

The new *Brand Management*: Lessons from brand indifferenciation.

Brands are in crisis... again. Not because of the difficulty in competing for the consumer's attention among the 3,000 new brands launched each year, without counting the Internet, nor because of the repercussion on the brand's image of the unethical business practices of certain multinationals, but because of a problem that may undermine the foundations, the fundamental principles and the origin of the concept: Brand indifferenciation.

Last year the consultancy firm Copernicus published a study entitled *The commoditization of brands* which reached the conclusion that it was increasingly difficult for the consumer to perceive the differences between a certain brand and that of the competition. The study claimed that 86% of brands in multiple categories tended to have the same key attributes. In a recent article in the Harvard Business Review, *Brand Confusion*, Jack Trout and Kevin J. Clancy maintain that, according to another study carried out in the United States, brand indifferenciation is already a fact. What is interesting about this second source is that it measures the levels of similarity by sectors and that, for example, the maximum level of similarity perceived between brands is between Visa and American Express. If we bear in mind that the main objective of any brand should be to differentiate itself at all costs, we can see the size the problem.

Indeed we already had a clear indicator with the appearance of the so-called "white brands", an almost pejorative term to refer to those brands of distributors which competed with those of the brand manufacturer at a considerably lower price than the leader. This distinction is now outdated and fairly inaccurate, because we all know the enormous success of some of these brands. Wal-Mart, in the United States, Sainsbury in England and Carrefour in Spain manage a portfolio of brands with a power of attraction and levels of quality than many manufacturers would like to have. This is not just because of the situation of the market, but also because they are developing a strong personality beyond what they offer. This means that they cease to become products and deserve the designation brand, just like their premium competitors.

The problem is so important that even the Branding gurus are beginning to use the term superbrand or powerbrand to designate the strongest or those with a greater power of attraction than others. This is the proof and acceptance that there is a hierarchy within brands, what we could call a level of branding, that is to say brands within brands.

From Branding to Brand Management

As is well known, brands were originally created in order to be able to differentiate what we offer from what the competition offers. We "branded" it to avoid confusion and help people to remember, identify the manufacturer and aid the choice of purchase. This progressively involved equipping the product offered with attributes which converted it into the favourite choice of the purchaser. We thus began to have companies which offered products and companies which offered brands or, in other words, products with an additional differentiation which made them more competitive. This process is just the starting point of what is now known as Branding.

The problem is that, like any strategy, sooner or later it is also discovered and used by our competitors, which leads us to the current situation: lots of brands, we could even say too many.

Brands which are sometimes almost pointless, brands which, instead of helping the consumer to choose, complicate the purchase enormously, brands which do not provide anything and which in the end are perceived as mere commodities.

Is this then the end of Branding? Our answer is quite the opposite. It represents the sophistication of the discipline, the true birth of Brand Management.

It is relatively easy to give our product a name, to get a spectacular logo designed for it and to devote ourselves to repeating (insistently) this brand in numerous exposures to the consumer. It is something quite different to capture the essence of the product offered, to conscientiously create an attractive, different personality, full of meaning for our potential customer, and to connect it on an emotional level to our brand, providing it with a certain magic. This is indeed a much more complex process that is called brand strategy. This involves giving the brand a very clear power of attraction, a set of relevant, unquestionable meanings which achieve a space not just in the head but also in the heart of our consumers.

Moreover, it should not be forgotten that the context has changed considerably, and that the model of aiming for the consumer to aspire to the values of the brand by consuming it, and of claiming that the bonus from differentiation is merely symbolic in terms of personal and social reaffirmation, is currently under review.

A strong brand should fulfil three basic objectives: information, differentiation and seduction.

Information because it should tell us something about the product offered that is intelligible and decipherable: I have to understand the proposal of basic value or what the product offered consists of.

Differentiation because what it tells us should be perceived as different by the purchaser or, in other words: I understand what you are telling me and I think that it is something that the others haven't told me.

Seduction because this is the *raison d'être* of any brand. The first two are in the service of the third: in the end a brand has to tell us something that we consider to be interesting and that ends up seducing us. And seduction is something very subtle.

There are currently numerous brands that have reached the first stage. They have succeeded in getting us to recognize their logos and we see their advertisements. They have succeeded in getting us to know more or less what they offer but they have not seduced us. They are there, in our mind, and we see them on going into the shop, but when it comes to buying we do not feel that irresistible, emotional attraction that drives us to clearly opt for one of the participants.

We should not confuse Communication with brand creation or management. The objective of Communication may be to achieve renown for what we offer, but we have to define the brand, to know what to communicate, what to say in our communication plan. In short, what meanings, values and personalities are important and distinguishing. The objective of Brand Management is to maintain the consistency and strength of the brand so that it can be adequately exploited. This should be the work of a good brand manager.

Fighting indifference

It is possible that there is already an enormous group that has ceased to believe in the so-called traditional brands. The brands that have become stuck with classical management models of the characteristic-profit type. Or brands that talked to their consumers from a pedestal, with a certain arrogance. Or global brands which have lacked sensitivity to detect small local opportunities, emotional moments that can represent the difference that we are seeking.

We have, however, also been able to witness the appearance of new brands based on the management of experiences as a means of differentiation, with a clear definition of meanings and an excellent transmission of the same, full of creativity. New strategies that have managed to find a niche among the big supercompanies. An analysis of these new brand management models may give us clues as to what the new Brand Management will be like.

1. An emotional as well as a real offer

If we are going to work on the brand we can take it for granted that we have already worked on the product. Nothing can aspire to be a brand without first having managed to be a good product or service as a minimum prerequisite to compete. The first thing that can differentiate a seductive brand from its undifferentiated competitors is therefore how charged with emotion our product is. This does not refer to elaborate emotions such as falling in love with our brand of shampoo, but rather to pleasant sensations, desire, attraction, greed, a longing to buy it almost as an impulse without the need to rationalize it too much. If our brand is clearly differentiated, it will certainly have this emotional part that distinguishes it from the rest and obtains the sale, because it has been said that a brand is made up of a good basic product plus a good dose of magic.

Think of a Hagen Dazs ice cream, a lavender soap from The Body Shop or a cup of Blue Mountain coffee from the Jamaica Coffee Shop.

2. A feeling of community

The true success of a brand does not consist in engraving a logo on a product but rather in giving rise to a certain similar experience for a group. The customer portfolio is the most valued asset of any company. The community of sympathizers with our brand is what we really manage to obtain this asset.

Harley Davidson is one of the few brands that have literally succeeded in tattooing themselves on the skin of their consumers. Its managers organize meetings, festivals and even rallies in which the Harley users share their experiences. This is not just a powerful Relational Marketing strategy, but also constitutes one of the main sources of information for the company. Apple is another brand that has known how to manage its community of followers and has used it to emerge from an important crisis.

3. The values can be in the consumer

We are increasingly well trained and informed in today's world. And we are less and less willing to buy a symbol-brand which simply lists values to which we should aspire. In this new social setting we will not just increasingly opt for socially responsible companies, but also for products which have a positive effect on our environment and share our values and concerns.

Brands such as Audi and its Attitudes project, Fundación Telefónica with Educared, or how Coca-Cola has capitalized on the *Juntos por África* (Together for Africa) campaign, are examples of how to achieve a direct and emotional connection with your consumer.

4. Our communication goes further

One of the phenomena that can be observed is the desire that some brands have to communicate like other brands. Think for a minute: our main objective when it comes to considering our communication should be to stand out and to seduce. On the other hand the first thing that we do is to try to adopt the code of the competition. We all feel more at ease without breaking the rules of the sector's game, but only the brands that communicate in a different manner manage to impress, to go beyond the medium that we are using to position themselves in the minds and hearts of people. This is the exercise of every night on prime time, and the barrier that very few brands manage to pass.

When the code in vodka was to talk about its origin and elaboration, Absolut focused on the appearance of the bottle. When the code in aviation was to show smiling air hostesses and passengers wearing ties, Iberia surprised us with babies. When Telefónica Móviles was talking about technical characteristics and price, Amena presented young people dancing.

5. The obsession with small details

Another characteristic of new brands is their obsession with detail. An insignificant detail can have a tremendous impact on the perception of our product. These are details that sometimes communicate much more than big campaigns: an original sachet of sugar with the coffee, a small bag for the sales receipt, a small sweet, a smile, a certain smell on entering a shop, a pleasant tune, numerous small details that denote a big difference.

There are brands that think in terms of massive strategies and handle gigantic resources and brands that communicate 'I'm not concerned about costs, I'm concerned about your satisfaction' and recognize the impact of small details, those that often generate word-of-mouth, surprise, a smile. Those that succeed in positioning the brand in our list of preferences.

We therefore believe that the model of shouting from a pedestal in just one direction is coming to an end. The brands that are appreciated listen to the consumer, to the customer, to the guest experience as some even call it. Communication should become a dialogue and there are new supports, media and technology that transfer part of the power to the consumer in order to let them give their opinion, make a counter-offer, propose... even to make a harsh judgement on the decisions of the big brands.

Before communicating and transmitting, however, we need to define. Three very important elements make up the product we offer: what it is, what it does and what it means. If we cannot complete and define each of these dimensions we do not have a strong brand. All products talk about what they are, and nowadays we are rarely differentiated by what we do. To think in terms of brand management is to consider the creation of meanings.

Therefore Actimel does not sell fermented milk but the ability to strengthen your defences against external aggressions, a VW Beetle is much more than a compact car, a Palm is almost like a Game Boy for adults, a Hallmark card is the possibility to communicate a feeling, Evian is the purest, most crystal-clear water in the world,

Disney sells you eternal youth, and a BMW is for those who know how to appreciate the subtle difference between driving and 'driving'... Tell me how much magic your product communicates and I will tell you whether you have a powerful brand.

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