ROMANCING THE BRAND



STRONG, INTIMATE RELATIONSHIPS
WITH CONSUMERS

TIM HALLORAN

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<u>Acknowledgments</u>

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"A great book with insightful stories about how marketing managers develop romantic, deep, and personal relationships between the brand and the consumer."

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"Romancing the Brand shows that a brand's strength, and ultimately its ability to generate significant talk value, lies in creating a meaningful consumer experience. People talk about—and advocate for—brands with which they have an emotional bond. Aided by entertaining stories about brands that have created 'love affairs' with the consumer, Romancing the Brand is an essential guide for marketers who are looking to strengthen their consumer relationships."

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"Emotional, educational, and effective, Romancing the Brand captures the timeless fundamentals of marketing, using contemporary examples and a framework one can relate to in a primal way. Tim Halloran shares insights that up-and-coming marketers, as well as global executives at the top of their game, will find valuable."

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ROMANCING THE BRAND



HOW BRANDS CREATE

STRONG, INTIMATE RELATIONSHIPS

WITH CONSUMERS

TIM HALLORAN

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To Nancy, the romance of my life and to Henry, Jane, and Lydia

Romance and the Brand

I had already been in the dark room for three-and-a-half hours, a bowl of peanut M&Ms in front of me, observing groups of women through a two-way mirror that felt like something out of CSI, as they explained their beverage consumption habits. Observing focus groups was a common practice for Coca-Cola brand managers. We were always striving to understand our consumers better so that we might find a way to connect with them. Our ultimate goal was to give folks like the women in this room a reason to purchase our brand rather than the hundreds of other options available to them.

I found myself wondering how much of what I did every day—trying to meet the needs of a finicky consumer base with some creative new message or compelling product improvement—was pointless. Did consumers really care about these brands? Looking around the observation room, I various seven colleagues saw six or in stages engagement: among others, the assistant brand manager taking copious notes that would ultimately summarize our findings to our senior management, the agency account rep trying to infer something brilliant from a consumer's comment, and the marketing research manager making sure the moderator on the other side of the glass was covering everything on our checklist. All of us waiting, observing, listening for anything we could use in developing next year's marketing campaign. We needed to understand these women's thoughts and feelings about our brands in order to do our jobs.

But then something happened that subtly but profoundly changed my perception of how we as marketers should think about brands and the role they play in our consumers' lives.

It wasn't a particularly dramatic moment. The eight women sat around the overflowing table of colored cans and bottles of soft drinks. They had just completed what we call a "sorting" exercise, in which participants arranged soft drink brands in groups based on some organizing principle that they were to develop themselves. I don't remember how they organized the forty-plus brands that day, but what happened next stuck with me. A petite woman in her late twenties, picked up one of the cans and said to the focus group moderator, "I drink eight of these a day. It is always with me, no matter what happens. It was there when my boss gave me my promotion last week. It was at my side two months ago when my cat died. It got me through it. I start and end my day with it. It's never lets me down. I can always count on it. To sum it up, it's my boyfriend ... Diet Coke."

My Beverage, My Boyfriend

A wave of laughter hit the room, so loud that I'm sure the respondents could hear us on the other side of the two-way mirror. I sat up. Did she really say that Diet Coke was her boyfriend? How could one think of a can of sugar water (actually aspartame water in this case) in boyfriend terms? Commitment, intimacy, dependability—she felt all of these, not about Diet Coke, but *from* it. She loved it as a constant companion, a support mechanism, a celebratory friend. This was preposterous, wasn't it? We can't connect with products the same way we connect with people!

But in some important ways, that is just what we do. Academic studies have proven it repeatedly. $\frac{1}{2}$ We don't just

consume or interact with brands. We actually engage in relationships with them. With some brands, we have wild, short-term flings. Others stay with us for a lifetime, like family. Some brands offer us strictly utilitarian relationships —they are in our daily lives, yet we have no emotional connection to them. Maybe the brand feels like good medicine, like a physician, or maybe it's a loose connection, like a distant uncle you rarely see. Or maybe you rely on it, like a teacher, a coach, or even a parent. Each product and each consumer—and each relationship between the two—is But the young woman who different. so eloquently expressed her feelings about Diet Coke crystallized for me the simple truth that consumers engage in relationships with brands. If marketers were going to succeed, we would have to go beyond thinking about consumers as "target markets" that we needed to make aware of our brand and convince to purchase it. We needed to think about engaging consumers in a long-term relationship.

Think about it from your perspective as a consumer. Is means something, really means there a brand that something to you? Maybe there is a certain brand of clothing that you seek out first in a store. What about a certain brand of shoes that you must have? Perhaps you are willing to drive an extra two miles down the road past your local grocery store to Trader Joe's. Maybe when you order a Coke and the waiter asks whether Pepsi is OK, you say that it's not. Maybe when planning a business trip, you invariably check to see if your preferred hotel has a location in the city you are visiting. Think back to your childhood. Was there a video game system or doll that you absolutely had to have? When you were a teenager, was there a band whose new album you waited for with anticipation, snatching it up the day it was released?

All of these are examples of brands—products, retailers, or even people that make up the fabric of your everyday life. Sure they provide you with some recognizable functional benefits—the look and feel of a Polo shirt, the variety of organic lines at Whole Foods, or the entertainment value of the latest Maroon 5 song, but they also provide you much more. Maybe you feel that a brand says something about you to others when you are consuming, wearing, or using it. Or maybe you feel that the brand has a personality that you can relate to. Perhaps a brand occupies not only a specific place in your mind but also a specific place in your heart.

Now think about the first time you encountered that brand. Do you have a distinct memory of it? Was it "love at first sight," or did it take a while for you to adopt it? Has your relationship with that brand grown over time? Is it as strong today as it has ever been, or did it reach its peak some time ago and has now plateaued or even declined? Now imagine if that brand suddenly disappeared. How do things change? How do you feel? Can something easily replace it, or does its loss leave a hole in your life? Chances are that there are certain brands with which you've developed such a strong connection and with which you have engaged so frequently that if something were to happen, such as if they were discontinued or changed, you would feel a sense of loss—or even betrayal.

Having feelings toward brands seems to be a natural, powerful extension of how we're built as human beings. What does that mean to us as marketers? If we understand this, what do we do about it? Does it make sense for us to keep thinking about consumers as targets and demographic segments? Probably not. I'm convinced that this kind of thinking will only get us so far. I've come to believe that if marketers are going to succeed, we need to think about engaging consumers in a relationship—which, by definition, goes both ways. It has to be reciprocal. When a relationship is good, both parties get what they need the most and give their very best. The ideal brand-consumer relationship is

one that is entered into by choice (because consumers always have a choice), that is both thrilling and dependable, and that is also based on trust: a romance.

Many brands—think Harley-Davidson, Apple, or Disney—have successfully created and cultivated a deep emotional connection with their consumer base. But how have they done it? And why does it matter today more than ever? Technology has given us a plethora of new tools that we don't fully understand or know how to use—primarily because we are trying to apply them within the context of an outdated way of thinking. If we don't think about marketing our brands in a completely different way—a way that is fundamentally based in the brand's relationship with the consumer—then we will never succeed. My goal in this book is to get you thinking about how to connect with the consumer by creating and nurturing a genuine relationship—one that's as exciting and enduring as a great romance.

New Perspectives and New Problems

At one point in time, marketers thought of brands as comprising attributes that encompass everything tangible about a product—its taste, packaging, ingredients, materials, logo, and so on. We sought to present these attributes in a way that met the needs of a certain identified consumer target group. In the language of classical marketing, the product's attributes together were supposed to "ladder up" to "functional benefits" that would help ease a consumer "pain point" or "need." For example, everything about a pair of Nike running shoes, from the width to the cushioning to the waffle sole, would be designed to meet a particular consumer's need for running shoes.

To do this, Nike might take a group of consumers marathon runners, say—and divide that group segments, all of whom had different needs when running, and demanded different features. There were high-arched marathon runners and low-arched marathon runners. There were marathon runners with wide feet and those with narrow feet. There were runners whose feet turned in and others whose turned out. Nike would develop different shoes that functionally met the specific needs of each identified runner segment. The thinking was that consumers would choose a product based on how well its attributes met their needs, looking also at more intangible elements—such as brand familiarity, perceived quality, and perceived value and evaluating these in light of the product's price. For many brands and many categories, companies consumers alike perceived this as a strictly cost-benefit association. A consumer mind-set might be, "Provide me these benefits, and I may pay more for your brand than for other options."

But marketers of some brands, especially those in categories where consumer passion was particularly strong, increasingly developed and marketed key benefits that tied into a consumer's *emotional* need state. The principle was that consumers felt so strongly about these brands that they would insist on using them, and if they couldn't, they would feel deprived emotionally. Nike is again a good example: to an avid runner, her shoes are essential in her quest to run well, run efficiently, and ultimately achieve goals that she has set for herself. Nike's functionality—its design, its comfort level, its cushioning—feeds these more personal needs, and the consumer becomes engaged emotionally. With its game-changing "Just Do It" campaign its imagery of athletes achieving goals, winning, and succeeding—Nike accented the emotional side of its value proposition. The campaign helped make that marathon runner more confident that she would triumph—partly because she was wearing Nike.

Although "Just Do It" famously tapped into the importance that a consumer can place on a brand—both emotionally and functionally—there were as yet few theories in academia and little practice in industry that linked this type of brand-consumer connection to a relationship model. Marketing people mostly still gave higher priority to the functional and transactional nature of the brand-consumer interaction and still thought of it in a short-term context. Brands had target consumers, and marketing teams would develop annual plans to source volume from those consumers. Understanding the longer-term value behind emotionally connected consumer interactions wasn't a priority.

Then, in the mid-1990s, two doctoral students in marketing, one on either side of the country, began putting together separate but compatible theories that (1) brands had distinguishable, identifiable personalities, and (2) every brand and every consumer did in fact engage in a relationship similar to human relationships. Together these two theories supported a powerful new way of understanding how consumers interact with brands on a personal level.

The daughter of prominent marketing thinker David Aaker, Jennifer Aaker had marketing in her blood. As a young Stanford graduate student getting a joint PhD in marketing and psychology, she brought together both disciplines to create an intriguing theory that would map the dimensions of human personality onto brands. She used the theory to create a framework for determining the ways that brands were personified by consumers. After having more than six hundred consumers free-associate about one hundred personality attributes across a range of brands, Aaker found that consumers' perceptions of brand personalities closely

mirrored their perception of human personalities. In other words, as consumers, we can be attracted to a brand not just by what it does for us functionally (following the conventional wisdom about why consumers chose products and brands), but by how well our personality fits what we perceive to be the brand's personality. In a way not unlike how we respond to other human beings, we might even be attracted to brands whose personalities we might not have, but might secretly desire (the classic "opposites attract" phenomenon).²

Meanwhile, Susan Fournier, an ex-Young and Rubicam advertising vice president who was now pursuing a PhD in marketing at the University of Florida, proposed a theory that would give insight into the relationships of brands and consumers. To develop her thesis, she went deep into the lives and brand choices of three women who represented different life stages, locations, and backgrounds. 3 She spent a significant amount of time with them, following their every move and experiencing their lives as they experienced them. In the time that she spent with these consumers, she found that brands were an inextricable part of their lives and saw that a mutual dependency existed in which the brand's stories and the individuals' life stories linked together. 4 From this understanding, she began to define a number of different relationships between consumers and brands. Relationships could range from competitive/hostile relationship vour company) with cable (vour cooperative/friendly (maybe your relationship with your tennis racket) and from superficial/weak (perhaps your relationship with your dishwashing soap) to intense/strong (possibly your relationship with your toothpaste). $\frac{5}{2}$ In short, the range of brand-consumer relationships was eerily similar to the range of human relationships. She concluded that the

strongest brand-consumer relationships exhibited qualities comparable to those of happily married couples.

The work of these two researchers (as well as a plethora of additional marketing and psychological studies that have since been conducted on the topic) demonstrates that brand-consumer relationships do exist, are genuine, and have the ability to connect people to brands in unexpectedly deep and emotional ways. This leads again to the bigger question that this book asks: What should we marketers do about it?

Meanwhile, beyond the halls of academia, marketing practice was evolving. Instead of just communicating product attributes and functional benefits, marketers across multiple product categories began to place a heavier emphasis on the emotional appeal in their messaging. Marketers of fashion, fragrances, soft drinks, beer, and athletic brands (to name a few) were starting to discover that making an emotional connection with a consumer was yet another way to differentiate their brands from the competition in crowded categories. Communications began focusing on brand "extrinsics" (the brand's personality and emotional qualities) rather than product "intrinsics" (the product's functional attributes and associated benefits), with the ultimate goal of connecting with consumers at a deeper level.

Although consumer communications still primarily used an interruption model, where most of the "talking" was from brand to consumer via one-way communications (that is, advertising) that consumers passively received, changes in that model were also beginning to occur. More emphasis was put on providing a unique, engaging experience by having brands figuratively "come to life." Think about brand activation at sporting events. At baseball stadiums, the reliance on static signs in the outfield was replaced by branding elements woven into the event. Take Turner Field

in Atlanta, for example: every time the hometown Braves hit a home run, a forty-nine-foot-tall Coca-Cola bottle shot fireworks, and, more recently, a forty-foot-tall Chick-fil-A Cow does the team's signature tomahawk chop.

Sampling programs were evolving too. Instead of just handing out product samples or coupons outside a store, brands would develop a traveling "show" in which samples were provided in the *context* of bringing the brand to life by entertaining consumers. For example, LEGO would invest and employ multiple "play" trucks that would tour the United States, stopping off in towns and creating big events where kids would spend *hours* interacting with the brand. Sure, brand representatives would hand out a coupon to every kid or give him or her a small sample LEGO set, but more important, they were interacting with the kids in an experiential environment that basically humanized the LEGO brand. Brands across the spectrum of categories were engaging in similar activities, seeking to become more holistically integrated into consumer lives.

Of course, as marketing evolved, it also received its share of criticism. Some marketing tactics, such as the glamorization of brands through sexual innuendo, puffery that bordered on dishonesty, and the use of exaggerated or blatantly dishonest claims, created an environment of distrust and distaste. As a result, consumers became increasingly cynical and distrustful of marketers, much of it the consequence of marketers' own actions.

Fast-forward to today. With the emergence of technology, social media, apps, and data analytics that tell us more about consumers than ever seemed possible, our means of engaging consumers have evolved yet again. Marketing has progressed to a model in which the consumer and brand now engage in a two-way dialogue. The continued advances in the technological space have created an environment where brands have the ability to communicate to consumers

not just through a product experience or within the confines of a thirty-second television spot but in an ongoing, interactive manner, allowing consumers to communicate their preferences, desires, and needs directly back to the brand itself. There is a brave new world of opportunity for marketers to act as surrogates for their brands in their relationships with consumers.

We marketers have been quick to employ the new tools in our tool box, with some regrettable and even damaging results. On an almost daily basis, we hear another story about how marketers are taking advantage of consumers—making them (and their kids!) obese and unhealthy, invading their privacy with Big Brother-like tactics, and trying to manipulate them with fake claims and faulty science.

- In September 2011, Martin Lindstrom, the best-selling author of *Buyology*, publishes *Brandwashed: Tricks Companies Use to Manipulate Our Minds and Persuade Us to Buy*, "a shocking insider's look at how today's global giants conspire to obscure the truth and manipulate our minds, all in service of persuading us to buy" that promises, among other things, to reveal how advertisers and marketers intentionally target children when they are still in the womb and how they stoke the flames of public panic and capitalize on paranoia over global contagions, extreme weather events, and food contamination scares. §
- The New York Times Magazine publishes staff writer Charles Duhigg's "How Companies Learn Your Secrets," in which he relates a story about how Target, deploying the skills of its robust predictive analytics department (which is able to determine with staggering accuracy whether a woman is pregnant, based on what she purchases), sends a high school teenager a flyer and

- coupons congratulating her on her pregnancy—much to the surprise of her parents. 9
- In October 2012, a Huffington Post article reports on a new marketing program from Verizon called Precision Market Insights, which collects data from smartphones and shares that information with potential advertisers. Bill Diggins, U.S. leader for the program, explains, "We're able to view just about everything they do." Colson Hillier, VP of the initiative, adds, "We realized we had a latent asset. We have information about how customers are using their mobile phones."

The fact of the matter is that when some of us don't use our new tools, analytics, and technology in ways that are beneficial to our consumers, the whole profession suffers the consequences. Consumers are more cynical and less trusting than ever. And we marketers, who are tasked with building our company's or our client's brands, must seriously question whether we are in fact engaged in a worthy profession. We wonder whether every marketing activity will be judged as merely a feeble attempt to get a consumer to spend an extra dollar on our brand rather than a competitor's. Have we become the equivalent of snake oil salesmen—making false promises and setting expectations so high that our cynical society rejects our attempts to connect with consumers?

A New Paradigm

When asked about how marketing differs today, Marc Mathieu, senior vice president of marketing at Unilever, said, "In the last few decades of the 20th century, marketing has become selling for the sake of selling, but at its inception, marketing was inspired by the Henry Fords, the William Levers of the world—people with a vision to

bring products to people that could create progress and improve lives." He's right. I believe that the way to get ourselves back on the right track is to build on the ideas formulated by Aaker and Fournier: to think about consumers as we would think about people we know well and care for deeply, and treat them accordingly.

The secret of successful marketing in this new age—the essential evolutionary next step—lies in creating and nurturing a powerful, passionate, and genuine relationship between the brand and consumer. The strongest brands have always viewed their consumer base in a relational manner—not as an entity to be taken advantage of but as a partner to engage, delight, and excite. Creating and managing strong relationships will be marketers' best answer to our critics, and our best shot at reviving the integrity of our profession. More important, this new approach will help a cynical consumer base start trusting us again. It's a paradigm shift that can bring new power, purpose, and effectiveness to a marketer's work.

Although Fournier shows that the brand-consumer relationship can take many forms, in this book I'll use the romantic relationship as a lens. I believe that it models the ideal brand-consumer relationship in key ways: it's a relationship of choice; it's deep and passionate; committed; and, at its best, it thrives on mutuality, trust, and respect—as well as excitement and delight. It takes time and effort to build, but it brings unmatched rewards. If we connect with our consumers and develop brand love, we ultimate achieved the will have brand-consumer relationship.

Romancing the Brand

Interdependence, energy, attention, commitment, mutual benefit. Successful relationships require all of these. As marketers, we are surrogates enabling a relationship between our brands and our customers to be manifested. This is how we provide value to both our customers and our brands. The most successful brands not only have strong, intimate relationships with their consumers but also work diligently to cultivate, manage, and grow those relationships in significant ways. Throughout *Romancing the Brand*, I will show you the principles that successful brands use to establish and grow the brand-consumer relationship, and the tools successful marketers use to connect consumers to brands in ways that go beyond a product's functional benefits.

These principles are

- Understand your consumers and their specialness
- Determine how you'll be different
- Tell your story and create an experience
- Have a compelling personality that shines through all your interactions
- Make your partner feel special
- Leverage your evangelists to spread the word
- Be honest
- Leverage mistakes and missteps to get stronger
- Make the relationship the highest priority in everything you do

Because I'm using romance as a lens for the brandconsumer relationship, the book's chapters echo stages of a maturing romantic relationship. Of course, a particular consumer may be in any of these relationship stages with a particular brand, but this approach does give us a road map as we consider how brands and consumers interact and evolve over their life spans. The chapters are

Know Yourself. The relationship starts with the brand. If you don't know who you are as a brand, how do you know which consumer will make a good relationship partner? In this chapter, we'll explore classical marketing

practices for defining a brand's product benefits to set up the more intimate, emotional bonds.

Know Your Type. Every brand has an ideal consumer—someone who, when she connects with the brand, feels that that brand was made for her. The trick for marketers is to identify that ideal consumer, her functional, emotional, and social needs, and to perfect the match between those needs and what your brand offers. I'll introduce the type of consumer who ultimately determines whether the brand will succeed or fail.

Meet Memorably. The first few meetings between brand and consumer dictate whether the relationship has potential or whether it will remain in the mere acquaintance phase. In this chapter, we'll discuss establishing connections that are so special and memorable that a consumer desires to keep coming back for more.

Make It Mutual. Our strongest consumers should be influencers of others and, ultimately, brand evangelists. We'll discuss how, by understanding the proper role of classic and contemporary communication tools, we can leverage our connection with our strongest consumers so that they can spread our message to others.

Deepen the Connection. We'll discuss fostering the deeper bond with the consumer so that he experiences the brand as "a brand made for me," and look at ways to measure whether our romance with the consumer is still on track.

Keep Love Alive. As the brand-consumer relationship matures, rejuvenating the relationship through innovation and news is essential. In this chapter, we'll discuss ways to stay in touch (or get back in touch) with consumer needs.

Making Up. Just as in our own relationships, brands and consumers go through crises. How this is managed will