

# How to get desired Return on Investment (ROI) from brand protection

High expectations with limited resources are always the biggest challenges that a brand protection team faces. Often we understand our priorities, yet feel powerless to actually take the move obstacle due to budget, time limit, or complexity reasons. Clearly, priority is not the only thing that needs to be considered. Return on investment is perhaps the top consideration of the department head while making every decision.

## How to represent ROI

ROI is usually represented as a ratio and is obtained by dividing the net benefits earned from the investment by the cost of the investment. Brand protection teams often translate the seizure value of counterfeiting goods as the net benefits. The cost of investment is usually the sum of internal and external costs. Even this is harshly challenged by business that the seized goods are not necessarily equal to sold genuine goods. There are even more challenging ones that are harder to be translated, for instance, the value of taking down counterfeiting manufacture, or the value of removing a domain that may mislead consumers.

Meanwhile, brand protection is not only about preventing loss and damages, it could generate income as well. For instance, when civil litigation brings judgment in favor of the brands, or a settlement is reached between brands and infringer, these can be directly calculated into net benefits.

## Create new evaluation methods

As you may experience already, it is almost impossible to calculate a desired brand protection ROI in general. Instead, it would be more feasible to set up specific evaluation methods on those specific enforcement activities. As those high priority goals we set usually require more attention and resources, it is also worth more to spend effort on measuring them. So why don't we focus on improving the efficiency of utilizing our resources and try to find what is "small but beautiful"? To give an example, many consumer brands who enforce their rights via customs want to improve the ROI on this particular topic. Then it immediately comes with the following questions: Do you know if you have spent the right amount of training time on the right customs? If the customs are actually improving their performance after your investment? Which customs bring the best result, which one is more active, more accurate on detaining goods which is also identified as counterfeits later on?

## Centralize you data and make insights

To be able to answer those questions, the team first has to have a centralized place to obtain case and product-related figures, i.e. among

all customs case in the globe, where are these cases reported, how many goods are identified as counterfeits, how many are released, what are the costs of handling them, in the certain time period. Then it becomes possible to calculate the cost and benefits and compare different countries and analyze historical performance, such as finding out which customs reports case very often but the majority of the goods are genuine. Only after being aware of those issues, it is possible to decide a goal for general and regional customs enforcement.

Without that a structured way of managing data, there's not even a foundation to discuss ROI seriously.

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