A NEW BRAND WORLD

8 Principles for Achieving Brand Leadership in the 21st Century

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MAIN IDEA

Brand building is very much back in fashion. Why? Mainly because a clearly defined and broadly shared set of brand values provides a much more efficient organizing framework for a business enterprise than financial performance measures like market share, earnings-per-share or even the stock price. Financial targets don’t tell how the organization will get to where it wants to be, but brand values do precisely that, because:

• Everyone is trying to differentiate themselves from their competitors – and brands do that better than anything else.
• Brands build trust over time and a sense of solidarity – because they suggest how a company will act and the quality it will deliver.
• Brands cannot be outsourced and in many cases are one of the most valuable assets of any company.

Thus, in the future, brands will become a company’s conscience. They will be closely analyzed and scrutinized. Brand owners will be held accountable for the global impact of their brands. And building the brand will continue to be one of the most important and potentially most valuable of all business activities.

“In the new brand world, there will be no shortage on competitors and no limit on the expectations that customers will place on corporations that have already become more powerful than some governments. The noise, static, and confusion have, particularly in the preceding decade, become amplified to an uneasy roar. But I sincerely believe that the challenge of being seen, heard and remembered – not to mention desired and respected – amid the evolving chaos of change will not just test but will bring out the best in every one of us. So, let’s get to it.”

– Scott Bedbury

8 Principles for Achieving Brand Leadership in the 21st Century

Principle #1 – Brands need to be more concerned about relevancy and resonance than awareness. ............... Page 2
Brand awareness and recognition are just superficial measures of any brand’s effectiveness. More importantly, good brands build relationships with consumers. They are relevant to what consumers want and resonate with them.

Principle #2 – A brand’s history holds the key to how to grow it effectively in the future. .................... Page 3
Before you can find a good way to grow a brand, you have to understand its DNA – where it came from and what gives it strength. Only when you understand that can you find good ways to actually grow and enhance the brand in the future.

Principle #3 – Just because you can expand a brand doesn’t necessarily mean you should. .................. Pages 3 - 4
Brands have just one opportunity to make a first impression. Therefore, be careful when growing a brand. Make certain any attempts to broaden the brand – whether for increased revenues or for greater profits – are brand-positive in that they will strengthen rather than dilute the brand.

Principle #4 – The key to becoming a great brand is to build an enduring customer relationship. ............ Pages 4 - 5
Great brands respect and meet the emotional needs of their customers. They form links to fundamental human emotions or profound cultural forces in ways that cannot be faked and cannot even be readily duplicated by rivals.

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Brands are like highly sensitive sponges – they absorb and reflect whatever is happening around them, positive or negative. Therefore, protect your brand and present it in the best possible light at all times.

Principle #6 – Humans bring brands to life – and every good brand needs good long-term parents. ........ Page 6
Memorable brands reflect the values of the people who drive the company. Like raising children, there are no shortcuts to building a good brand. It is people who bring a brand to life, who reinvent them periodically, who manage them and ultimately who sustain them. And as such, every brand is only as strong as the weakest person within the organization.

Principle #7 – The mark of greatness for any brand is when people and principles are placed before profits. . . . Page 7
The more successful any brand becomes in the marketplace, the bigger it will become – and the bigger it becomes, the more likely it will be perceived as the Goliath of its industry and attacked for everything it does. The key to offset this problem is to find tangible ways and means the company can use its power to improve the quality of life for those who interact with it. Build a deep reservoir of good will well before it’s needed.

Principle #8 – Great brands are distinguished by relevance, simplicity and humanity – not technology. ........ Page 8
To build a brand, stick to the basics. Great and enduring brands are simple, highly relevant and warm. New technology may provide some additional tools with new capabilities, but building an enduring brand will first and foremost require delivering the core values people like.
Main Idea

Brand awareness and recognition are just superficial measures of any brand’s effectiveness. More importantly, good brands build relationships with consumers. They are relevant to what consumers want and resonate with them.

Supporting Ideas

First, how exactly do you define a brand? One definition is:

“A brand is the sum of the good, the bad, the ugly and the off-strategy. It is defined by your best product as well as your worst product. It is defined by award-winning advertising as well as by the awful ads that somehow slipped through the cracks, got approved and, not surprisingly, sank into oblivion. It is defined by the accomplishments of your best employee as well as by the mishaps of the worst hire you ever made. It is also defined by your receptionist and the music your customers are subjected to when placed on hold. For every grand and finely worded public statement by the CEO, the brand is also defined by derisory consumer comments overheard in the hallway or in a chat room on the Internet. Brands are sponges for content, for images, for fleeting feelings. They become psychological concepts held in the minds of the public, where they may stay forever. As such you can’t entirely control a brand. At best you only guide and influence it.”

In short, branding is the art of taking something common and making it more valuable. For example, Starbucks took coffee beans and turned it into a branded product people know and ask for. Nike took sneakers and turned them into a brand that is now inseparably connected with the rewards of sport and fitness in the minds of the consumer. That illustrates the alchemical power of brands to take something common and turn them into gold.

In previous generations, the “holy grail” of branding was to build relationships with consumers. They are relevant to what consumers want and resonate with them.

Good brands consistently and constantly evoke positive feelings. Each time a new product or service is added, or a new marketing campaign is launched, good brands become refreshed and reinvigorated. The very best brands have one core theme or idea. New products and new services are drawn into the ongoing narrative as another chapter in the unfolding story of the brand, with the proviso that each new chapter has the customer as the main character rather than the company.

In particular, brands are important because:

- Strong brands build up a reservoir of public goodwill which can enable companies to ride out the inevitable rough sports which crop up from time to time.
- Products and services will come and go, but if customers have a great experience with any specific brand, they will be predisposed to do more business in the future.
- Brands are living concepts that reside in the minds of the customer. A brand is no more than a composite of all the experiences and interactions with that business. And since brands are living concepts, some elements that go into them are purely emotional and often irrational.
- Brands have “karma” – they set themselves apart from the mainstream by making people feel good.

Key Thoughts

“Even the best advertising cannot create something that is not there. If a company lacks soul or heart, if it doesn’t understand the concept of the ‘brand’, or if it is disconnected from the world around it, there is little chance that its marketing will resonate deeply with anyone. It’s a lot like putting lipstick on a pig.”

– Scott Bedbury

“The best brands never start out with the intent of building a great brand. They focus on building a great – and profitable – product or service and an organization that can sustain it. Once that has been accomplished, you can slam your foot on the marketing accelerator and let the whole world know about it. But get ready to meet the demand created by that marketing or you will destroy your brand before it even gets off the ground. And also know that your advertising must create a proposition that your product or service delivers on, time and time again.”

– Scott Bedbury

“Brands reflect everything a company does as well as what it elects not to do.”

– Scott Bedbury

“The world has no shortage of companies, of products, and of means by which to get them. In the New Brand World, successful brands will set themselves apart not just by how well their products and services perform, but by how they create and deliver them to the consuming public and how they communicate and interact with the world around them. Top-of-mind awareness and other surface-level viewpoints of a brand reveal little about a brand’s real strength or weakness. To fully understand a brand you have to look much deeper. You have to strip everything away and get to its core and understand how it is viewed and felt by people inside the company and the world outside.”

– Scott Bedbury

“Products and services will continue to come and go. But the residual experiences of customers who consume them will ultimately define the brand.”

– Scott Bedbury
Main Idea
Before you can find a good way to grow a brand, you have to understand its DNA – where it came from and what gives it strength. Only when you understand that can you find good ways to actually grow and enhance the brand in the future.

Supporting Ideas
Every brand has a “mantra” – an essence and an ethos which defines who you are to your core customers, potential customers and employees. The key to being able to grow a brand is to develop advertising and marketing that demonstrates you know what the brand stands for, and will do more of that in the future.

For example, the mantras of some well-known brands are:

- Nike – “Authentic athletic performance”. Authenticity means integrity and purity in the sporting ideal. All Nike products are athletic rather than leisurely, and each product has to exemplify world-class performance and be capable of meeting the demands of top athletes.
- Disney – “Fun family entertainment.” The company focuses on delivering wholesome family fun experiences that are appropriate for kids of any age, combined with a high level of reliability and a predictable set of values.
- Starbucks – “Rewarding everyday moments”. Starbucks has succeeded in turning the coffee break into a memorable experience which enhances the quality of the customer’s life. Note this mantra has nothing to do with coffee per se but everything to do with how customers feel when they come into a Starbucks establishment.
- Chrysler – “An engineering company”. By getting back to its roots, Chrysler has succeeded in bringing to market a succession of cars that people actually want to drive. The flagship for this process of reinvigoration is the Dodge Viper.
- Apple Computer – “Daring to be different”. Apple has always been one of the most innovative companies in the computer industry. In recent times, the company has found success by bringing to life products that stop people in their tracks.

Good brands always stand for something. If a brand attempts to be all things to all people, it ends up standing for nothing and getting lost in the background noise. A brand mantra articulates what lies at the heart of the company, what you’re passionate about. Good brand mantras make a company unique and noteworthy.

Once a brand’s mantra has been uncovered, the key challenge then becomes to do only those things which are consistent with that mantra and avoid getting sidetracked into anything else. Paradoxically, this is more important internally than externally. If everyone in the company knows and understands what the brand is about, then it will become easier to communicate that message to the world at large. Conversely, if the people working within the business are vague and unclear about what the company values, the only message that will be sent to customers is one of confusion and ambiguity. The simpler and more intensely focused the brand mantra is, the better.

Main Idea
Brands have just one opportunity to make a first impression. Therefore, be careful when growing a brand. Make certain any attempts to broaden the brand – whether for increased revenues or for greater profits – are brand-positive in that they will strengthen rather than dilute the brand.

Supporting Ideas
Growing the brand can and should be an intuitive process. That is, you should only take those actions which feel right in your gut rather than jumping at every single opportunity that presents itself. Intuition and good common sense should provide the most critical guidance for these types of decisions.

So how can you grow a brand intelligently? There are at least six potential methods to pursue:

1. **Co-branding and strategic alliances**
   - Many blockbuster movies now do this with fast food chains. Co-branding means to bring two brands together in a way that creates benefits for both. Or a variation of this theme is where one brand is visible while another works in the background to help with the logistics involved. Before entering into co-branding arrangements, ask:
     - Will this alliance dilute or strengthen our brand?
     - How will we control how our brand is perceived?
     - What are the real costs and potential benefits?
     - What is our purpose, and are there any better means?
     - How do we measure the success of co-branding?
     - How can we exit if things don’t pan out as expected?

2. **Brand extensions**
   - This means taking an established brand and moving it into a specific niche or new market segment. For example, *People* magazine launched a new magazine, *Teen People*. Some brand extensions work well, but there are practical limitations, especially in executing on all the ideas which are available. Brand extensions can be overdone to the detriment of the original brand, so don’t fall into that trap. Brand extensions work well as long as control is retained.

3. **Move into new distribution channels**
   - When a brand moves into a nontraditional distribution channel, interesting things can happen. The access point between the brand and consumers can be widened and new revenue streams created. The key is to make moves that strengthen rather than dilute the original brand. For example, Starbucks worked with Pepsi-Cola to create *Frappuccino*, a cold blended coffee concoction. The product was developed by Starbucks but harnessed Pepsi’s production, sales and distribution resources to create a win-win scenario for both companies, strengthening both brands in the process.

4. **Move into additional product categories**
   - When people trust a brand, they are willing to accept the brand can move into additional product categories with equal competency and success. Thus, the key is to ensure you know exactly what you’re getting yourself into when you launch a product into an entirely new market segment. If you’ve previously demonstrated a genuine commitment to quality, consumers will expect that to be continued in your new line of business as well. Be careful not to compromise what made your brand strong in the first place.
5. **Sub-branding**

Sub-branding is the opposite of brand extensions. It means to take a subset of the qualities of the original brand, and to establish a new brand with just those qualities alone. For example, Lexus is a sub-brand of Toyota. The parent brand (Toyota) means reliable and affordable cars while the sub-brand (Lexus) stands for luxury cars, even though both brands are owned by the same company. Sub-brands are good when they allow a company to focus on parts of the market without diluting the impact of the original brand.

6. **Acquisitions**

Sometimes, one company will acquire another in the hope the acquired company’s brand values will rub off on the company making the acquisition. Some of these attempts to blend brand values work (as when Chrysler acquired Jeep) and some don’t (like when Daimler acquired Chrysler).

The three main pitfalls to avoid in any attempt to grow a brand are:

1. **Never take your eyes off the ball.**
   The marketplace is changing constantly. Every brand needs to be continually refreshing itself if it is to have any chance of survival. Don’t get so distracted by efforts to extend the brand that you lose sight of your customer’s changing needs.

2. **Never ignore the impact of “profit improvement programs”.**
   Over time, all those little changes that get made to improve profitability can have the unfortunate effect of diluting precisely what it was that made your brand strong in the first place. Be more concerned with giving your customers what they want than with improving profitability.

3. **Don’t expect success in one business field to guarantee success in another.**
   Some companies get overawed by their success in one field, and expect that to be replicable in any field of their choosing. Don’t fall for that. More than anything, do only those things which are consistent with your established brand values.

**Key Thoughts**

“A growth initiative should refresh, rather than punish, your brand.”

– Scott Bedbury

“Smart companies recognize that profitability and brand survival are not simply functions of cutting costs. Growing a company’s valuation by shrewd financial management can also quickly reach a point of diminishing returns. For most companies, further budgeting ‘improvements’ won’t do what is needed most: significantly strengthen the brand’s relevance and resonance with innovative products, transformational distribution strategies, and compelling brand positioning. But be careful. Moving a brand in the wrong direction – or in too many directions – in the pursuit of top-line growth may end up diluting its value, if not its long-term viability, even if the short-term gains appear to be enormous.”

– Scott Bedbury

“Striking the right balance between the imperatives of growth and the need for ongoing brand preservation and conservation has become the chief challenge of all brand stewards today, from the company CEO on down. It is a mistake to pursue growth for growth’s sake. Equally, it is wrong to stick your head in the sand and hope that change, if it comes, will leave your profits, your customers and your brand untouched.”

– Scott Bedbury

**Main Idea**

Great brands respect and meet the emotional needs of their customers. They form links to fundamental human emotions or profound cultural forces in ways that cannot be faked and cannot even be readily duplicated by rivals.

**Supporting Ideas**

Movie makers are a lot like effective brand builders. They tap into powerful human emotions. Good movies deliberately strike powerful emotional chords within viewers. In a similar way, great brands come up with ways to connect with the emotional drivers that reside deep within every human.

Most people are vaguely aware these emotions can be ranked in a hierarchy, courtesy of Abraham Maslow’s pioneering work:

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| Principle #4 | The key to becoming a great brand is to build an enduring customer relationship. |
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**The Hierarchy of Human Needs**

- The need for self-actualization
- The need for esteem
- The need to belong and feel loved
- The need to feel safe

Different brands make emotive appeals to these needs:
- Volvo uses security as a cornerstone of its marketing.
- Kodak appeals to the need to belong with family moment ads.
- BMW has marketing that focuses on status and rewards.

These brands succeed because the emotional connection they attempt to make is intrinsically relevant to what the brand stands for. If a company attempts to link into these emotional needs using superficial marketing or simply by signing up a celebrity, their efforts will fall well short of the mark. The best brands have a genuine connection based on their core values.

A great example of this is Harley-Davidson. Many people actually buy Harley-Davidson products so they can become a member of the famous Harley-Davidson Owner Groups (HOG). HOGs run all sorts of events for Harley owners and provide an emotional connection with a diverse range of consumers world-wide. HOGs provide the proud Harley owners with:

- A sense of belonging to something exciting, large and important – something larger than the Harley owners themselves.
- A sense of longing or yearning for the latest and greatest Harley motorcycles.
- A sense of rugged individuality and freedom.

As a result, demand for Harley-Davidson motorcycles remains strong in spite of the ebb and flow of the economy as a whole, and Harley-Davidson has been able to generate significant revenue selling its own branded paraphernalia.

In short, great brands find and develop relevant ways to tap into the emotional drivers that already reside deep within each customer. This is the way great brands distinguish and make themselves stand out from the crowd. And it’s also the way great brands can stay that way for so long, because these human emotions have not changed in the history of mankind.
Some examples of this principle in action are:

- Kodak – who use the feelings parents get when they see their toddlers taking their first step to sell film.
- Disney – who create the tender moments of reading a small child to sleep at bedtime to sell merchandise from their movies.
- Guiness – who forge links to Irish pubs through giveaway contests and other devices.
- PepsiCo – who created the “Pepsi Generation” and the “Pepsi Person” as youthful and carefree and much better off than the drinkers of other products.
- MasterCard – who use the tag line “The best things in life are free. For everything else, there’s MasterCard” to make a strong emotional connection with credit card users.
- PepsiCo – who restructured its ads for Mountain Dew to appeal to younger consumers by linking them with extreme sports and other topical themes.

**Main Idea**

Brands are like highly sensitive sponges – they absorb and reflect whatever is happening around them, positive or negative. Therefore, protect your brand and present it in the best possible light at all times.

**Supporting Ideas**

In many ways, the most pressing branding challenge these days is to become a “brand environmentalist” – to accept responsibility for protecting the brand and presenting it in the best possible light at all times. At one time, many of these activities were left to the retailer to do at the point-of-sale, but nowadays most manufacturers prefer to retain hands-on control over everything to do with their product and service, especially how their brand is used.

A good brand environmentalist:

1. Exerts as much influence as possible over all customer contact points.
2. Acts as a “chaperone” for the growth of the brand.
3. Leaves nothing to chance when it involves the brand.
4. Is constantly on the lookout for ways to improve and safeguard the integrity of the brand.
5. Leverages every opportunity to tell a more complete, more consistent and more compelling brand story.

**Examples and case studies of brand environmentalists include:**

- Nike – which established retail showrooms called Nike Town in Portland, Chicago and elsewhere. By using Nike Towns, the company was able to demonstrate to consumers and retailers what the company’s brand really meant.
- Shell Oil – who were looking for a way to differentiate their product. Since gasoline is a commodity item, Shell came up with the idea to work on improving the quality and cleanliness of their gas station restrooms instead. The basic idea is that with cleaner restrooms, people with families are more likely to choose a Shell gas station over the competition. Interestingly, the idea worked very well, because it focused on an area that is important to the average person.
- The Gap – which began as a record and tape store, then started selling Levi’s, then moved to sourcing its products overseas and finally started manufacturing its own products under its own brand name.
- IBM – which, under the leadership of Louis Gerstner, has moved from a disjointed marketing approach to a unified program under the tagline: “IBM. Solutions for a small planet.”
- Starbucks – who reinvented the coffeehouse to come up with a design theme for its restaurants that is consistent worldwide while making certain every detail is attended to. During the course of this make-over, Starbucks came up with a toolkit that would allow existing stores to be converted to Starbucks restaurants quickly and cheaply while still being consistent and connected back to the brand. By elevating the brand and cutting costs simultaneously, Starbucks were creating an environment where the brand’s qualities would shine, regardless of physical location. Plus, the make-over also made Starbucks restaurants highly appealing for consumers and other regulars.
**Human#6: Humans bring brands to life – and every good brand needs good long-term parents.**

### Main Idea

Memorable brands reflect the values of the people who drive the company. Like raising children, there are no shortcuts to building a good brand. It is people who bring a brand to life. Who reinvent them periodically, who manage them and ultimately who sustain them. And as such, every brand is only as strong as the weakest person within the organization.

### Supporting Ideas

All brands evolve over time, absorbing the energy and karma of the people who work within the organization. Therefore, it's important to be proactive in managing your brand so unexpected detours do not crop up.

The question, therefore, for most organizations is to decide who should be responsible for managing the brand. There are two obvious candidates:

1. **Front line employees** – since they come face-to-face with customers and in many ways what they do epitomizes and personifies the brand for most people.
2. **The CEO** – who represents the brand to the investment community, to stockholders and to the media.

The only problem is the CEO already has loads of other responsibilities and front line employees turn over too frequently. Also, just one bad employee can quickly undo everything that good employees have built up over decades of work. Instead, brand development should come under the stewardship of a chief brand officer (CBO).

The principal duties of a CBO are:

- The CBO reports directly to the CEO.
- The CBO champions, protects and grows the brand both within the company and externally to the outside world.
- Anything the organization proposes to do which would impact on the brand should first be approved by the CBO. This would include all brand-critical activities – advertising, positioning, corporate design, corporate communications, consumer marketing and analysis.
- The CBO is an architect – he or she works with the management team to plan initiatives that will help drive the brand forward.
- The CBO takes a long-term perspective, forecasting where business initiatives will take the brand two or three years into the future.
- Ultimately, the CBO becomes the brand’s conscience – he or she protects and amplifies the voice of the brand within the business enterprise so everyone knows what actions will contribute to building the brand and which actions will not.

As more and more companies find a great proportion of their value being based on intangible assets, the CBO position will become increasingly important. Therefore, this is not really a place where you would place someone to develop them for other positions. Instead, the challenge is to find a great CBO and then do everything that’s needed to keep that person as long as possible. Remember, brand development is a long-term strategy. Continuity in the CBO role will be vital in achieving this continuity and ensuring the brand moves forward and evolves over time rather than stalling.

Whether or not your organization fills the CBO role, it is important to have periodic brand-development reviews. This is simply where a small team of executives meet together on a regular basis (usually quarterly) to take stock of what is happening with your brand.

The five key issues a good brand development review will examine in some detail are:

1. **Look at all new brand-sensitive research and insights.**
   - This will be a discussion of any material that becomes available from brand audits, results of focus groups or other brand strength monitors.

2. **Update the status of all key brand initiatives.**
   - Look at any new opportunities to exploit the brand that are becoming available in the near future and decide whether or not to move forward with these initiatives. Also, look at progress on projects currently under way.

3. **Review any new brand-sensitive projects.**
   - This will include any customer communications or advertising campaigns. Look at how these programs will impact on core brand values.

4. **Review all new product and distribution strategies.**
   - For example, if there are any proposals to license the brand, form joint ventures, expand distribution or change the product mix, these projects should be analyzed for how they will impact on the brand.

5. **Resolve any brand positioning conflicts.**
   - In any large organization, conflicts naturally arise from time to time. In this part of the meeting, issues such as inconsistent brand positioning should be considered to ensure one message goes out.

Regular brand development reviews will ensure the brand does not become diluted over time by cultural drift – by the slow introduction of ideas which are not consistent with what the brand already stands for. Brands need champions. These meetings are a good place for the champions of the future to make themselves seen and heard.

Note that brand building always requires both left-brain (logic) and right-brain (intuition) thinking. In fact, the balance between left- and right-brain thinking will probably influence the type of brand your business organization chooses to build. Good brands, like companies, will be the result of both types of thinking.

### Key Thoughts

> “Everything you do with your brand – every piece of paper, every ad, every press release, every product, even the music callers hear when placed on hold – must connect consistently to your brand values.”

> — Scott Bedbury

> “Brand cohesion does not happen by serendipity. It needs to be engineered. Brands need leadership from within and at every level.”

> — Scott Bedbury

> “In the new brand world, companies that aspire to distinguish themselves above all others must spare nothing in their leadership efforts to make everything tie together, to make everything they do a refreshing extension of something timeless and valued, and to do it where it matters most – even if it means turning the entire enterprise upside down.”

> — Scott Bedbury
Main Idea
The more successful any brand becomes in the marketplace, the bigger it will become – and the bigger it becomes, the more likely it will be perceived as the Goliath of its industry and attacked for everything it does. The key to offset this problem is to find tangible ways and means the company can use its power to improve the quality of life for those who interact with it. Build a deep reservoir of goodwill well before it’s needed.

Supporting Ideas
Most small brands look with envy at the bigger and well known brands. The reality, however, is that the bigger a business grows, the more scrutiny it comes under from people right across the entire political spectrum. And someone, somewhere is going to be unhappy about what the brand does.
The best way to anticipate and prepare for this is: “Teach the elephant to dance”. In other words, condition and prepare the organization ahead of time by:

- **Putting in place some great community programs that will make the company a welcome neighbor** – like joining the coalitions against human rights violations or those that alleviate sweatshop conditions.
- **Showing the organization has a heart and soul** – by seeking certification from nonprofit groups who are focused on global issues like preserving the rainforests or other conservation measures.
- **Putting money where the company’s mouth is** – by developing programs that seek technological solutions to serious environmental problems or to encourage sustainable agricultural issues.
- **Avoiding any temptation to try and “hide the elephant”** – which happens when large companies try and pull the wool over the consumer’s eyes by launching small renegade new brands to attract the business of people who hate the big companies.

Basically, these and similar initiatives convey to the public the idea that big is not necessarily bad. Above all else, corporations need to do advertising that will ring true. Consumers are becoming highly adept at using the Internet to ferret out examples of where a company says one thing and does another, even if what the company stands for and believes. If any of these companies were to do something out of the ordinary in an attempt to become “hip” or “cool”, the marketing would backfire. Building a memorable brand is always a by-product rather than an end in itself. If the company is true to what it stands for, it will engender cumulative over time, the product of a thousand small gestures. My job is not to create something new but to bring back the magic, to dress Disney up in more stylish clothes.”
- Scott Bedbury

For example:
- Nike engaged in grassroots marketing in 1984 rather than invest millions in becoming an official Olympic sponsor. With massive murals of Nike sponsored athletes around Los Angeles, Nike gained more recognition than the official sponsors.
- eBay adopted a school in San Pedro, Guatemala City and donated computers and printers to it. Later, eBay will assist the local people in the village to market their handicrafts using the eBay Web site. This school has become part and parcel of eBay’s corporate culture, with every employee knowing about it and following developments.
- Pfizer donated a crucial AIDS drug called fluconazole to AIDS sufferers free-of-charge in 2000, creating a huge amount of goodwill around the world.
- Starbucks established its “All Books for Children” book drive which harnessed every Starbucks store in America to encourage literacy as a way to give something back to the community.
- Nike supported kids’ sport by helping Boys and Girls Clubs across America to upgrade their facilities, obtain new sporting equipment and extend their opening hours.
These, and similar ideas, are ways well known brands are building reservoirs of goodwill for the future. The key to the success of each is that the marketing ideas are consistent with what the company stands for and believes. If any of these companies were to do something out of the ordinary in an attempt to become “hip” or “cool”, the marketing would backfire.

Building a memorable brand is always a by-product rather than an end in itself. If the company is true to what it stands for, it will automatically be building on the four cornerstones of great brands. And that, over time, will lay a great foundation for doing the types of things that are the hallmarks of great brands.

Key Thoughts

“Just as the imperatives of growth cannot be ignored, neither can the responsibilities of power and size. To become a globe spanning Goliath is every brand’s dream, but also its worst nightmare, if the public begins to suspect that the brand they helped to grow has turned against them. The solution is in one way simple – to ‘teach the elephant to dance’ – but in another way complex, because that dance must be carefully aligned with your deepest brand values. Taking refuge in cheap labels like ‘cool’ and ‘hip’ can yield short-term results, but over the long haul, ‘hip’ and ‘cool’ are just labels – so thin you can peel them away with a thumbnail. Coping with negative problems engendered by growth and size is a problem that every brand should have at least once in its life. It’s one of the rites of passage of success. But long before you get there, I suggest you think deeply about how you can tap your unique, superhuman powers – those talents unlike no other that you and/or your company possess – to improve the quality of life in the world around you. Over time, you will build a deep reservoir of goodwill that will set you apart and prove invaluable should bad luck – or bad perceptions – befall you.”
- Michael Eisner, CEO, Disney
Great brands are distinguished by relevance, simplicity and humanity – not technology.

Main Idea
To build a brand, stick to the basics. Great and enduring brands are simple, highly relevant and warm. New technology may provide some additional tools with new capabilities, but building an enduring brand will first and foremost require delivering the core values people like.

Supporting Ideas
The seven core values of all great brands are:

1. **Simplicity**
   - In just the same way as the best new technologies are so simple to use, nobody can gum it up, the best brands keep things simple as well. They don’t try to be everything to everyone, nor do they play games. Good brands deliver consistently better experiences than any other brand can match time and time again.

2. **Patience**
   - Marketing does not equal brand building. Building a memorable brand takes time, and the process cannot be sped up to meet investor demands. Great brands understand that, and take whatever amount of time is needed. Brand building is never a continual process, but follows the natural ebb and flow of most organizations. To build a great brand, work at a good pace.

3. **Relevance**
   - Great brands know it’s more important to add value (from the customer’s perspective) than to cut costs. Therefore, they use processes like mass customization which combine the efficiencies of mass production and mass distribution with the ability to make numerous adjustments to the core product to meet customer preferences. As a result, great brands extend their products and services in ways that make them more relevant to their customers, both current and future.

4. **Accessibility**
   - More and more, the outstanding brands are going to sell directly to consumers rather than through retailers or wholesalers. Why? Because using the Web, brand owners can establish open relationships with customers better than ever before. This, in turn, means all brands will make it easier for consumers to purchase the products they want, configured just the way they want them, immediately. Great brands are highly accessible by consumers.

5. **Humanity**
   - Great brands are very human – they evoke and create emotional responses from customers by:
     - Poking fun at themselves.
     - Showing genuine compassion and giving something back.
     - Standing for something solid.
     - Respecting the customer’s opinion.
     - Admitting mistakes.
     - Projecting the company culture.
   - Thus, memorable brands find ways to suggest warmth and human feelings behind them.

6. **Omnipresence**
   - Truly great brands find ways to be placed where they need to be – where they can add value for the community or support something worthwhile. They are present in any program or venue which is relevant to them, without overdoing it and popping up in every conceivable place. Great brands always manage to strike a fine balance between sufficient exposure to generate ongoing recognition and forced attempts at familiarity.

7. **Innovation**
   - To do original things, people need to be in an inspiring environment and rewarded for taking risks and challenging the status quo. Great brands have always been gathering places for business world rebels and mavericks. They flow from a company culture where innovation is a regular rather than a one-off occurrence.

In total, great brands not only give everyone in the organization a shared understanding of what needs to be done, they also signpost how they should do those things. Brands act as the conscience and heart of the company, creating a tangible spirit and soul. And that explains why Wall Street values brands so highly – because they will endure and survive many years into the future.

Key Thoughts

“Big corporations are not abstract concepts. They are made up of living, breathing people like you and me. Improving these companies will happen when employees, customers and stakeholders – not just special interest groups – demand change. Companies cannot exist without employees, stockholders and customers. These people fuel the enterprise. They keep it alive. If you work for or invest in a company that you think should do better, speak up or shut up. Do not complain. Be part of what the company changes for the better.”

– Scott Bedbury

“The opportunity to do the right thing has never been as important as it is right now. Building a sustainable enterprise is about having a conscience and having heart. As a business you care about doing the right thing because it is who you are, not because it is good press. Those with the backbone to do the right thing will sustain greatness in their business.”

– Howard Schultz, CEO, Starbucks

“We are living in a time when everyone, not just the military or our elected officials, should take a leadership role. One opportunity to do so will be for all companies, large and small, regional and global, to step up and use their superhuman powers to help improve the quality of life where it is needed most, and with actions rather than words. Who better than the world’s largest beverage companies to make sure children in developing countries have clean water to drink? Who better than the world’s smartest logistics consulting companies to help figure out how to orchestrate and deliver aid to hard-to-reach areas? Our society has not rewarded companies that divert a significant portion of their assets to help the less fortunate. No component of the bottom line that Wall Street follows reflects heart, goodwill or conscience. At a minimum, that needs to change.”

– Scott Bedbury