

# Are you really a 'brand'?

Robert Passikoff, Brand Keys, suggests how brands may become more real to their target customers, and proposes a new brand continuum

**T**ODAY EVERYBODY FROM clothing designers to celebrities claims to be a 'brand'. It seems it's the latest cool thing. Announcements of new 'brands' fill time on shows like *Access Hollywood* and *Entertainment Tonight*, but ultimately the products and services must face the realities of the marketplace - and the consumers - if they are to survive. Questions - even unarticulated ones - are raised by consumers: Are you a brand? What do you have to offer? How are you different from others in the category? How are you better? Do you represent values that resonate with consumers? If so, which ones? Are you infused with values that are, well, valuable to us and make us feel valued?

It's no secret that more and more companies are having problems differentiating themselves from their competitors. The Total Quality and Process Re-Engineering movements of the last two decades of the 20th century pretty much ensured that companies that made it to the 21st century were going to be indistinguishable from one another. Many, like General Motors, The Gap and Coke in the US, and Vauxhall, Marks & Spencer and Schweppes in the UK risk turning into the ACME Car/Clothing/Cola Companies. Many, like AT&T, just disappeared.

## Meaningful values

But brands do exist and thrive. They do so on the basis of actually owning and being founded upon values - real or perceived - that are meaningful to customers, values that will differentiate them from their competitors. The degree to which they actually possess these values, and have meaning in consumers' lives (beyond primacy of product), will determine their degree of 'brandness'.

Brand Keys, Inc., a New York-based brand and customer loyalty research consultancy, and London-based MGN Limited conducted an exhaustive analysis of nearly 700 products and services among consumers in the US and UK. The

customer assessments of the products and services (which predict how positively, or negatively, consumers will act towards the products) revealed that there exists a continuum along which all products and services can be defined - and placed. And that this continuum could be generalised on a country-by-country basis.

While conducting this research, Brand Keys and MGN realised that there is really an entirely new area of categorisation necessary for products and services that used to be brands, but are no longer brands as 21st-century consumers see the category and define various entries. They called this segment 'Category Placeholders'.

To facilitate 'locating' products and services in terms of their abilities to be a brand, Brand Keys and MGN created the Commodity-to-Human-Brand Continuum. This new continuum allows marketers to sidestep semantic arguments, accurately situate their products and services, and market more effectively and strategically on the basis of the products' real status.

Here are some brief definitions of where products and services might fall. The continuum (see Figure 1) provides some specific examples for each category, with the degree of 'brandness' escalating as one migrates from top to bottom, although, marketed properly, one can be quite profitable as a 'label'. Fortunes have, after all, been amassed dealing in mere 'commodities'. Which of the following is your brand?

**Commodity** Products and service so basic that they cannot be differentiated in the mind of the consumer. Usually sold on price.

**Label** The name of a retail store or manufacturer selling clothing identifying the goods.

**Designer label** Well-known/regarded name of person who has 'designed' the clothing. Usually denoting or pretending to 'high fashion'. Note that it is possible - and often profitable - for 'human brands' to migrate backwards to create another

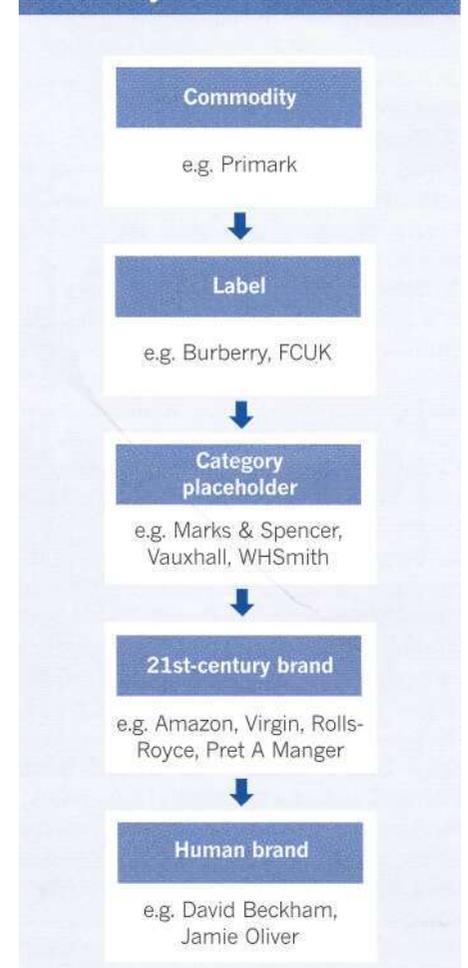
leverageable consumer contact point.

**Category placeholder** This is the new - and accurate - designation for products or services that maintain strong awareness in their category, but have values so basic, and so devoid of special meaning, that they cannot be differentiated from the competition in the minds of the consumer.

**Twenty-first-century brand** Name, term, symbol or a combination that identifies the goods and services of one seller versus another, and is so strongly imbued with values and articulated meaning as to be easily and strongly differentiated >>>

FIGURE 1

## Brand Keys brand continuum



from the competition. (Today this also incorporates what were once derisively called 'store brands', some of which, like Wegmans and Tesco, are now more valued by consumers - and more profitable - than traditional brands.)

## Twenty-first-century brand segments

The research identified a number of sub-segments by which 21st-century brands are often represented.

**1. Store brands** (as above).

**2. Celebrity spokesperson** A person with high awareness and moderate-to-high personal values that can be 'borrowed' by the product or service that the spokesperson endorses. It has two main sub-groups:

> celebrity voiceovers

> celebrity models, where leverage is attained via use of voice, face or figure.

**3. Founder** Name of the person who created the company.

**4. Trade character** symbols, often cartoons, in the form of animals, people or animated characters used to represent or create an association with the product and service.

**5. Speciality brands**, in two flavours:

> a halfway point between founder and human brand, usually denoting a specialised category like (for example) chefs and cooking who, once attaining some rank on the Commodity to-Human-Brand Continuum, are able to 'migrate' back and introduce lines of labelled cooking-related products

> a segment of brands where speciality products and services reside; colleges and universities, for example; to quote Thomas W Bruce, Cornell University's vice president of community and university relations, 'Branding should not be a dirty word in academia' (this is one reason why Beaver College in Philadelphia changed its name to Arcadia University).

**6. Human brand** An actual human being, most often the company founder, who represents 100% of the values of the company. This represents the highest level of imbued meaning, values and differentiation.

>'Gangsta' brand: human brand in or just out of prison, where notoriety and the whiff of danger have become viewed as positive values, even badges of honour, in the minds of some consumer segments. Think Michael Milken in the US and Jeffrey Archer in the UK. There are Gangsta Wannabes too, like Steve Madden, who aspired to the publicity Martha Stewart's imprisonment engendered. But, alas, he is currently just a 'Designer Label', no matter how much he yearns for the notoriety. Having finally recognised his actual position on the continuum, a new ad campaign - relying on self-deprecating humour - shows great promise, migrating the label further to the right on the continuum.

## The lessons of fashion

This brand segmentation by degree of meaning can be used to examine offerings within a single category. For example, in the US, when 500 men and women, 18-60 years of age, assessed 50 fashion brands for resonating meaning and values, only five of the names - 10% of those examined - fell in the high-meaning 'human brand' portion of the continuum (see Table 1).

The high-meaning/high-value brands were Chanel, Ralph Lauren, Isaac Mizrahi, Victoria's Secret and Donald Trump.

As to the other fashion names, nearly one-third (32%) were seen to be commodities, or offerings that had little or no value for consumers. These included The Gap, Reebok and Wrangler. Calvin Klein, Gucci and Tommy Hilfiger were some of the brands that fell into the label segment and accounted for a further 24% of the names consumers assessed. Another third (34%) were seen to have enough meaning and value for consumers to consider these products actual 21st-century brands. Polo, Prada and Burberry were some of the names that have been able to maintain their 'brandness'.

Why did these names end up where they did? Fashion is a category that is notorious for relying on associations with celebrities or high-concept photography, in the hope that a halo effect will result from such a partnership. But borrowed equity as a method of building and communicating differentiating values is more difficult today than it was a couple of decades ago. It has also been suggested

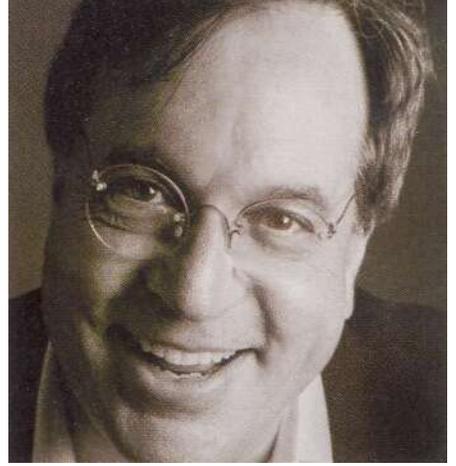
TABLE 1

### The fashion category: breakdown of brand type

Commodity	Label	21st-century brand	Human brand
Adidas	Anne Klein	Abercrombie & Fitch	Chanel
Champion	Bill Blass	Giorgio Armani	Donald Trump
Ellesse	Calvin Klein	Brooks Brothers	Isaac Mizrahi
Fila	Dockers	Burberry	Ralph Lauren
Gap	Donna Karan	Christian Dior	Victoria's Secret
Guess	Eddie Bauer	Ferragamo	
INC	Fendi	J. Crew	
JCPenney	Gucci	Louis Vuitton	
Lands' End	Hugo Boss	Lucky	
Lee	Lacoste	New Balance	
Levi's	Kate Spade	Nike	
London Fog	Tommy Hilfiger	The North Face	
Old Navy		Polo	
Reebok		Prada	
Sears		Sean John	
Wrangler		Skechers	
		Versace	
<b>Total: 16 (32%)</b>	<b>12 (24%)</b>	<b>17 (34%)</b>	<b>5 (10%)</b>

Source: Brand Keys Commodity-to-Brand Continuum, 3rd Quarter, 2005 (products listed alphabetically)

**Robert Passikoff is** president of Brand Keys, Inc., a New York-based brand and customer loyalty research consultancy. His company has developed research and brand positioning programmes for such diverse clients as Toyota, American Express, the NFL, L'Oreal, Apple, P&G and the *New York Times*.



that a desire on the part of most fashion marketers to avoid being too avant-garde forces brands into the commodity category.

But, that said, some of the celebrity-based marketing works well, reinforcing or even creating value. Nicole Kidman's perceived sophistication, elegance and beauty work well with Chanel. Donald Trump has managed to migrate the values of 'excess' (bigger, better, glitzier) from real estate to suits, shirts and ties. Trump (the brand) strikes a chord with people who aspire to a similar lifestyle.

At a time when differentiation is difficult to attain in most categories and distribution has become ubiquitous, the higher up on the continuum a brand

finds itself (that is, closer to 21st-century brands and human brands), the greater the likelihood the brand will be preferred, purchased and profitable. Brands that people believe to be imbued with higher degrees of meaning and value are six times more likely to be recommended by one person to another.

#### **Identify your spot**

Discussions of semantic differences are fine for classrooms and conferences, but out in the real brand marketplace, today's marketers must be able to accurately pinpoint their products' and services' brand bonafides.

And no matter which words you use or what titles you assign, it is problematic

for brands to be perceived as commodities. These products need to develop some believable and ownable values or they are in danger of becoming the ACME [fill in the category]' of the 21st century. Accurately locating your product on the 'Commodity-to-Human-Brand Continuum' is the best way for marketers to effectively and strategically plan, promote, market - even price - on the basis of the products' real status as a brand.

Follow these guidelines and you virtually guarantee cost-effective and profitable marketing activities, whatever your actual standing. •

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