Introduction: Necessary Pirates

'It's more fun to be a Pirate than to join the Navy.'
Steve Jobs[1]

Enough. I have had enough.

I have had enough of corporate rules. Of enforced mediocrity. Of doing it this way or that way, because this way or that way is the way we always do it round here. I have had enough of being a prisoner of my category's history. Of being handcuffed by my company's culture. Of being hamstrung by benchmarks and processes and so-called 'best practices' into becoming just another kind of establishment brand.

I read the most depressing article in the *Harvard Business Review* this morning. Apparently some study looked at 340 prime time commercials and found that there was a differentiating message in only 7% of them: 7%. Is my brand really any different? *Really*? My God, what am I *doing* in this job? And why do I feel that much of the time my company's culture is dampening, rather than igniting my ability to change those statistics?[2]

So I want out. Well, kind of out. I want to take the brand out and see what it could do if I had a little open water. I want to try doing things a different way. Try a little liberating lawlessness, frankly. Find my piss and vinegar, and see where that takes me. I look at the great marketing pirates like Jobs and Branson, and I think, yes, I'd like some of that. Some freedom – I could do something with that. The freedom to make up my own rules for a change.

Oh, we have dabbled with doing things differently, my company and my brand and I. We know at one level, some of us, that we have been

sailing under the wrong flag, that we have been following the charted course when we should have been finding our own way.

For a while we pushed for Chinos Theory. The belief that the mere act of wearing light-coloured trousers at work would help us think more creatively. That attending offsites and using scented magic markers would propel us magically free from the box we had never previously been able to escape from. We agreed that there is no 'I' in team, and that if we came up with Horizon 3 ideas like retail outlets and theme parks (even if we were a cheese spread), those things meant that we were thinking big.

But now. But now.

But now I keep coming back to that idea of Steve Jobs, that whole thing about being a Pirate rather than in the Navy, and what it really means. Why it really matters.

You see, what is interesting to me is that he doesn't talk about processes; he talks about a *type of people*. He doesn't talk about *saying*; he talks about *being*. And I find those two distinctions interesting and important. The idea that perhaps it's the kind of people that we are or choose to be, individually or collectively, that will make the difference to our futures. Perhaps we shouldn't focus so much on the processes we use, or the tools we have, or the architecture we discuss, or the organizational structure we find ourselves in but on *who we are and how we behave*. If it is people who create great brands, then it is who we are, and how we choose to be – our qualities and behaviour – that count, at any stage in the process.

And I recognize that this is not just an interesting conceptual exercise; I recognize that, for many of us, underneath the flippancy of the word 'fun' in Jobs' celebrated saying lurks the clarion call of necessity. We will *have* to be Pirates, to some degree: we keenly recognize that getting the positioning right is the very least part of creating success – the brand and brand team will probably need to go to market in a wholly different way if we are to create the step change we need. We will need to understand we are going to have to live outside the codes of the Navy, for a while at least: find our own way of keeping clear of the corporate round holes that will slowly blunt all the fine sharp edges of our square peg. We will need to live by a set of rules for what is right for us and our brand at this particular time, and not be confined by the category conventions laid

down by the establishment player, on the one hand, or our own internal corporate culture, on the other.

And, yes, we are going to have to be a little less compliant to the admirals if necessary – we are not simply going to salute and follow each order as it comes our way.

And, yes, we are going to have to bring people with us, whether they initially want to or not.

And, yes, that it would be enormously energizing, indeed liberating, for them to sail this different course, and we acknowledge that this degree of energy and commitment, this 'intangible' is going to be at least as important to my success as getting the strategy right.

But.

But. It is frightening, isn't it, the power of that little word? And yet it does rear its head at this point.

Because here's the thing. When I look at who actually said that thing about Pirates, that's where the heady desire to be a real Challenger within the context of my company hits the cold, cold water of reality.

Because the 'but' is this: 'It's easy for you to say, Steve.'

For while we may admire the man, the fact remains that his position and perhaps character are not ours, and his type of company (for better or worse) is not our type of company. He is, let's face it, a charismatic and publicity-hungry CEO of a single brand company, his own company, which seems to have in its very DNA a commitment to difference and finding an alternative way of going up against the Market Leader. And that's great. And we are the first to applaud all that Apple has done to build a desirable brand, even accepting that its perceived functional incompatibility limits its consequent share. But what blunts our enthusiasm about just taking Jobs' philosophy and running with it is that his situation is a long, long way from our own.

We are not the CEO. We may not be in a single brand company. We don't perhaps even have a sufficiently sharp and unified sense of who we are as a brand, certainly not outside the marketing department. We may not have either the large advertising budgets, nor access to the kinds of stage (and therefore forums for publicity) that he seems to be able to reach. *Fortune* magazine is not waiting on the phone to interview us any time soon. And piracy, well, much though we love the romance of the sound of it, we are very process and best practice orientated around areas

like research in our world. Talk of Necessary Piracy is going to sound a little too much like unleashing the Beast of Chaos to cut much ice with those above us.

And the result of all these 'buts' is that while we admire the sentiment that someone like Jobs espouses here, when it all comes down we cannot really believe it is possible to live by it in our organization; so while we lock the quote away somewhere and bring it out now and again a little wistfully at offsites or in the bar, its implications are not something we honestly believe we can live and die by in practice. And certainly not something we can use as ammunition to persuade other people to slip their ropes and come with us.

Which brings us to the purpose of this book.

The Purpose of the Book

We are going to take what one could regard as a slight but engaging quote by Steve Jobs and explore it very seriously indeed. The book will explore what it means to be a Necessary Pirate: unpacking the behaviours and personal qualities necessary for individuals and teams of people working on brands who need to be Challengers – and how to use those behaviours and qualities to bring out a more active Challenger culture within our organizations. It is going to argue that if we understand what Necessary Piracy really means, then all the reasons that we find put forward by others about why 'it's different for Apple' and why 'we can't think like that here' are simply excuses – they are, in fact, one of what we will call 'the Six Excuses for the Navy'. And we will look at each of these six excuses one by one, and strip them away.

The book is intended to be useful. As such, it will include at the end of most chapters some challenges and exercises to stimulate fresh thinking and behaviour, and an overview section in Chapter 14 for those interested in applying some of the learning to their teams and brand.

The Articles: The Binding Code of Piracy

I am going to start by suggesting that if we pull this metaphor of Jobs out, then the first problem that marketing 'Piracy' has to overcome

is the perception that it is the same as lawlessness. This perception is wrong: in fact, in these situations, where one needs to leave the confines of the Navy (whether one defines the Navy as 'the category rules', 'our own corporate culture' or 'an establishment parent'), one is not moving outside the law, but *from one law to another*. This book will argue, in effect, that creating or fanning a Challenger culture or subculture (if we live within a larger organization) is not, as is sometimes the concern from senior management, about lawlessness but about the deliberate move from one less suitable and successful personal and cultural model to another that is more appropriate to the opportunity for the brand. Furthermore, we will argue that even when it comes to large multi-branded organizations, as long as this transition from one 'model' to another is properly understood by both the parent 'Navy' and the 'Pirate' subculture, both sides will not only be comfortable but can actually benefit from the establishment of such a subculture. What is then critical, of course, is establishing exactly what that new model is. And to understand the transition we need to make, first humour me in allowing a brief discussion about two important aspects of real Piracy.

The first is the fact that Piracy, at its most successful, was not the same as anarchy; it was a way of doing things that had its own code. The reason that we think of it as lawless is because our perspective on pirates is largely formed by Hollywood and Disney, and these two cultural sculptors have carved a very clear (and not altogether unappealing) idea in our minds as to what piracy was like – a life of wild carousing, gambling, fighting, and lawlessness, enjoyed by an ill-disciplined rabble who were held together by the will and pistol of a ruthless despot with a large beard and larger laugh.

But while a romantic and in some ways apparently liberating notion, this idea of simply living outside any law and doing whatever you want, wasn't actually the case with pirates. The great age of piracy in the Western world is usually regarded as lasting from 1650 to 1725: at this time pirates were, in effect, commercially motivated teams of people operating in very high risk, high return environments, and to succeed in those kinds of high risk, high return commercial ventures they needed to have clearly understood rules of their own. These were different kinds of rules from the Navy, certainly, but rules – and fiercely enforced rules – all the same.

These rules were called the Articles, and they bound every participant in the joint venture. Each pirate captain had their own set of Articles, but common across all of them were certain key principles – those governing the distribution of profit, for instance, and certain fundamental rules of behaviour.

The following is an example of some Articles that were used by the pirate Bartholomew Roberts and his crew:

1. Every man has a vote in Affairs of Moment; has equal title to the fresh Provisions, or strong Liquors, at any Time seized, and use of them at pleasure, unless a Scarcity make it necessary, for the good of all, to Vote a Retrenchment.
2. Every man to be called fairly in turn, by List, on Board of Prizes, because, they were on these occasions allowed a Shift of Cloaths: but if they defrauded the Company to the Value of a Dollar, in Plate, Jewels, or Money, Marooning was their punishment.
3. No Person to Game at Cards or Dice, for Money.
4. The Lights and Candles to be put out at eight o'clock at Night: if any of the Crew, after that Hour, still remained inclin'd for Drinking, they were to do it on the open Deck.
5. To keep their Piece (i.e. weapon), Pistols, and Cutlass clean, and fit for Service.
6. No Boy or Woman to be allowed amongst them. If any Man were found seducing any of the latter Sex, and carried her to Sea, disguised, he was to suffer Death.
7. To Desert the Ship, or their Quarters in Battle, was punished with Death, or Marooning.
8. No striking one another on Board, but every Man's Quarrels to be ended on Shore, at Sword and Pistol. (I suppose this is what management consultants would call taking it offline these days . . .)
9. No Man to talk of breaking up their Way of Living, till each had shared a 1000. If in order to this, any Man should lose a limb, or become a Cripple in their Service, he was to have 800 Dollars, out of public Stock, and for lesser Hurts, proportionably.
10. The Captain and Quarter-Master to receive two Shares of a Prize; the Master, Boatswain and Gunner shall have one Share and a half, and the other Officers, one and a Quarter.[3]

You are probably humouring me at this point – thinking we are involved in an entertaining little piece of detail early in the book before getting back to the serious stuff. Well, let us just seriously consider a couple of interesting points here before we dismiss the Articles that quickly.

The first point relates to the nature of this as a contract. The key point here is that the Articles were all agreed with the crew, each of whom was then required to physically sign them before they were allowed to join the ship, and the ship set sail. What the Articles represented was, in effect, a group contract: not just the kind of vertical contract we tend to have in our companies between an individual and some notional employer or superior, but a horizontal one between an entire team embarking on a common goal. One of the lesser known aspects about the pirate ships in the Caribbean, unlike any Western country of the time, is that they were democracies: the crew elected the captain and the crew chose the destination – and the captain could be replaced at any point in the journey if the crew voted so. (As modern democrats, in fact, it has been noted that they pre-dated the French Revolution by over a century.)[4] Hence the need for the Articles, which reflected in turn a different set of priorities from the Navy, one based on the nakedly commercial imperative of the ventures they were engaged on. Pirates were, after all, strictly 'payment by results': if you didn't achieve your objective, you didn't eat.

The second point of interest in the Articles relates to the comparison of the specific points of content in their set of rules when compared with ours. We, after all, also find ourselves engaged in high risk, high return environments, and yet how many of us have a contract that specifies that if we have a conflict with one of our fellow team members that we take it offline and don't come back until we have sorted it out? Or a contract in which everyone knows how the profits will be distributed if the mission is successful? Or one where everyone is forbidden to even talk of doing things in a different way until the goal we have collectively set ourselves has been reached?

In other words, putting both these points together, which kind of contract do you think would give you a better chance of succeeding if you were embarking on doing something different with your brand – the kind you have at the moment, or the kind represented by the Articles? I would suggest there is no comparison: not only do the Articles show

that piracy has a different, well-formed way of doing things of its own, but also that this way could be much more useful to us than those we have at the moment. This is because the Articles' objective was to bind a group of people to a common purpose, and treat any act that limits the group's chance of achieving that purpose very seriously indeed.

Pirates and Perspective

I said that there were two key aspects of Piracy we needed to understand before we started. The first was that they had a code and contract of their own. The second is that the definition of who was and wasn't a pirate was always relative to one's point of view: it depended on whether one's government took the view that the individual was acting in or against the national interest. So, for instance, Sir Francis Drake, an English hero of schoolboy history, is known in Spain as 'El Pirata Drake' – 'the Pirate Drake'. Why? Because he filled Queen Elizabeth I's coffers with gold that was taken at swordpoint from ships belonging to the King of Spain. So while one side derided him as a pirate, the other made him a knight of the realm. Technically, in fact, there was a difference between a pirate and a privateer in a case such as Drake's – the difference being that a privateer had a commission from the sovereign (called a Letter of Marque) to attack ships belonging to an enemy nation, as long as the sovereign got a share of the money.

Even within the same side, one's perspective could change. Some pirates proved too hard to catch, and were pardoned in exchange for some of their gains. Henry Morgan (no relation), who made a fine living from being a buccaneer in the Caribbean in the 1600s, who at one point led two thousand men in the capture and sack of Panama City, and who would seem to have been technically a pirate on a number of occasions under international law, was eventually knighted by the British Government. He had made sure that he always set sail with a 'commission' from the Governor of Jamaica, however dubious its validity was in reality and, besides, you can't argue with success. And we will see that of the Pirate/Challengers whom we discuss within large organizations, some were knighted (so to speak), some were effectively suppressed, and some left to pursue their ambitions elsewhere. We will

argue that often the loss of such individuals and the enterprises that they have embarked on is a business loss as well as a personal loss to the organization, and we will be looking at a model that supports a more active 'commissioning' of such Necessary Pirates before they begin.

Having drawn out these two aspects of Piracy, I should make it clear that I am not proposing to endlessly play out the pirate analogy throughout the book; although I am sure there is a book that could be written that draws entertaining parallels for marketing with every dimension of parrots and planks, it is not this one. Nor is the intention here to hopelessly romanticize organized crime, or to suggest in any way that Pirates were noble and honest and misunderstood. On the whole, we are simply using Jobs' notion of being a Pirate as a metaphor for being a certain sort of person who finds themselves wanting or needing to be a Challenger, working on a Challenger brand (and in this regard I will be using the terms 'Pirate' – or 'Necessary Pirate' – and 'Challenger' interchangeably in the book). But at the outset we should note three points:

1. The move from being the Navy (i.e. behaving like everyone else in our company, or category) to being a 'Pirate' (i.e. doing what is imperative for the task we have set ourselves, regardless of the 'wisdom' we are offered from those around us) is frequently a matter of necessity, not fun or iconoclasm. As such, the need to be a Pirate in this sense is not in itself an act of defiance, let alone aggression. It is about recognizing that things need to be done in a different way if the opportunity is to be grasped, and getting a team together to start setting that new way of doing things in motion. At the same time this new way may lie outside what your superiors apparently want you to do, and the historical best practices of the brand or company.
2. Success in being a Pirate (i.e. an individual or group who chooses to seek their fortune along a path other than that of the Navy) does not lie in having no rules. It is about moving from one set of rules, one model, to another. One that is more suited for the task in hand.
3. This different model governs both individuals and teams.

The bulk of the book will consist of looking at examples of such brand 'Pirates' and the lessons we can draw from them in each of these three regards.

Six Excuses for the Navy

Along the way we will tackle the six excuses people put up for staying in the Navy – doing just the same as everyone has always done, even if they are not hitting their performance targets in doing this. The six excuses for the Navy are:

1. 'But my consumer doesn't seem to want anything different in the category.'
2. 'But I do not have a large advertising budget.'
3. 'But I am in packaged goods – I don't have a lot of opportunities for brand communication.'
4. 'But my category doesn't reward brand building.'
5. 'But that leaves me very exposed.'
6. 'But I am not in a single brand company with a charismatic founder at the helm. I am in a big multi-brand company with a conservative culture, and I am just another marketing director or manager.'

In attacking these excuses we will necessarily uncover an underlying issue that runs through many of these, namely 'Does one need a founder to be a successful Challenger?' We will see that the answer is that, while it certainly helps, there are enough examples of brands without founders making it work to show that it is not necessary – as long as we have a consistent core team, with this very particular set and combination of personal qualities and behaviour. And as long as you have at the heart of that team what we will come to call a Denter.

The Brands and People Discussed

We are deliberately going to look at a wide range of brands – from luxury cars to dehydrated noodle snacks, from Spanish shoe brands to US chocolate milk. In terms of people, we will move from iconic single brand companies and individuals you will have heard of (Ingvar Kamprad and IKEA) to marketing directors and managers and brands that you will be entirely unfamiliar with. As such, these brands and people are not intended to be a definitive list of modern Challengers

or Pirates, but a range of examples across all kinds of categories and company sizes, from the largest advertiser in the world (Unilever) to brands that are, in effect, a single person. We are going to look for common threads across all these varying people and brands, and along the way demonstrate that being a Challenger or Pirate is not necessarily easier (as many think) in a single brand company, and indeed it is quite possible to be one in a large conservative company – as long as we understand how we can maximize our chances of success.

Within these brands we will, particularly in Chapter 2 and onwards, focus on the importance of personal contributions, individual acts, and how they influence the bigger picture. We will draw on success stories we think we know quite well, and see what lies beneath them. Lexus, for instance, we know as the extraordinary US success it has become, and there is almost a temptation to see it now as an inevitable thrust into the luxury category and a success naturally driven by the engineering and sales might of Toyota. But we shall look at two key interventions by individuals along that path which exerted a profound influence on the existence and success of Lexus. On the other side of the Atlantic we will see that the iconic brand Orange might well have been called Microtel if there had not been an individual within the team – and not initially the CEO – who was prepared to fight tenaciously for his vision of the brand. And do we think a brand called Microtel would genuinely have reframed the communications business?