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Challenges to the Old Model of Branding

1.1 From Ad Idea to Media-Neutral Idea

The sweeping changes in brand marketing have not come about because people have suddenly stopped aspiring. The glitzy shopping and celebrity culture of the past ten years show that we are far from over consumerist dreams of "the good life". If anything, the basic human needs and greeds that consumer capitalism promises to fulfil are given freer rein. These days people expect to have luxury, or style or status, or to "better themselves", to become glamorous, cultured, intellectual, even progressive (the "right-on" are often paradoxically among the most consumerist – in being committed to right-on brands and lifestyles). Whatever questions there are about the sustainability of this belief system, it is not fair to claim that it has faltered yet.

The big debate within marketing is between two paradigms, which I call *brand image* vs *brand innovation*.

It might be worth setting out some contrasting features of these two approaches, as in Table 1.1.

Some companies still have faith in brand image. Levi Strauss clearly does, as it has just unveiled a major new TV advertising campaign. Eight years of sales decline led the company to question whether its (highly entertaining) music video-style advertising was still working. And so it has changed direction, producing yet more (highly entertaining) TV advertising: featuring Shakespearean poetry instead. But it has not addressed the bigger question: what is the place of this brand in people's lives?

Table 1.1 Brand image and brand innovation compared

Brand Image	vs	Brand Innovation
Messaging		Involvement
Static		Dynamic
Promising		Delivering
Look and feel		Experience
Fantasy		Authenticity
Advertising		Culture
Audience		Community
Consistency		Coherence
Image		Currency
Passive		Interactive

Some companies reject brand image absolutely, like Red Bull in the UK, which refused to run global advertising (*Gives You Wings*) until the brand was well established. Instead, like Hannibal crossing the Alps with elephants, it stole up on the soft drinks sector by working through festivals, wholesalers, garages, corner shops, students, nightclubs . . . and in the process built a liquid counterculture.

But the situation is not as simple as two sets of marketers and brands with different approaches. Many, like Nike, combine both approaches. And commentators from both camps read the same evidence and case histories, and claim support for their side:

- A *brand image* view: Apple's iPod proves that iconic advertising, design and PR still work. After all, the product is just an MP3 player. What makes it stand out is the brand, meticulously constructed by advertising and design. And just look how disciplined and consistent they have been. If only lesser brands could follow suit.
- A *brand innovation* view: iPod's success has nothing to do with brand image. It is a great product, a radically different experience, linked to the iTunes music store, which made downloading legal. It seemed to

take off through imitation – like a fashion craze. The ads just reflected the fact that people wanted an iPod when they saw others wearing one.

How did this debate get started? As far as I can remember, there was no debate 15 or 20 years ago. But in the mid-1990s a view, which I call *New Marketing*, emerged for all sorts of understandable reasons, outlined below.

It Was an Advance

Marketing is a creative discipline. And in creative fields, when somebody produces a radical new way of doing things, many others tend to copy – especially if it is high profile, generates lots of publicity, wins awards and so on. The case studies that I covered in my first book *The New Marketing Manifesto* were pioneers. They came out of a cultural context – postmodernism – and an explosion in media channels. Suddenly it seemed possible to produce marketing communications that broke the old rules, using ideas that were interactive, personal, agitating or just plain scruffy. In that book I tried to capture some of the common features of this movement in a series of new rules:

1. Get Up Close and Personal (e.g. Nike getting involved in grassroots sports fixtures)
2. Tap Basic Human Needs (e.g. Gucci tapping into broad glamour rather than niche luxury)
3. Author Innovation (e.g. Tetley's round tea bag, which toppled a 35-year brand leader)
4. Mythologise the New (tapping into changing social values, e.g. Clarks Shoes' new take on middle age)
5. Create Tangible Differences in the Experience (e.g. Guinness producing a "draught in can" system)
6. Cultivate Authenticity (e.g. MTV *Unplugged* returning to acoustic sets and live performance)
7. Work through Consensus (e.g. AIDS advertising in cinemas to get new couples talking)

8. Open Up to Participation (e.g. Sainsbury recipes in advertising and store promotions)
9. Build Communities of Interest (e.g. Oddbins teaching its customers about wine, holding tastings etc.)
10. Use Strategic Creativity (e.g. Gap using dance, an idiom that involved people in the idea of comfort)
11. Stake a Claim to Fame (e.g. Richard Branson's many publicity stunts for Virgin)
12. Follow a Vision and Be True to Your Values (e.g. IKEA, whose consistent thread was the question: "Is this us?")

That list has stood the test of time pretty well.

If I wrote that book again now I would probably drop rule 11. Being famous has become a mixed blessing, often a recipe for hubris (in the form of an attack by an NGO) and for being seen as inauthentic, corporate and domineering. I might even substitute "be humble"! And I would probably modify rule 4. As I will explain, I have come to mistrust the idea of cultural trends research. But I still believe that brands should be signs of the times, creating a sense of *currency*, seen as the way things are done now.

But I wouldn't write that book again now, because the reasons those rules apply have become clearer. The 12 rules are like 12 blindfolded people describing an elephant. They grasp many significant details, which are valid, yet they seem to miss the consistent whole. That is why I am writing a new book. It has just as many examples as the first book (because I reckon nothing is more helpful to understanding or coming up with new ideas). But it also has a general theory running through it, which addresses the thorny question: *what is a brand.*

It was clear by the time I wrote my second book – *After Image* – that there were significant doubts about the validity of the old model of *brand image* marketing and the brand image television commercial. Here are a couple of sobering statistics:

- The number of TV advertisers increased by 27% between 1996 and 2003.[2] This reflects a number of changes, all equally concerning to the

mainstream TV brand image advertiser: media inflation (so that any one advertiser can afford less airtime), media fragmentation (more channels, more spots, fragmented audiences) and more advertisers competing for share of mind.
- Consumers are rejecting marketing messages (ads, junk mail and so on), according to the Yankelovich *Marketing Resistance Survey* in the USA.[3] For example, 69% are interested in products/services to block/skip or opt out of marketing; 59% say marketing has little relevance to me; 61% say marketing is out of control.

The situation has changed since the heyday of brand image in the 1960s. Then only 48% of consumers reported a mixed or negative view of advertising; now the figure is 72%.[4]

One major development that is more and more apparent in research groups on marketing ideas is the phenomenon of marketing literacy. I see this as the ability, for instance, to discern that there is a difference between hiring a good agency and being a good brand. It is the critical ability to "read through" marketing and examine its construction and intention.

This insight – that consumers are jaded, cynical and marketing resistant – is generally accepted. The question is, what can we do about it?

Some suggest a sensible, opt-in approach, what Seth Godin calls *Permission Marketing*.[5] I am more of an advocate of marketing that is not junk – so that it won't be rejected because it is not "messaging" (more on this later) and it is good stuff, which is welcome, be it a Harley Owners Group news letter, BMW short film or Gmail invite.

Some have described the situation with advertising, direct mail, spam, outbound telesales and so on as a new tragedy of the commons,[6] analogous to the seas that get over-fished because as resources deplete, people fish harder. Advertising and other forms of messaging are shouting louder and louder, and people are covering their ears.

I think this problem is both over- and understated. There are hundreds of examples in this book of marketing ideas that have caught people's imagination. Most of the rest is just commercial noise, like the signs over the shops when you walk up the street. No matter how many new ways of messaging marketing employs, people just do not want to know. Yes, it is annoying to have to put handfuls of junk mail into the recycling bin. No, marketing resistance doesn't extend to new *non messaging* forms of marketing. If anything, all the rubbish makes good marketing ideas stand out as more attractive.

Nevertheless, that wouldn't be my view if I were on the board of a public company, paying for this spiralling-out-of-control frenzy of messaging. People are starting to ask questions. One of my clients ran a test of their direct marketing and found conclusively that it produced no uplift in sales. They then did research groups with recipients of their mail shots and found that no one opened them. No wonder the marketing wasn't making a big impact on sales!

It Was a Response to New Media

The second reason a *New Marketing* paradigm emerged in the mid-1990s was that there were new media choices, just as previous paradigms of marketing had emerged in response to the appearance of national print media, radio, then commercial TV.

We went from a few choices of advertising medium (TV/print/radio) to an abundance of choices. In a recent presentation to a financial services company, I listed over 200 choices of types of media they could be considering. (It is not just consumers who suffer from information overload!) And within each of these types of media, there are often hundreds of different titles and options.

The internet and mobile phones are obvious examples and have spawned many new formats, but there have been just as many offline developments. To highlight just a few key examples:

- Customer relationship marketing is developing beyond the Tesco Clubcard model (i.e. tracking purchases to target promotions and offers). It is often used these days to educate customers. Nestlé in France uses a club to teach people to cook better, healthier meals. It has an informative website, helplines and even a cookery school where people can take courses.

- Brand experience marketing, like the *Bud Rising* music festival in London, associates the brand with cool new bands and music. People also get to drink the product at the gigs and meet the brand in a social context: *the way things are done in these places*. A key audience for this activity is students, who are actively adopting new lifestyle habits.
- Customer communities represent an advance compared to passive target audiences. The key feature of communities is the interactions of members with each other. They also give new members something to join and belong to. The Harley Owners Club, a 900 000-person community, is the engine of the brand.
- Entertainment partnerships are booming. Insiders reckon that sponsorship of music stars will soon be as big as sponsorship of sports stars. Every single will be sponsored, every album, every tour. U2 tied up with iPod in a deal so synergistic it was difficult to see which brand was promoting the other. Rap icon Rakim appeared in advertising for Hennessey: confirmation that Henny was the official drink of hip-hop celebrity culture.

Ten years ago I worked on a pitch for a government antismoking campaign. The research I conducted used a panel of people who were giving up smoking – for real – and spoke to them before and during the first week. What I found was that before giving up the research groups favoured "good ads". But once they were actually giving up, all this entertainment interest went out of the window. The most effective single piece of communication proved to be notes of support, in time-stamped envelopes, saying things like: "Well done, you got through the first day, that's the hardest part over with."

Back in 1995, what we did with that insight was ignore it and come up with an ad campaign that better addressed how people felt while giving up. Today the Central Office of Information is launching a state-of-the-art CRM system that can send quitters timed text messages. We didn't think of it ten years ago because it wasn't really possible. Now it is obvious. And we are probably just beginning to fathom all the uses of new media.

But we *should* have been able to respond to the insights back then. For instance, what if people wore an *I QUIT* badge for their first week? The advantages could have been:

- Staking a bit of pride by telling friends can help people stick to their resolution.
- There could be a bandwagon effect, seeing all the people quitting at the moment.
- Advertising could ask everyone to be nice to a person wearing the badge.
- Past quitters might step forward at a bus stop and say things like: "I got off 'em last year, keep up the good work."
- And retailer partners could offer lots of treats and support wherever quitters went: a free drink in a no-smoking pub chain at the end of week 1, and so on.

In the last ten years it has become natural to think of ideas that are *viral*, *peer to peer* and *interactive*. The properties of new media have changed our view of how to use old media, just as advertising in the 1930s started using celebrities in posters (like Hollywood posters). They could have done it before, it just never occurred to them.

The new media have brought much more than new applications. They have brought new ways of thinking, new strategies, new ideas in their wake. And with 200 or so media to contend with, we are stockpiled with new ways of marketing for decades to come.

It Was the Natural Approach of a New Sort of Advertiser

The *brand image* approach was developed to suit the advertiser of its day: mass-produced products, which required differentiation.

In contrast in the 1990s, marketing's centre of gravity moved towards media, services, retail and software as the new growth sectors. These sectors are cultural, experienced in use, diverse, fluid. A TV channel, an internet auction site, a supermarket, a bank . . . these are much harder to summarise in an "image" campaign. Branding becomes more like the frame around the picture than the picture itself. The main source of ideas is the direct experience of the service rather than the advertising. Advertising becomes like the trailer for a movie – you don't want a fancy, imposed idea getting in the way.

Some of these new advertisers tried to do branding the old-fashioned way. They hired marketing directors from the old fmcg companies and agencies that wanted to continue to produce "great advertising ideas" for these new clients. But the approach that actually works for these sorts of clients is bigger than advertising ideas. It demands platforms that are cultural, integral to the business, and that link directly with company strategy:

- HSBC turned its advertising into a global etiquette guide and ran a January sale.
- The BBC was reanimated by launching digital channels and services.
- FCUK made a statement that you could wear (*FCUK Fashion*).
- Google made Gmail by (member) invitation only.
- Selfridges became a cultural theme park.
- IKEA challenged traditional British taste.
- Tesco got parents to collect computer tokens for local schools.
- Virgin turned every new launch into an "advertisement" for the brand.
- Penguin launched sampler-sized anniversary editions.
- Oddbins taught people to appreciate wine.
- Apple and then Starbucks became major forces in music.
- BA put beds onto its planes.
- Zara sped fashion retailing up.

As with new media, these sorts of *New Marketing* idea proved an inspiration for more traditional mass-produced goods. Even brands like Persil, Dove and Budweiser have started using media-neutral ideas, with a broader cultural remit than selling their wares.

It Was a Response to a New Era of Business Strategy

Gone were the long corporate planning cycles and in their place came big ambitions and rapid change. Marketing directors are driven today not by the need to build a brand, but by the need to develop their market, launch new extensions or initiatives. An old-fashioned brand repositioning, with its five-year time horizon, is too slow compared with the rate of change in the strategy and business model. Brands needed to be faster and looser.

I'm not saying brands shouldn't use advertising. I am saying they should beware the old advertising models, which are about fixing the image and positioning of your business to some enduring promise. What if you had made a "brand ad" about IBM ten years ago – would it still have any relevance now? In contrast, IBM's media-neutral *e-Business* idea (which also made for reasonable ads) was flexible enough to carry the company through an era when it bought PwC Consulting and sold off its PC manufacturing – from boxes to advice.

But even a general commitment to the way the world is going can be too definite. I was in the middle of putting together a review for BT of its advertising strategies – many of which had been about its commitment to *new wave* telecommunications such as broadband – when its chairman made a speech in the City about how its new strategy was about going "back to core telephony". At times like this you realise that branding needs to be more of a marriage with consumers – taking all new developments in your stride – and less a once-and-for-all statement of what you are about.

It Was a Response to a Need for Cultural Leadership

It is easy to overstate how settled life was in the old days and how fast it is changing now. We have not lived through the upheaval of a world war. But we have lived through the end of the job for life and the birth of the internet and we have entered a condition of uncertainty (which may or may not be a phase) that social sciences call postmodernism.

The result is that we live with a basic uncertainty about how to lead our lives: what to wear, what to eat, how to communicate and have relationships, how to get on in life. Self-help media content, which supplies ready answers, has been booming. And the role of brands has shifted, from reflecting a stable, static social order to helping establish new customs. One business leader who saw this was Nobuyuki Idei, the CEO of Sony in the late 1990s:

> We are committed to creating new lifestyles and providing new forms of enjoyment to people in the network centric society of the 21st century.[7]

This is a call for cultural innovation, rather than just product innovation. And it is ideas, not technologies, which usually create new lifestyles: easyJet rather than Concorde. Here are just a few examples of the sorts of thing I understand to be new lifestyle ideas – some owned by brands, others free-standing (but no less influential on brand fortunes):

- text messaging
- Channel 4 cricket
- organic
- *Big Brother*
- one-a-day health drinks
- Harry Potter
- PlayStation
- camera phones
- downloadable music
- iPod
- Harley Owners Group
- Friends Reunited
- eBay
- Google
- Sudoku
- *Make Poverty History* wristbands
- the gym
- male grooming
- alternative medicine
- internet banking
- Starbucks.

As with new media and new marketing strategies, new lifestyle formats have often provided inspiration for other new possibilities. Yesterday I read about a new vibrator (sex toy) called Je Joue, which has (ringtone-style) downloadable rhythms!

But we are getting ahead of ourselves. To appreciate what is new in brand marketing, we need to stop and consider the classic approach to developing and promoting brands.

1.2 The Old School

While marketing practices and media options have changed radically in the last ten years, the theory of brands (and perhaps more importantly, the processes by which marketing communications are developed and evaluated) proved more resistant to change.

When conventional companies attempt new sorts of marketing they often try to justify and track their plans using the old model. A major cultural sponsorship will be measured by how many seconds of airtime it buys for the logo. A CRM programme will be tracked through direct response measures. A buzz marketing campaign will be measured by direct sales uplift among the population in which the idea was seeded. And all of these initiatives will often be assessed through brand image tracking: measuring awareness, positive brand associations and perceived benefits.

Of course it is natural that companies should want marketing investments to be accountable. But they are measuring all these new forms of marketing as if they were advertising or direct mail. They are potentially making much greater contributions in other areas than "image", but if you don't track the real effects you will not see them.

Often the most old-fashioned element in marketing plans is the (implicit) definition of what a brand is. The classical idea of this was expressed, by Professor Doyle, as follows:

$$S = P \times D \times AV$$

Strong brand = product benefits × distinct identity × added values[8]

A brand marketing programme would thus be aimed at:

- Communicating a distinctive product benefit or set of benefits (USP).
- Communicating a distinctive identity: name, logo, look and feel, personality.
- Communicating distinctive emotional brand values.

That's a lot of communication – especially if you do not operate in a market where customers are intrinsically fascinated by what brands have to say. But it is such a familiar model, and fits so well with the way that we are used to planning our marketing programmes, that many readers will probably be wondering: what is wrong with that?

The problem is that, while it fits the old way of marketing, it short-changes brands stretching into new media and business models. It also ignores the pressure on brands to adopt a more authentic approach than "selling" your USP, identity or image.

Why would new media require a new brand theory? Surely they are just new ways of building the same old strong brands? Actually no, the old formula for strong brands was adapted to advertising (and similar) media. It was not a theory of brands so much as a theory of brand advertising. That is why it does not generalise; and why, to some extent, it always short-changed brands. If you look at the history of the ideas behind each term in this formula, then you find each was developed by ad agencies (or similar) in order to justify their approach.

The first term of the equation – a distinctive proposition or *benefit* – has a long history (as does a recognition of the need to cut through the clutter of other advertising):

> Whatever is common is despised. Advertisements are now so numerous that they are very negligently perused, and it is therefore become necessary to gain attention by magnificence of promises, and by eloquence sometimes sublime and sometimes pathetick. (Samuel Johnson, 1759)[9]

Without the need to advertise their wares, no producer would necessarily have noticed this need for "promises" about particular features over others.

People who produced chairs may have never stopped to wonder whether it was more important to claim traditional designs, quality construction, comfort, durability, association with landed gentry or with the merchant middle class. They would simply make chairs, in a way that was handed down through apprenticeships. The chairs were then placed in shops for sale.

Many manufacturer companies still have this producer mentality today. If you ask an engineer why a new car is good they will point to 101 advanced features. And if you look at the process by which people choose cars, you find they will generally research options on their short list in great detail, in order to answer the question: "Is this the right car for me?" So we can already see that the idea of having just one key benefit is neither a reflection of how products are invented nor really a reflection of how people choose, buy and appreciate them. It is mainly a requirement of a certain type of "hard sell" advertising.

In his book *Reality in Advertising*,[10] Rosser Reeves introduced the term *unique selling proposition*, defining it in the following way:

1. Each advertisement must make a proposition to the customer: "buy this product, and you will get this specific benefit."
2. The proposition itself must be unique – something that competitors do not, or will not, offer.
3. The proposition must be strong enough to pull new customers to the product.

Rosser Reeves was very clever to brand this as the *USP*. But the advertising business has a short memory, and there was little that Reeves said that had not been said 40 years earlier in 1923 by Claude C. Hopkins, who worked in advertising as a copywriter at the start of the twentieth century and established a method he called *scientific advertising*:

> The time has come when advertising has in some hands reached the status of a science. It is based upon fixed principles and is reasonably exact.[11]

What Hopkins had figured out was that by using up to 20 different versions of the same ad, you could work out which headlines attracted the most coupon responses. This kind of optimisation approach is still used today, not only to test copy, but different media weights and combinations. Direct Line grabbed 40% of the insurance market using an ad campaign that was fine-tuned in this way.

Hopkins was clearer than Reeves on the fact that the writer does not know enough people to judge (or guess) which headlines might work best. But with Reeves, he assumed that the way to sell a product was to headline its most attractive quality:

> The product has many features. It fosters beauty. It prevents disease. It aids daintiness and cleanliness. We learn to exactness which quality most of our readers seek.[12]

The product that Hopkins had in mind (that promotes beauty, prevents disease and makes you clean and dainty) must have been Palmolive Soap, a client of his. Hopkins also described competitive strategy between brands in military terms and articulated an early version of the concept of positioning:

> The maker may say that he has no distinctions. He is making a good product, but much like others. He deserves a share of the trade, but he has nothing exclusive to offer. However there is nearly always something impressive that others have not told. We must discover it. We must have a seeming advantage.[13]

It was quite a realisation to have made over 80 years ago. It also arguably contained some seeds of destruction – being a model of marketing communications based on brands with *seeming advantages* (i.e. rather than real ones!).

The second term of Professor Doyle's equation is *identity*. It is design companies who use this concept most, to the extent that they sometimes seem to assume that a brand is only an identity and aesthetics is the whole of the subject. Design was a part of what Doyle meant, although he also included the notion of awareness under this heading. It is not just about having a distinctive design. It is about people having a distinct idea of you in mind.

A number of successful historical advertising campaigns took their brand identity and plastered it everywhere: Coca-Cola with 10 million square miles of signage in the USA by the end of the nineteenth century; the 1970s classic Benson & Hedges surreal art posters; mobile operator O2, which seems set on "owning blue" (in contrast to competitor Orange?).

Some have argued that being seen as the most famous, first, biggest or otherwise leading brand is the key factor in brand acceptance and success. Advertising luminary Dave Trott (writer of classic ad lines like "Ariston – and on – and on" and "Hello Tosh got a Toshiba?") made a career out of the notion of making the brand name famous. However, I would tend to side with advertising researcher Mike Hall, who pointed out that there are limits to the power of brand fame, his example being that everybody has heard of Ford, but how many want to drive one?

David Ogilvy is credited with introducing the concepts of brand image and personality in 1955:

> Products, like people, have personalities, and they can make or break them in the marketplace . . . Every advertisement should be thought of as a contribution to the complex symbol which is the brand image.[14]

Brand image is an umbrella term for the emotional *added values*, which form the third part of Doyle's classical formula for a brand. It is this term that has dominated discussions of brands for the last 50 years. It is no coincidence that the medium that dominated over those last 50 years was television advertising. Television advertising very often uses a personality device: a famous spokesperson, actor or sports star; or a fictional character like Ogilvy's "Man in the Eyepatch" for Hathaway shirts – devices that added personality.

Television – according to psychoanalytic media theory – seems to work through identification (you put yourself in the place of the people on screen and feel things vicariously through this process). The result in the case of TV advertising is supposed to be that you associate those feelings with that brand; although many ads are remembered in vivid detail, without people remembering who they were for. And there have been many "great ads" for what people know are rubbish products. Part of the reason this classical model has been broken is that people have become more discerning over time, less likely to take advertising at face value.

A recent casualty appears to be Stella Artois beer, which is in serious decline at the moment. This was the leading premium lager brand in the UK with a whopping 40% market share. However, prominent competitors like Heineken have shifted to importing their beer from the country of origin. And proper continental lager is much more widely known and available. Stella projects a Euro cinema (advertising and sponsorship) image, yet it is brewed in the grey industrial town of Newport, Wales. Not that Leuven in Belgium is necessarily a nicer town, but it is at least where the image emanates from. And for whatever reason, beer brewed outside the UK does seem to taste better.

There is no doubt that people do buy certain brands for reasons like personality, image and added values, in fashion, cars, newspapers, perfumes and so on. But that is not to say that they buy the idea that an image advertisement will turn a Ford into an Aston Martin. And there is less reason to assume that a theory of identity-confirming purchases describes why people buy certain brands of fast-moving consumer goods. And less reason still to assume that it might apply to knowledge markets where we find many of the world's strongest brands – eBay, Google and so on – which do not have much of an "image".

To summarise: each of the terms (in the definition of brand as $S = P \times D \times AV$) derives from explanations offered by leading professionals in agencies, based on:

- how advertising (TV and print) and design (packaging and logo) seemed to work;
- their typical client at the time: fast-moving consumer goods and "badge" brands like cars, cigarettes and perfumes;
- back in the days when people seemed mostly to like and accept advertising.

The key implication of that whole edifice of twentieth-century brand theory is another formula:

BRAND MARKETING = MESSAGING

That is hardly surprising when it was invented by people who wrote adverts. Advertising in its formative press, poster and radio stages was used to deliver messages. When TV advertising came along, these uses continued (for instance soap powder advertising) but it also became popular to use little dramas (like soap operas in advertising). These were still thought of as delivering a message, but a message about the image or personality.

Look at any ad agency creative brief today and you will usually find a box that asks what the *message* (*proposition*, *key thought*, *benefit*, *promise* etc.) should be. JWT finesses this slightly by asking what the *desired response* should be. But none that I know went as far as we used at St Luke's, in having no such heading about messages. Our brief used to ask WHY? (the client problem) and HOW? (what sort of idea might solve it – for instance the brief for the IKEA *Chuck Out Your Chintz* ad suggested "furniture feminism"). Looking back I am not sure it was wise to leave out all consideration of target audience. That was in reaction to an account planning tradition in London that smothered everything in cloying qualitative group "insights". Daft, but fun at the time!

This messaging in a standard agency brief could focus on any of the brand ingredients, as we have already seen:

- communicating a distinctive product benefit or set of benefits (USP);
- communicating (i.e. displaying) a distinctive identity: name, logo, design;
- communicating distinctive emotional brand values.

Once again, you may be wondering: "What on earth is wrong with that?" Well, for a start it simply does not describe today's brand activities. Where is the "messaging" in any of the following?

- A brand experience event.
- Thought leadership publishing.
- Customer training courses and seminars.
- The rich, searchable information on a website.

- The brand as author of new language/terms.
- User groups, communities and fan sites.
- The countdown to a launch or event.
- Rumours, gossip, word of mouth.
- Helplines, call centres.
- Viral emails and promotions.

It is possible to measure the results of these activities in terms of brand image, perceived benefits and awareness. But it is pretty stupid to do so, because they do not work like passive TV ads or static design. They are interactive, involving, part of culture "out here".

The only thing more stupid than measuring this sort of activity as if it were advertising is scripting it, to try to make it as consistent as possible, in the process squeezing the life out of whatever "live" event or interaction there could have been. Sound familiar? That is what I mean about the danger of applying an old theory to new marketing. But it is more than a theoretical issue. It is a conflict between different ways of doing the same thing . . .

1.3 Protestant vs Catholic: The Battle for Brand Theory

Wherever marketing is discussed – in agencies, marketing departments, research companies and boardrooms – there are two schools of thought:

- *Catholic: keep the faith.* All this new-fangled nonsense is all very well. But there have always been stunts, promotions and so on. And surely the World Wide Web turned out to be nothing but a big mail-order system? The only thing that matters when it comes to building brands is big TV campaigns. Just look at the great stuff being done by advertisers like Apple, Honda and Bud Light. The rest is all small change.
- *Protestant: stop the rot.* Image branding doesn't work any more. Many of the old TV-advertised brands are on their knees – Coca-Cola, Kodak, General Motors . . . Ad agencies are all too quick to take the credit for

successes that were nothing to do with advertising – like the iPod. And what happened to all those dotcoms who drank the ad agency Kool Aid? The power brands today aren't image brands and often aren't established by advertising either: eBay, Red Bull, Harley, Google . . .

You may think I am exaggerating? Let's review some real comments. First, the Catholic, keep the faith view:

> My recent book draws upon cultural theories and historical research to rethink how consumer brands are built. My research demonstrates that brand icons are built by targeting symbolic fault lines in the nation's culture. Much like those actors, politicians and sports stars who become cultural icons, iconic brands use advertising to author stories that help a nation's citizens manage their identities in the face of challenging shifts in society.[15]

This is an interesting development. The *post-tradition and custom society* – with symbolic fault lines and difficulties in managing identity – was a part of the justification I used in *The New Marketing Manifesto*. Professor Holt is using the same insights to justify an old-fashioned (in my view) advertising approach.

Now the protestant, stop the rot school:

> Volkswagen arrived in the U.S. in 1949, the same year Doyle Dane Bernbach was founded. Over the next decade, Volkswagen generated many favorable stories in the press, including a glowing review in *Consumer Reports*. By 1959, Volkswagen was the largest selling imported car in America. That year Volkswagen sold 119 899 cars, which represented 20% of the import car market. The next year "Think small," DDB's first ad for Volkswagen, ran and the rest is history. As powerful as the advertising was, Doyle Dane Bernbach didn't actually start from scratch. Nor should they have. Advertising needs the credibility created by publicity. Volkswagen advertising did what advertising does best. Take a fast brand and make it even more successful.[16]

This is a great rhetorical retaliation: were the theories that ad agencies peddle ever true? Look back at all the iconic brands from yesteryear and you will usually find a *New Marketing* reason for the success (e.g. word of mouth) *and* an agency taking the credit, even though its showy advertising often appeared after the event.

A similar point is made by a careful consideration of another classic case for image advertising. Nike's real launch idea – a cultural platform that propelled it from a million-dollar specialist athletic shoe company to a billion-dollar consumer business – was *jogging*. Not only did the company benefit from this craze, jogging was invented by Oregon sports coach Bill Bowerman, one of the Nike founders:

> In the early 1960s, Bowerman took his team to run against a team from New Zealand. While there, he noticed townspeople running, just for the joy and convenience and fitness it offered. He brought that experience back to Eugene and started the country's first running club. Then he wrote a book about how to run for fun and fitness. He called it Jogging, and the running boom was born.[17]

Fun though all this sparring may be, I doubt that the argument will be settled by arguments. It is a paradigm shift. Some will cling on to past notions. Others will trumpet the new theory, in which not only the conclusions but also what is studied change. One may win out in the long run. It is far from decided. Both sides think they are right.

The argument is about vested interests. Some ad agencies, direct marketing and design agencies feel motivated to cling to a messaging model because it justifies their kind of idea, and their lion's share of the budget. Other agencies – PR, sponsorship, promotion, internet, media, CRM, advertiser-funded content, talent agencies, event, brand experience and so on – can tend to favour *New Marketing* because it better describes and argues for their sort of marketing.

But I have met plenty of people in ad agencies devoted to new models, and just as many people in integrated agencies who don't feel comfortable until the brief (and preferably any external communication) has a slogan-style selling proposition.

Their clients seem equally undecided. It is not as simple as "cool" clients favouring new approaches, or "traditional" clients sticking to tried-and-tested formulae. Levi Strauss seems to believe that TV ads are the only thing that drives its business. That is unlikely to be the only reason its sales have declined for eight consecutive years, wiping out $3 billion in annual revenues. Yet you do have to wonder about what Einstein said – that doing the same thing over and over, in the hope of a different result, is insanity. Kenny Wilson, brand president for Levi's Europe, said of the company's new TV advertising:

> "It demonstrates independence and freedom of thought. Young people appreciate the fact that it's not the same as anything else on television." Levi's is hoping the £21 million campaign will help reverse a seven-year decline, which has seen its sales plummet by 42 per cent.[18]

And while cool brands can be conservative, there are advocates of radical approaches in unlikely (by reputation at least) quarters, notably P&G, whose CEO A.G. Lafley said:

> We're testing a lot of alternatives to television advertising. So I don't want my businesses to lock down too precise a number because I want them to have their minds open [that] there may be better ways to communicate convincingly to consumers than just turn on the tube.[19]

It is hard to resist noting that (in contrast to Levi's) P&G was entering its fifth year of strong growth in revenues and profit, even before the Gillette merger. Coincidence?

Summary of Chapter 1: Challenges to the Old Model of Branding

There has been a shift from *brand image* marketing to *brand inovation*: more interactive, involving, authentic and dynamic. These two paradigms are not just alternative methods, they are competing views of how brands work.

This development seemed to happen for a number of reasons:

- It was an advance, the development of new creative approaches.
- There is a surfeit of old-style messaging and advertising resistance.

- It was a response to the opportunities to use new media channels.
- These new channels have also inspired new ideas of what is possible in the old channels.
- It reflects a shift in who is doing brand marketing, towards media, services, retail.
- It responded to more dynamic, fast-evolving business strategies.
- It responded to change and uncertainty in people's lifestyle choices, needing new ideas to live by.

The old theory of branding was summarised by Peter Doyle as:

$$S = P \times D \times AV$$

Strong brand = product benefits × distinct identity × added values

A brand marketing programme would thus be aimed at:

- Communicating a distinctive product benefit or set of benefits (USP).
- Communicating a distinctive identity: name, logo, look and feel, personality.
- Communicating distinctive emotional brand values.

Historically all of the terms of this equation were introduced by advertising people. And there is a suspicion that they say more about a certain sort of advertising than about brands. There is a schism and a running battle between traditionalists and *New Marketing* reformers; "Catholics and Protestants". As in religious schisms, there are arguments over the interpretation of history: which came first – the great brand or the great ads?

The split is not as neat as being between traditional fmcg advertisers and new-style cool advertisers. Levi Strauss is an example of a cool company committed to the old way of doing things. Procter & Gamble is an ardent enthusiast for the new wave. And many companies I meet, both clients and agencies, do both and contain advocates of both approaches, often with considerable internal tension and debate about brand strategy.