### CHAPTER 1

# Your Branding Is Useless

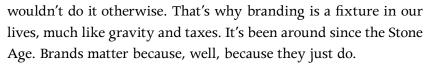
t didn't take me long to get sick of seeing the Burger King.
You know who I'm talking about. The mascot dude in the cape and crown, with that eerie plastic face frozen in a blank halfsmile. He started being featured in commercials in 2004, and then appeared in a Halloween mask, NFL footage, a MySpace page, goofy homemade videos, faux TV news stories, and at least three video games.

No wonder I felt sometimes like he was stalking me. Lots of people felt that way and wrote about it on blogs. But this reaction, like the campaign itself, was celebrated in the marketing world as a brilliant branding exercise. The company's top branding guru explained that the company had *surrendered the brand to the "collective conversation."* And it spent many, many millions of dollars to do it.

The only problem is that the King never sold a single hamburger.

You thought that maybe minds greater than yours had proof that such nonsense somehow made sense or that the branding didn't matter to you because you weren't the target consumer. Companies

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Nope.

The mascot didn't inspire you or anyone else to visit a Burger King per se. Most branding amounts to getting consumers' attention, and usually involves something funny, obnoxious, weird, stupid, overtly or implicitly sexual, or insanely abstract. A branding campaign is deemed a success if it gets people to look up from whatever it was they were doing, and then, when asked later on, admit that they remembered doing so. That's what mascots are all about. The rest of marketing is intended to get people to buy stuff. Branding <code>isn't supposed to sell anything more than an idea</code>.

Exactly *how*, *when*, or even *if* branding will influence consumer behavior are questions to which none of the rules of logic, financial reporting, or morality apply.

We assume branding has implicit, a priori value, like Platonic absolutes. Brands are so large and all-encompassing that they can be the cause—or excuse—for just about any communications activity.

So consumers shooting their own commercials and posting them on YouTube? *Branding*. Product references in news stories? *Branding*. Hosting a booth for folks to walk past at a trade show, or throwing a lavishly expensive party? *Branding*. Commercials that don't advertise a product feature or benefit? *Branding*. Magazine ads full of white space and small print? Well, you get the idea.

### A TASTE OF REALITY

Remember Coke and Pepsi's dueling starlets back in the late 1990s? After more than a decade of battling for cola drinkers, both companies fielded teen pop stars in multimillion-dollar branding campaigns: Christina Aguilera for Coke, and Britney Spears for







Pepsi. The purpose was to associate each starlet's persona with her respective cola. Pepsi spent \$8 million just to air Britney's commercials on the Super Bowl in early 2002. Christina's campaign ranged across commercials, the Internet, and many millions of in-store bottle and can labels. The media couldn't stop talking about how the two starlets were duking it out with one another, just like their corporate sponsors.

What did that branding accomplish? Well, it's hard to tell—which is common when it comes to assigning lasting value to brands (more on this in the next chapter). According to annual reports and media coverage, I can tell you that within the year, with its Pepsi brand sales stalled, Pepsi swapped Britney for Beyoncé. It chose to split its next Super Bowl expenditure among four different products. And Christina eventually ditched Coke, choosing instead to do international commercials for Pepsi.

But I'm sorry, I didn't let you respond: do you even remember these branding campaigns at all? If you don't, or do only vaguely, you're not alone. Few consumers cared at the time. The branding probably didn't sell six-packs at the food mart (the companies still had to run ads in supermarket circulars), make sales more likely (it's hard to believe that the endorsements drove people to their grocers), or directly produced profits for the businesses.

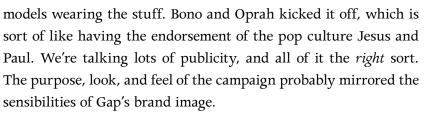
No consumer could have avoided all the noise about the singers, but I'd suspect the lasting impact was just about zero, by any meaningful financial measure.

A more recent example of this dichotomy between branding and business reality is Gap's participation in the (Product) Red campaign sponsorship, which in late 2006 was the start of a laudable five-year commitment to donate a share of profits to help eliminate AIDS in Africa.

Sponsorships and charity are two of the best ways to spend lots of branding dollars these days. Gap's execution of the campaign was totally sexy and right on, with good-looking stars and







Let me try some back-of-the-envelope math on what the branding delivered: according to publicly available info, I gather that Gap put an estimated \$40 million into its 2006 holiday expenditure for the Red campaign, for which it promised 50 percent of profits to charity. Its fourth-quarter 2006 Red sales were approximately \$103 million, so when you add the cost of merchandise, shipping, and store employee salaries, let's estimate conservatively that total costs were three-quarters of the sales. That left about \$25 million, of which \$12.5 million went to charity, leaving Gap with the honor of having spent five dollars for every dollar it collected for charity. Perhaps not so coincidentally, by January 2007, on top of almost two years of flat or declining sales, Gap ousted its CEO, sort of put itself up for sale, and started slashing costs.

It defies logic that branding can succeed while a company fails, yet it is common doublethink in a vast majority of businesses today. Experts possess every rationale and tool to sense the presence of branding—focus groups, exit polls, follow-up customer surveys, even brain scans—all to explain that brands have value "out there" in the marketplace. When ad trade publications report on branding, it's like reading a movie review.

But there's no there out there.

I've spent my twenty-five-year professional career trying to understand why businesses tolerate this disconnect. I can't think of a type of branding exercise in which I've not participated, from old-fashioned PR stunts to newfangled viral campaigns. I've spoken on branding at top trade shows, written about it in academic articles, and covered it for years on my blog, Dim Bulb.<sup>3</sup> And after









literally thousands of conversations with my peers around the world, I've got to come clean.

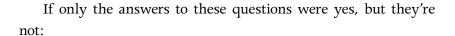
Branding is based on an outdated and invalid desire to manipulate and control consumers' unconscious. It looks good and feels good to the people who produce it, but it has little to no effect on consumer behavior. And if and when it does, there's no good way to know for sure. Companies do it mostly out of habit and hope, and most consumers endure it out of routine and indulgence.

## Most branding is a waste of money.

Let's face it: Microsoft couldn't have expected to sell more software with its ads featuring dinosaur-headed execs a few years ago, could it? Citibank's egregiously artsy "live richly" billboards probably didn't prompt many new accounts, but was intended to somehow strengthen its image. And United Airlines' animated TV commercials and swooning soundtrack weren't supposed to fill seats on airplanes, necessarily, but to add to United's identity.

Right now, you can think of a business and recall a color, slogan, funny commercial, or other branding artifact. Yet will your thoughts survive until you get to the bottom of this page, or until the next time you get to a store? Are those thoughts impervious to the next blue screen of death, error on your bank statement, or canceled flight in your real life? Even if it has succeeded in capturing your attention and taken up residence in your subconscious, will branding influence your ultimate purchasing behavior? Are your memories formed in a way that reflects what the corporate sponsors wanted you to think? Do you maintain a *relationship* with brands? Can you even say that they matter to you at all, past your simple awareness and imperfect, impermanent recollection?





- Sony can't charge more for a DVD player manufactured in the same third-party factory as its competition, yet its brand name is so loved and well-known that it's probably a proper name for babies in some countries.
- CareerBuilder.com could make all of us hoot and howl at its funny commercials, and spend many millions on Super Bowl ads with Internet tie-ins, but it likely still has to spend the same amount of money, time, and effort securing and keeping actual customers.
- There are few examples of "favorite branding" commercials, irrespective of how entertaining close-ups of a scantily clad model might be, that get anyone reliably closer to buying a Bud, Peugeot, or a bag of Pocky chocolates.

# Consumers don't interact with brands. They buy stuff, and purchase real things.

The connections between brands and reality have never been more imprecise. Actually, for every vague case history that waxes poetic on the soaring brilliance of branding, there are many more specific, detailed examples of its irrelevance. In fact, most of the real-world results that are attributed to branding usually mask other drivers of business performance:

 Coke might publicly credit its brand, but what often drives quarterly sales could be as dull as a distribution deal in a faraway country.









- Nike's profits tumble (in part) because of the money it wastes on World Cup sponsorship, but it manages to meet sales goals in other, less glamorous ways.
- Verizon runs commercial after interminable commercial, but it spends a ton on making its call center service world-class.

Burger King's promotion of its creepy mascot covered up its abandonment of a health food menu, aggressive promotional pricing, and lots of other less sexy advertising that sold food to its customers. For that matter, McDonald's reported its best ever quarter during the same time period that Burger King celebrated its brand, yet it credited the very same dull, nonbranding activities that Burger King hid in its reporting.<sup>4</sup>

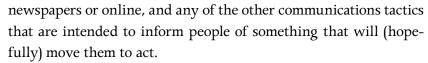
And Burger King isn't even one of the top twenty-five global brands, which annually spend in the tens of billions of dollars, pounds, yen, and other currencies on brand advertising. The amount spent on branding *overall* is many times more than that: we're talking about sums that top the GDP of most of the countries on the planet.<sup>5</sup> Forget all the real good that money could do, like eradicating malaria in Africa, or finding a cure for Alzheimer's. Think of the billions of hours of our lives wasted being subjected to the stuff.

Are you with me yet? *Branding just doesn't matter*. This is a big kahuna of a realization to get your head around. Kind of like all the East Germans waking up one morning and deciding that the Berlin Wall didn't exist anymore, and then, *poof*, it didn't. Or like telling your kids that there's no Santa Claus. You've still got to answer the question, *How the hell do you explain all those presents under the tree*?

To do so, you first have to make an important distinction: "Marketing" is anything that contributes to consumers buying something. It's the information that drives ads, product reviews in







"Branding" is the thinking that those tactics can do something more, something esoteric, like plant ideas or associations in people's subconscious that will, one day, influence them. It is the conceit that marketers can convince them of things that aren't substantiated by fact or the reality of experience, and that such inventions have an existence over time.

Branding is why so many of those ads, press releases, and other communications media we see either make no sense or, at best, make us briefly chuckle or gasp. Why slogans are incomprehensible, and comedic skits have no connection to what we might want to do with our money. It's why we get lifestyle ads that all look similar and why so many of those campaigns fail.

Branding is a hope wrapped in a desire inside a fantasy.

Now, imagine if you woke up this morning, and all of the branding in your life disappeared. No Burger King. No Geico cavemen, Churchill nodding dog George, or those cartoon characters hawking toe fungus ointment and sinus remedies. No funny beer commercials on TV, or logos on the T-shirts in your drawers. No "brought to you by" corporate names on stupid viral videos e-mailed to you at work, or plastered over your local stadium as you pass it on your commute. None of the noise that branding supposedly attaches to your life. Would you behave differently?

Nope.

You would continue to buy the best products and services for the money you're willing to spend. Companies would provide you with information, both factual and inspirational, which could be assessed depending on how close you were to making a decision. Your assessments would occur in real time, based on your interactions directly with companies, and your actual and virtual interactions with family and friends. You'd prioritize what you thought





and bought within a *context* of time, place, mood, and price. By tomorrow, you'd shake it all up, depending on what happened during the day. Brands as shorthand? You wouldn't miss them, because today we take literal, verbatim notes—with pictures and sounds attached—and we do it 24/7. *Behavior*—buying something—is the only real evidence of your preference.

# You wouldn't miss branding because you already live without it.

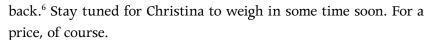
Consumers have access to too much information, face too many choices, and are too busy, impatient, and unforgiving. We don't internalize or use more than the slightest hint of all the words, images, sounds, and other contrived tools most branding utilizes. It's more *noise* than *context*.

And anyway, the idea that a marketer could fully analyze another person's thoughts and emotions has the romantic (and slightly scary) appeal of a Freudian fantasy, along with all the psychobabble mumbo-jumbo that comes with it. If we could get someone else to do things, everyone would be thin, nobody would believe in UFOs, and the Soviets would have won the Cold War. And our kids would do what we want them to do.

Some big brands, in fact, have actually disappeared one morning, after spending millions of dollars to establish all that equity in our consciousness: Cingular and Bank One both simply changed one day (to AT&T and Chase, respectively), as if a switch had been flipped, rendering all of the profound associations invested in those names either meaningless or, after many more millions, now somehow attached to newer brand names. The British post office spent £250,000 on branding experts to change its name to Consignia in 2001, and then spent another £1 million a year later to change it







The reality is that people purchase goods and services, not air. We've always bought *things*, not *ideas*. Sure, we *think* (at least most of us), but what is discernible, understandable, and measurable—to consumers, and within the businesses that sell to them—is what we *do*. We neglect Freud, and follow Skinner instead.

For every purchase, there's a *Donnie Darko*—like trail of events that led up to it, and another chronology extending into the future. Marketing works because it's the play-by-play for that behavior. Branding is nothing more than the color commentary, with the sound turned down most of the time.

So it just doesn't matter if gurus describe brands as stories, emotions, dreams, personalities, orgones, or waves of ESP. It's irrelevant, because it presumes to influence what people think. Branding doesn't do any of that anyway, or can only do it imprecisely and infrequently, if at all. Its real impact on how business is conducted can be seen in the contrasting examples of product development and positioning at Gillette and Starbucks.

When Gillette introduced its new Fusion, a five-bladed razor, there'd been no hue and cry from the marketplace about razors, no dissatisfaction with the shaves available from the already ludicrous (to some) less-bladed models. You can imagine the attributes that Gillette saw attached to the brand, and which they likely heard about when they asked consumers to think of things to say about shavers: *innovation*, *leadership*, *technology*. Assuming these vague perceptions were relevant, their belief drove them in the direction of developing a more complicated and expensive shaving solution. The magic of branding would enable the company's marketers to make consumers care about something they didn't ask for, don't need, and wouldn't want to pay for. They'd buy instead the abstraction of the Gillette brand.

So far, the miracle of branding isn't working for them. Sales are







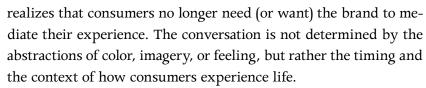
lagging beyond expectations, though not for the lack of marketing expenditure, which started with a debut on the über-expensive Super Bowl in 2006. The branding consultants are advising patience, I'm sure, suggesting that it'll be years before the branding works. This would be in keeping with the Branding Guru Statute of Limitations (you can't expect results until I've moved on to another branding job, or won a new client who can replace you when you fire me). Gillette might succeed if it can simply stay the course, and in-store availability pushes out enough of the competition. But it remains to be seen whether it'll be able to do so with its predicted profit margins intact. Perhaps it can hope to win a branding award instead.

Starbucks is a different story. Many of us remember a cup of coffee as a fungible commodity, worth about 50 cents. It came in a waxy paper cup, sometimes coated with prints of faux Grecian urns. You bought it from just about anybody who was willing to sell it to you. Starbucks changed all that, "Holiday Inn-ovating" the tastes, cup sizes, store configurations, locations, and pricing, just as a new generation of consumers felt ever more chronically tired, and fashionably hesitant about appearing so.

It sure helps that its primary product is chemically addicting. But Starbucks is smart enough to recognize that its patrons don't consume image or any of the abstractions of brand associations. The Greek chorus of marketing media sings the praises of Starbucks as a brand, while its customers drink a potent brown liquid, and prefer comfortable and convenient places in which to purchase and consume it. So Starbucks focuses on making that reality better, faster, and easier. The few ads it runs—about bean farmers or the holidays—have so far remained a small expenditure, perhaps in passing deference to the output of Starbucks' consumer focus groups.

So call what Starbucks is doing branding, experience marketing—or call it *Fred*, for that matter. It *works*, because the company





How a company describes itself is a tactic. *The strategy of experience is branding.* 

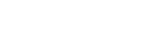
So, while Gillette wants to force consumers to behave in ways that coincide with its view of what the brand's feelings and emotions *should be*, Starbucks prompts behavior among consumers who have decided what the brand *is*. Brand *is* behavior, not something before, after, or apart from it.

Your own life experiences should confirm this fact. Have you recently tried to explain something to someone and had them either not understand a portion of it or doubt you entirely? How about making yourself known to someone who actively wants to believe you, like a spouse? Or what about having that understanding change, or fail to apply, when tested a moment, hour, day, or week later? Even on an interpersonal, one-to-one basis, and involving subjects that feature most prominently and matter most dearly in our lives—love and trust come to mind—we can't ensure that even the simplest thoughts will be shared, internalized, maintained, or used in the ways we intended for them.

Yet branding gurus think that they can make your thoughts and feelings about cheese spread or insurance far more explicit and dependable.

Our intuition tells us that if we tell someone something, they'll remember it. Yet most branding is delivered as if you met somebody who speaks a foreign language and, instead of translating the invitation to dinner, you grabbed their shoulders, shook them, and yelled loudly that they should be hungry. *Something* might get remembered, but it might not be what you intended, and it certainly might not prompt anything, or anything you'd wish to see happen.







Repetition is a fallacy, as anybody who sees the same commercial a second or third time in one sitting will tell you. The latest scientific research confirms this fact, yet it's still a standard branding practice. *Influence* is more of an ego trip than a strategy, since both science and business results confirm that people don't care much beyond their communities, virtual or real. In fact, branding doesn't sell anything other than the services of creative agencies, inches and bytes of media space, and a 767 to Google's founders.

Perhaps the scariest aspect of this reality is that *most marketers* already know this.

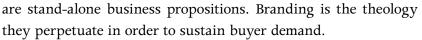
We've been talking about it for years, this disconnect between how people make decisions about products and services, and how communicators are equipped to communicate with them. You can't read a trade publication or attend an industry show without somebody addressing "the crisis in marketing," or "the challenge to traditional advertising." We've seen functional marketing—the stuff that should make somebody go buy something—get less effective, just as delivering it has gotten more expensive. People are harder to find, more difficult to convince, and less likely to remember what they're told. And I'm talking about giving them information they might *want* to know and use sometime. We need brands to do more, only we're getting less from them.

There's a multibillion-dollar Creative Media Industrial Complex dedicated to maintaining this status quo. It's an immense, well-funded, oftentimes brilliant edifice of proponents and beneficiaries dedicated to flushing money down the drain in perpetuation of a charade that hasn't been remotely relevant since the mass media days of the mid-twentieth century.

If branding is defined via ads and other media inventions, then there's serious money to be made inventing and placing it. There's a not-so-slight conflict of interest here, isn't there? Ad agencies are as much brokerage firms for selling ad space as they







Go to Amazon sometime and search for "branding," and you'll get a seemingly infinite list of *how-tos*, *then-fors*, and *what-ifs*. Most major universities offer advanced degrees, and produce a steady stream of scholarly thinking for other branding scholars' scholarly review. The Internet is chock-full of consulting firms offering branding principles, laws, rules, strategies, methodologies, and processes.

I can't help but think of the old aphorism: "When you own a hammer, all the world's problems look like nails."

Today, the vast majority of branding budgets are spent on campaigns that would be downright silly if they didn't cost so many companies so much money (and cost so many brand folks their jobs, as the chief marketing officer, or CMO, position in most companies offers the average tenure of a drummer for Spinal Tap).<sup>8</sup>

Although behavior is what marketers are actually *supposed* to care about—the whole point is to sell more, right?—the branding faithful have convinced businesses to spend money on something else, and then constantly struggle to convince consumers, clients, and bosses that they should ignore their senses (and good sense) and keep doing it.

The emperor always needs a new, very expensive suit.

Why do we keep buying it? The pundits will tell you that brands are a fact of life, emerging from a history that starts with symbolized hunting scenes of the Chauvet-Pont-d'Arc cave wall paintings 32,000 years ago.

Of course, it doesn't. Branding is not necessarily synonymous with handprints, symbols, labels, or regal crests. It's not the same as artists' signatures in the corners of paintings, political party icons, celestial patterns, or street signs.

We need to look past the shadows of our beliefs and expectations. What we'll see is about as meaningful as a Punch-and-Judy show, only we've been watching the shadows on a cave wall.







### A VERY BRIEF HISTORY OF BRANDS

Subsistence economies marked experiential boundaries for most of the souls who've ever walked this earth. Generations of families lived and died on the same small, inconsequential plots of land, unless deprivation or hostility chased them to different, nearby inconsequential plots of land. There wasn't much choice in life, and purchasing or bartering was personal, regularly embedded in the knowledge and trust inherent in the tribe or community, and usually involved a specific, demonstrable value that the goods or services offered. You didn't trade for an *image* of something if it meant that you were going to starve.

A brand was the placement of a maker's mark on an object. It meant little more than asserting one's ownership, whether on roadside obelisks, porcelain, or cattle. What people *thought* or *felt* about the marks was usually irrelevant; the only impression that mattered was the visible indentation the hot iron made on a hide. That's why we don't find branding budget line items in the ledgers of Delft china makers, or image advertising expenses on the parchment of de' Medici business plans.

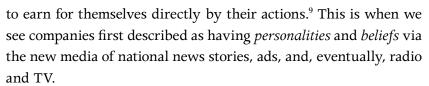
You'd have to squint through one eye to make the case for seeing branding anywhere in the world until the late 1800s. That's almost four thousand years after people first recorded doing business with one another.

The founding generation of America's branding gurus—people like J. Walter Thompson, Carl Byoir, Ivy Lee, James Ellsworth, and Bruce Barton—were born of a unique moment in time. Economies, society, and technology were undergoing massive change, bringing people together and enabling giant business conglomerates (just like today).

These pioneer branding guys worked for first-ever national companies, for which they created *corporate reputation* as a replacement for the reputations that individual businesspeople used







But it certainly wasn't branding in any sense that we would use. It was too big, too diffuse. Ed Bernays, Sigmund Freud's nephew and another branding pioneer, helped increase cigarette sales for his Lucky Strike client in the early 1900s by inspiring *all* women to consider smoking, irrespective of product name. He helped prove that the *collective id* could be manipulated using the limited media outlets that commanded attention and trust. But such manipulation could not necessarily be fine-tuned. This era of reputation work was all about changing basic behaviors on a society-wide basis, not necessarily (or only) establishing preference for one trademark over another.

A generation of advertisers around the world stepped up to do the selling work for individual clients: David Ogilvy, William Bernbach, and Marcel Bleustein-Blanchet advocated using the "new media" of the day for ads that sold benefits. They discovered that they could claim that a toothpaste would make you happy, or a washing machine improve the quality of your life, and a trusting audience of consumers, with limited access to dissenting points of view, would agree. Consumers believed what they were told, just as they had ever since the Ptolemites lectured them on complicated gears in the heavens. The ad people talked about brands, but they delivered marketing that sold stuff.

Madison Avenue then, like Silicon Valley today, stood for creativity, initiative, and success, and its output both drove and rode the wave of global post—World War II economic growth.

And it worked, because this first go-round with mass media marketing was truly able to sell on a mass scale.

Consumers were inspired to buy bigger and bigger cars. They shared experiences, important and inconsequential, like a giant,







extended "global village" as envisioned by Marshall McLuhan. In this way, the Golden Era of Branding was a *command-and-control* phenomenon, no different at least structurally than the fascist and communist propaganda machines that had preceded it. There were no evildoers behind it, of course, but the mechanism and delivery were the same. And for about thirty years or so, the thoughts, feelings, and other associations of brands actually made a difference. Advertising delivered it, and consumers bought it.

By the 1960s, however, the Golden Era of Branding had already begun to show signs of wear.

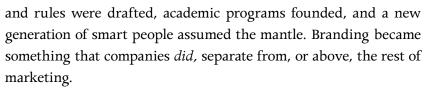
The postwar boomer generation started to come of age, and with them came another epoch of dramatic cultural, technical, and social change. Individuals and society alike became more critical, self-conscious, and self-focused.

This made the declarations and contrivances of traditional branding seem unbelievable, disconnected, or irrelevant. So advertisers got more inventive and challenging, hoping to bridge that gap of perceptions: A distinction between *branding* and *marketing* was codified, and the distance between the two functions grew. *Branding* took charge of imagery, creative, and humor, all in the hope of overcoming consumers' growing mistrust, while *marketing* continued communicating product or service benefits.

For sure, sometimes the two intertwined and worked, such as when advertising innovator Stan Freberg broke lots of rules with campaigns like Contadina's "Who Puts Eight Great Tomatoes in That Little Bitty Can?" (1956). But his brilliance was far outweighed by a host of creative types who produced ever more abstract funny, scary, or simply incomprehensible advertising, all in service to brands over real benefits, and branding over sales.

So the promise of branding's miracle cures was too hard to forsake. Corporations remained addicted to the time-tested absolutes of brands as communications abstractions, only adding a new gear every time the last campaign didn't work. Principles





Today, the spotlight of controlled media that once enabled companies to pretend there was a difference between the imagination of brand and the reality of marketing and business is no longer there. Any chance that branding can accomplish what we once hoped it would is altered through a mediascape that is:

- Fractured. The handful of networks available on broadcast TV
  have been replaced by a five-hundred-channel multiverse on
  cable and satellite boxes.
- Diversified. No two people watch the same shows anymore, nor does one channel (or medium) satisfy a single consumer's media needs.
- Discredited. The perceived veracity of journalism and commercial messages has declined, just as the amount of programming and number of voices have grown.
- Replaced. Video games, DVDs, DVR, and any number of other technologies and attitudes have not only dimmed the media spotlight, but often redirected it, or shut it off.
- Repurposed. Consumers no longer look to media to be informed, but rather as a process in which they participate and do the informing.

In fact, with the spotlight no longer in control, *people are going* back to the future, and participating in behaviors that would be very familiar to people who lived before the Golden Age of Branding.

Our "new media"—blogs, chat rooms, instant messaging, and virtual world communities—are celebrated by marketers as a brave new world for branding, but they're really *snazzy old ways* 







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of sharing and consuming. People have reverted to the same behaviors that have driven commerce since those cave walls were first painted, relying on transparency, authenticity, interactivity, virtuality, applicability, sustainability.

The brief twentieth-century interlude that was characterized by top-down, authoritative mass media, and its trusty henchman branding, is over. We still possess all of our hopes and desires, but the world has changed.

We're back to painting the cave walls for one another, only with more money and better hygiene.

Brands are an artifact of a moment in time, a golden age when they could be established, declared, delivered, and relied upon. Branding now isn't something consumers want to "own," it's something from which they run or simply ignore.

Consumer behavior today is a far cry from what it was fifty years ago. It's time to update our model and applications. This new environment requires a new definition of brand.

### WELCOME TO BRANDING ISLAND

Boss, boss, the brand, the brand!

Still wondering how we've got it so wrong?

You're not alone. Not only are many consumers very suspicious of branding—assuming they don't ignore it altogether—but so too are many businesspeople. By becoming a value that is intangible, and therefore beyond the pale of all the other business practices, branding is an activity that isn't held to the same standards as the activities of the rest of the enterprise. This has kept both the practice of branding and the structure and operation of marketing departments stuck in the processes of the past.







### Marketing is an island.

Trust your own experience. You've seen every other corporate department reborn over the past decade. Technology, management science, economics, and culture have caused gut-wrenching change in every area of the modern corporation, from individual job descriptions to the functions of entire departments. It might not be as exciting as silly homemade videos, but we're talking fireworks in the accounting or HR departments, which have redefined themselves to operate 180 degrees differently than they did even a few years ago. They're not just using new tools to do the same old things, but rather implementing totally redefined departmental purposes, reaches, integration, management, and measurement.

Conversely, marketing has remained an island. It's not enough to begrudgingly adopt a system to digitally store ad images, or some complicated "dashboard" with which to track expenditures. Since branding was first defined as nothing more than some sort of consumer awareness, marketing's strategic approach to it has remained mostly unchanged. The names and outlets are different, but the activities are more than a generation old:

- Instead of placing ads in *Look* magazine, we create buzz agent campaigns in nightclubs.
- Publicists no longer sell radio shows, they pitch bloggers instead.
- Whether distributed electronically or posted on an elevator landing wall, corporate communications departments are still focused on writing employee newsletters and quotes for press releases, just as they've done for generations.

Gregory Peck starred as a PR guy in *The Man in the Gray Flan-nel Suit* (1956). If he showed up for work today, he might not get some of the buzzwords or know how to send a text message, but







he'd be otherwise very comfortable sitting in most any corporate marketing department or ad agency. The contrasts between the precepts of marketing and the changes that have washed over the rest of the corporation are quite striking:

- Branding still views consumers in terms of their supposed mental states, while the rest of the company sees behaviors.
- Marketers track feelings and other intangibles, while their brethren manage specific actions.
- Branding measurement is qualitative, while the rest of the company is quantitative.
- Marketing sees IT as a minor tactic, while the enterprise uses it as business strategy.
- The corporation changes and adapts in the face of change, while branding digs in to further justify the status quo.

And it's a wonder why CMOs get fired so quickly? Executive recruiter Spencer Stuart reported earlier this decade that the chief marketing officer job is one of the riskiest positions, with average tenure of 22.9 months compared to the 53.8 months for CEOs. The report cited *misaligned expectations* as the primary cause of this turnover. In my translation, that means brands deliver *awareness*, but the companies want to deliver *sales*.

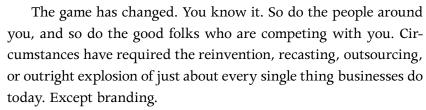
Most marketers have yet to connect the dots on just how bad the problem really is. I know this amounts to heresy, but I offer you two facts:

- **1.** Most branding doesn't do anything, so our definition of it as a communications construct is outdated, irrelevant, and costly.
- **2.** Forget thinking about thinking; *behaviors*, not of brands but in life, are what matter.









But maybe you still don't buy it. This book is going to work very, very hard to change your mind, because there is incredible opportunity ahead for businesses that embrace this thorny subject, and for individuals who choose to actively participate in finding new solutions. And there's great peril awaiting those who try to avoid it.

For branding to *mean* something, it has to *do* something, and I think it can. We can take it out of the realm of *thought* and connect it to *action*, relying not just on what it *says*, but rather on what it *does*. This would represent an enormous strategic and tactical change, on par with shelving Ptolemy's circles and gears, and replacing them with a more accurate, functional, and dependable model.

It means coming to terms with the idea that brand isn't a logo, ad, or creative invention. *Your entire business is the brand*, or, more specifically, *brand is behavior*. What matters is what you do, what your consumers do, and how all of those behaviors intersect with, influence, conflict with, and ultimately yield purchase behavior. As such, the responsibility to help deliver those purchases resides in every department (and with every external vendor and partner).

### Brand is behavior.

So is distribution a brand strategy? Can sourcing be one? How about how people are hired, or how customer service is staffed and empowered? Merchandising decisions? What does customer





relationship management, or CRM, do, or how will your telephone menus operate? The answer is *yes* to all of the above. Your entire company is in the branding business, for the brand resides in its real-time behaviors, not in its words or the colors used in its brochures.

When I was in college, my friends read *Rolling Stone*. I subscribed to *Advertising Age*. They worked at summer jobs waiting tables at seaside restaurants, while I trolled ad agencies to find work, drew layouts, and interned at PR firms.

So the subject of branding is a labor of love for me, and I know in the very fiber of my being that the relationship between consumers and products needs to be fundamentally redefined away from brand as a virtual construct of images and symbols. We need to conceive of brands instead as something more, something real, something that doesn't just suggest hoped-for thoughts and associations, something that doesn't presume to dictate to consumers what they should do, nor reduce information and icons to the raw materials for cutup videos and designs on T-shirts. Brand is behavior.

So start with this frightening thought: *your branding is useless*. There's no equity "out there." Nobody carries around in their heart of hearts little statues of what you've told them. Branding is a tax that your company pays for all the smart and creative people who could be delivering lots more value if they weren't wasting their time trying to hypnotize consumers.

Brand equity? Irrelevant. Brand identity? Who needs it? Brand strength? *It doesn't exist*. Skip your next branding strategy meeting, and read a few chapters of this book instead. It might save you a bundle of aggravation and money.



