career, Eric has worked with big and small organizations alike put their respective best feet forward through strategic branding, naming, print and digital*

media.Prior to BrandCulture, Eric served in a variety of client- and agency-side executive positions, including Head of Corporate Affairs and Head of Strategic Marketing for LRN Corporation and Senior Vice President at global branding and interactive media consultancy Siegel + Gale. Earlier, Eric was an attorney with Wilson Sonsini Goodrich & Rosati in Palo Alto, where he specialized in representing technology clients. Eric is an honors graduate of Harvard Law School, holds Bachelor's and Master's degrees from Stanford University where he was elected to Phi Beta Kappa. He also studied at St. Catherine's College, Oxford and the University of Urbino in Italy.