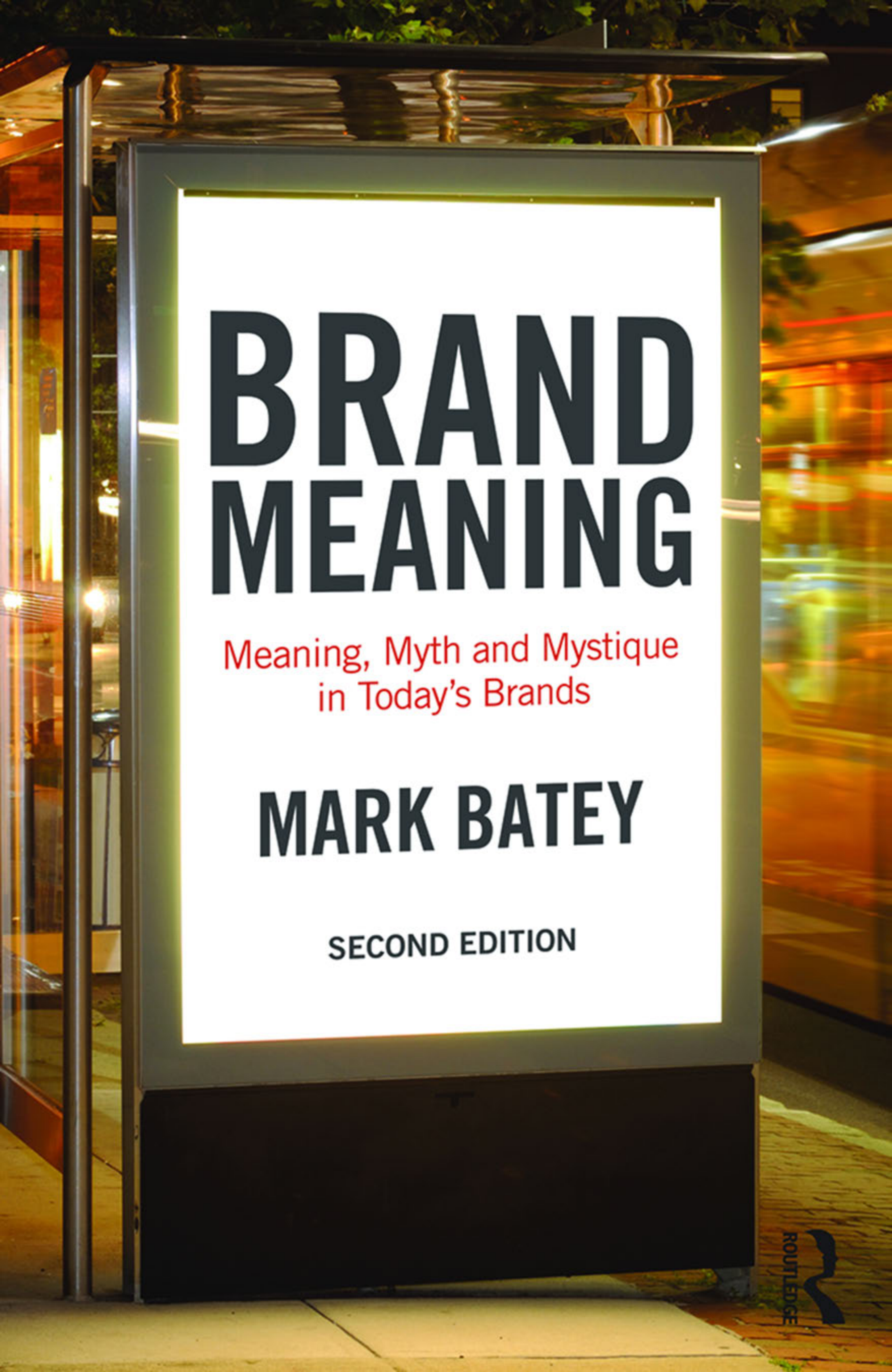
BRAND
MEANING
Meaning, Myth and Mystique
in Today's Brands
MARK BATEY
SECOND EDITION

BRAND MEANING

This second edition of *Brand Meaning* lays out new territory for the understanding of how brands both acquire and provide meaning. The author draws on his experience with leading international companies to propose a compelling framework for the conscious and unconscious ways in which people connect with products and brands. Revised and updated, it contains contemporary as well as classic examples of brand meaning in practice from various countries, and expands on the theory, methods and applications of brand meaning. The book's multidisciplinary approach and concise yet comprehensive content makes it an ideal supplemental reader for undergraduate, graduate, and MBA courses, as well as valuable reading for practitioners in the fields of marketing, advertising and consumer research.

Mark Batey has spent his career working with leading international advertising agencies, and as an independent brand consultant. He is also a visiting professor at various business schools and universities. He has lived and worked in areas as diverse as the United Kingdom, Central Europe, Latin America and the United States. He has advised companies including Coca-Cola, Unilever, Nestlé, Kraft Foods, Mondeléz International and SABMiller.

"Mark Batey offers an incredibly comprehensive and perceptive examination of the critical subject of brand meaning that illuminates, inspires and amply rewards the reader for every minute spent."

Kevin Lane Keller, E.B. Osborn Professor of Marketing, Tuck School of Business

"Today, gone are the oversimplifying concepts of brand positioning or brand as a sum of attributes. Rather, brands are to be managed as a kernel of meanings. This is the essential contribution of this excellent book."

Jean-Noël Kapferer, internationally renowned expert on branding and professor at HEC Paris

"This second edition of Batey's original book offers a perfect blend of the theory and practice of brand meaning. It includes a wealth of insightful examples. Highly recommended."

Bernd Schmitt, Professor, Columbia Business School

"A valuable resource for all who study or manage brands."

John Quelch, Charles Edward Wilson Professor of Business Administration at Harvard Business School

"From metrics to myth, I don't know of a better book on this subject."

Michael Burke, Chairman and CEO, Louis Vuitton

"This book offers timely insights as people demand meaningful brands that can become a part of their lives by delivering real personal, social and environmental benefit—helping them to stand up for what they believe in and defend what's important to them."

Paul Polman, CEO, Unilever

"Batey's new book provides brand meaning theory and best practice, but above all it influences its readers with inspiration; inspiration about best brands, their story and perception. An absolute must read for professional and personal enrichment."

Gonzalo Brujó, CEO, EMEA & LatAm, Interbrand

BRAND MEANING

Meaning, Myth and Mystique in Today's Brands

Second Edition

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This book is dedicated to my mother and father with much love, respect and admiration.

“The least of things with a meaning is worth more in life than the greatest of things without it.”

Carl Gustav Jung

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PREFACE

Since its publication in 2008 *Brand Meaning* has been a sought-after text by business schools, universities and marketing professionals. It has been translated in several languages, including Spanish, Chinese and Portuguese, and has been released as a special edition in India. This second edition lays out new and fertile territory for the understanding of how brands both assimilate and provide meaning. Revised and updated, it contains contemporary as well as classic examples of brand meaning in practice from various countries. Much new material is introduced, expanding on the theory, methods and applications of brand meaning.

The book's holistic, multidisciplinary approach befits the subject matter and makes it an ideal supplemental reader for undergraduate, graduate and MBA courses, as well as valuable reading for practitioners in the fields of marketing, advertising and consumer research.

INTRODUCTION

Though companies create brand identities, people create brand meaning. The introduction to the first edition of *Brand Meaning* began with that sentence, and it is retained here as it is the fundamental premise on which both the original version and this new edition are based. The observation refers to the interplay between, on the one hand, the brand owner's development of a visual and verbal identity and brand messaging, and, on the other, people's perception and interpretation of this. Effectively, brand co-creation—but with the important rider that the only brand meaning that counts is the one created in people's minds.

Encouragingly, since 2008 when *Brand Meaning* was published, the topic has received more extensive attention from practitioners and academics alike. If the book may have contributed in some small way to this situation, then its publication will have been worthwhile. Essentially, what brand meaning boils down to are the meanings that people find and create in brands and how those meanings give shape to their world and the world around them. Brands help people to define themselves and their place in that world.

So what are the meanings that inhere in brands, assigned to them, ultimately, by people? How are those meanings formed and decoded, reinforced and replenished? The new material, examples and case studies in this second edition have been included for their ability to throw light on the answers to these questions. Themes such as cultural context, myth, storytelling, brand mystique, brand heritage and brand purpose are introduced and expanded upon; while other topical subjects, like heuristics and audio branding, are incorporated in their respective chapters.

We are constantly and actively engaged in the interpretation and creation of meaning. Certainly, meaning can be elusive: It flows and drifts and is often hard to pin down. No matter—the search for meaning in all its forms is hardwired into our psyches. The millennia may have passed, but we are still hunters and gatherers—of meaning. The reason for this is as simple as it is profound: "Meaning Produces Emotion." So proclaims screenwriting guru Robert McKee in his classic work *Story*.[1] Or, from a similar perspective: "Emotions are the energizers of meaning. It is the emotions that signal the meaning or personal significance of things."[2]

Meaning is at the heart of consumer behavior. It is impossible to understand brand meaning without understanding consumer motivation, and it is impossible to understand consumer motivation without understanding human motivation—the needs we strive to fulfill, the values that inspire and guide us and the aspirations that drive us. Despite the complexity of these very human impulses, the concept of *consumer* is still largely defined in economic terms, as a seeker of purely utilitarian benefit or gain. The drawback of focusing on the more rational elements of consumer behavior and decision making is that the emphasis falls on buying rather than consuming in its broadest sense. Rationality is an important facet of the consumer psyche, yet it is just one of three dimensions involved in consumer behavior:

- Conscious rationality
- Semiconscious emotions
- Unconscious biological drives and "hardwired" instincts

The three dimensions do not operate independently of each other but are intertwined. This has been demonstrated by recent findings in the field of neuroscience and has crucial implications for the research and understanding of human behavior. The prevalence of cognitive branding models has tended to limit the consideration of emotions in consumption behavior to the role of affect in influencing attitudes within purchase dynamics. The result has been to underrepresent the intricate set of emotions that are engaged *during the entire consumption process.* Worse still, many contemporary branding models still preclude any recognition of the symbolic significance of consumption and consumption goods.

Brands carry a deep reservoir of meaning in terms of the context of their use, the socio-psychological nature of their consumers and the cultures to which those consumers belong: "We understand the world and its meanings through cultural assumptions, shared meaning systems and taken-for-granted beliefs and values that are ideologically based and culturally reinforced."[3] Perhaps not surprisingly, a watertight definition of *culture* has proven elusive. The term generally refers to a body of knowledge, beliefs, values, rituals and symbols (verbal and nonverbal) that help us to make sense of our surroundings and influence our behavior. Some commentators have added a further category—that of heroes, the real or imaginary people who serve as behavior models and appear in the culture's myths. We will return again and again to these themes as they impact the formation and propagation of brand meaning.

While brands derive meaning from the culture in which they originate and develop, they also themselves become mediators of cultural and symbolic meaning. To mine the insights that can unlock these meanings, researchers are turning more frequently to fields such as anthropology and sociology. There is, moreover, a sea change afoot in the nature of the consumer–brand relationship. Whereas brands were previously chosen for their capacity to confer values on consumers, today consumers are conferring values on the brands they use. More and more, "ownership" of brands is passing to consumers.

Implicit in this dynamic is the recognition that a brand comprises meanings from two different sources: (1) those codified and communicated by the brand originator, above all in the early stages of a brand's development; and (2) the brand meanings derived, created and attributed by consumers in their ongoing consumption and usage environment. "When a brand is first being introduced, there is a short period of time when marketers can influence its positioning. But after that, consumers decide what it means, and once they've decided, they don't like to change it."[4]

In fact, *positioning* is a term that implies more precision than it can deliver in practice—particularly when it is used in the context of *brand* positioning. The term was "invented" by Al Ries and Jack Trout and first appeared—back in 1972—in an *Advertising Age* article titled "The Positioning Era." Ries and Trout[5] explained the concept thus: "Positioning starts with a product. . . . But positioning is not what you do to a product. Positioning is what you do to the mind of the prospect. That is, you position the product in the mind of the prospect." Product positioning was born, a concept that still has a lot of validity today.

Yet much has changed since 1972. In the 1980s marketers gradually became aware of the enormous value of the brand as distinct from the product or service. At the same time, advances in manufacturing capabilities meant it became increasingly difficult to gain competitive advantage through functional product performance attributes. Marketers sought differentiation along more emotional lines. They began to build brands, endowing them with personalities and symbolic qualities. To capture these more complex entities on paper, marketers and agencies introduced intricate new tools—the brand onion, brand pyramid, brand wheel and so forth. And the word *brand* was conveniently substituted for the word *product* to give us brand positioning.

As ownership of brands—and their meaning—has passed to consumers, those consumers have become far less susceptible to the type of conditioning implied in the term *positioning*. It has its roots in an outdated marketing framework. According to this concept, based on a linear relationship, a company defines the positioning of a brand and then seeks to impress that upon consumers, who hopefully respond with their loyalty. Today, marketing is better viewed as an ecosystem wherein companies, customers and influencers constantly exchange experience and meaning.

Nor can the complexity of most brands be neatly enshrined in the marketing shorthand of *brand positioning.* What is the single-minded *position* (or "word"!) that the Apple brand "owns" in the mind of the customer? Or Burger King's? Or that of Guinness? How about Heineken? In reality the so-called brand positioning statement is little more than the product positioning statement. It seeks to define the frame of reference (product category), key benefit and supporting attributes. All worthy exercises, but as an attempt to summarize what a brand means or should mean, it is wholly inadequate.

There are similar shortcomings with another piece of terminology and the concept to which it refers, which is routinely used by marketers today. The term *brand equity* is less than satisfactory due partly to its origination in accounting procedure and partly to its being used to describe so many different things. The term dates back to the mid-1980s, when, as mentioned, the marketing and financial worlds were becoming aware of the value of brands. It has become something of a cliché, a catch-all phrase that groups together several different, more or less interrelated concepts. Brand associations, brand loyalty and brand value, for example.

Today there are numerous commercial methods from research companies for measuring so-called brand equity. If an individual's preference or otherwise for a given brand is increasingly driven by what the brand means to that person, it follows that this brand meaning will determine brand loyalty, which in turn will directly influence brand valuation. It serves little purpose to try to lump all those aspects together under one umbrella term or concept. Rather, more time and resources should be devoted to understanding what lies at the heart of all this: brand meaning. Consider Keller's[6] list of the five deadly sins of brand management (presented in the closing observations of his 600-plus page work). Top of his list? The biggest sin of brand management: "Failure to understand the full meaning of the brand." Failure to fully understand brand meaning.

The Structure of This Book

This book puts meaning front and center in the study of brands and encourages readers to think of brand management as brand meaning management. To anchor the concept of brand meaning, the brand meaning framework is set forth in Chapter 5. This framework is predicated on the way we as humans perceive and relate to the things that surround us and have importance for us. It reflects what has been called the "paradoxical kernel of brand meaning," namely, that a brand is both alive and not alive, a subject and an object.[7] It is necessary to explore these issues before delving into the theme of brand meaning itself. Thereafter, the practical aspects of brand meaning can be addressed.

Though the history of brands dates back many years, recognition of their value is a relatively recent phenomenon. Chapter 1 reviews the development of our understanding of brands and looks at what a brand is and is not, as well as the differences between products and brands. The concept of the *brand engram* is introduced in the context of how brands exist in our minds. Also discussed are the related themes of brand memory and salience.

Chapter 2 examines the fundamental topic of human motivation and considers how and why we seek meaning as human beings. The needs and value systems that drive and determine human behavior are explored. The chapter also looks at means-end theory and the way this can reveal meaningful connections between consumers and products and categories. The topic of emotion is one to which we will return throughout the book. Here different theories and types of emotion are reviewed. The chapter next considers how brands and the meanings they provide are one way we seek to define ourselves and the world around us. Some brands achieve such profoundly meaningful resonance with consumers that they come to operate at a deep archetypal level within the human psyche. The theory and application of archetypal meaning are elaborated on in the final part of the chapter.

It has been said that perception is reality—and with good reason. We rely on our senses to pick up information about and to make sense of the world, including the products and brands with which we come into contact. How we perceive and process this information is the subject of Chapter 3.

Before exploring brand meaning in particular, it is useful to consider the meaning of things in general—from everyday objects to the more abstract facets of our lives. Chapter 4 draws on the contributions of psychologists, mythologists, semioticians and linguists in an attempt to unravel the way we find meaning in things. The differences between connotation and denotation are analyzed, as are the tangible and intangible aspects of objects and the way objects take on both private and public meanings. Critical in the context of brand meaning is an understanding of how objects can come to be endowed with symbolic meaning. Likewise, a review of the origins and role of myth in our lives will lay the ground for the later chapter on brand story and mythology. Rituals, including consumption rituals, are important, as they are a very concrete way we seek to fix meanings. The subject is discussed further here.

The core subject of brand meaning is analyzed in Chapter 5. The way brand information is received and processed is discussed, along with the brand associative network that results. The different dimensions of brand meaning are described, and the brand meaning framework of primary brand meaning and implicit brand meaning is introduced. The many diverse sources of brand meaning are also reviewed, including brand experience, heritage, logos, names and packaging. Finally, the chapter considers the particular significance of underlying products and their categories with regard to brand meaning.

Chapter 6 focuses on the central role of brand meaning within brand strategy. It describes how strategic decisions can strengthen and deepen, or (over)stretch and dilute, brand meaning. Strategic areas such as brand extension, portfolio management and brand architecture are examined, as are brand differentiation and brand purpose.

Brand meaning is invariably in a greater or lesser state of evolution. Chapter 7 describes the form that evolution takes and illustrates how today's fledgling brand may become tomorrow's iconic brand. The chapter also looks at the way such iconic brands are able to break out of their categories and into mainstream culture. Examples are given of brands that have successfully renewed themselves and the price paid by those that have failed to do so.

Chapter 8 explores the area of brand story. It reviews how some brands have been able to create a compelling mythology and sustain a rich brand narrative. Brand mystique is a characteristic of few brands, but those that possess it and have been able to preserve it have benefited enormously, as is described. After a discussion of transmedia storytelling, the chapter concludes with some thoughts on likely future developments of brands and their management.

Notes

1. McKee 1997, p. 309.
2. O'Shaughnessy and O'Shaughnessy 2002, p. 5.
3. Valentine 1995, p. 7.
4. Travis 2000, p. 18.
5. Ries and Trout 2001, p. 2.
6. Keller 1998, p. 601.
7. Brown, Kozinets and Sherry 2003, p. 30.

1

ABOUT BRANDS

The Value of Brands

When Nestlé paid $4.5 billion to take over the Rowntree Company in the United Kingdom in 1988, the financial community was staggered. The price tag was almost $1.5 billion more than the value being put on the company by analysts at the time. In the aftermath of dotcom mania, when the business world temporarily took leave of its accounting senses, it would be tempting to dismiss the seemingly exorbitant price as the result of a hyped-up bidding process. It was not. Nestlé simply evaluated the hidden assets of Rowntree's famous confectionery brands (e.g., Kit Kat, Quality Street, Smarties, Yorkie, Rolo) and equated these with its own ability to leverage them. It paid five times Rowntree's book value and has not looked back since.

For companies, brands have become important business assets that can account for up to 80 percent of company value, and around 33 percent on average. The next time you pour yourself a Coca-Cola from a dispenser machine, consider this: All that is happening inside the machine is that a dark syrup is oozing from a sachet and being mixed with water, the resultant carbonated fluid of which is flowing into your cup. Then reflect on the fact that Interbrand's annual survey of the world's most valuable brands has placed the value of the Coca-Cola brand at over $78 billion.[1] Brands command such huge values because they allow their owners to charge very profitable margins—for products with ingredients as basic as water and syrup. So what are the origins of branding, and what is a brand anyway, if not a product with a name?

The History of Brands

Brick makers in ancient Egypt are said to have put symbols on their bricks to identify them. In Europe the earliest signs of branding were the medieval guilds' efforts to require craftsmen and craftswomen to put trademarks on their products to protect themselves and consumers against imitation and inferior quality. In the United States, cattle ranchers would brand their livestock to more easily identify them. Manufacturers began to burn their identities onto the barrels that carried their products using a *branding* iron. The Guinness harp and the Bass red triangle are among the world's oldest registered trademarks, being first registered in 1876.

There are other famous examples from around the same time. In 1862, Doña Amalia Lucía Victoria Moreau stepped into the small tin-roofed distillery recently purchased by her husband in Santiago de Cuba and noticed a colony of fruit bats living in the rafters. Doña Amalia was familiar with local traditions and knew that bats had great significance for the now extinct natives of Cuba, the Taínos. According to local lore, bats brought good fortune, health and family unity. Doña Amalia suggested to her husband that he should use the bat as the trademark for the new rum he was producing. Her suggestion was inspired and pragmatic. Besides the idea's originality, Doña Amalia knew that, because levels of illiteracy at the time were extremely high, a product needed a distinctive and memorable graphic logo—a trademark—to become identifiable and sell. News of the excellent rum soon spread, the verbal accounts enhanced by local storytellers who affirmed that the bat brought good fortune and gave magical powers to the drink. Doña Amalia's husband was delighted. He had every reason to be. His name was Don Facundo Bacardí, and today the Bacardí bat device is one of the best-known trademarks in the world.

What Brands Are

A name together with a trademark, then, is a classic example of branding at its most rudimentary: brand as both guarantee of authenticity and trustworthy promise of performance. The American Marketing Association's traditional definition of a brand back in 1960 emphasized visual features as a means of brand differentiation: "A name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors."[2] Branding, though, has evolved into something much more complex than its original purpose. Brands have become no less important for consumers than they have for companies. For people—particularly in developed consumer societies, where consumption is more meaning-based—brands have become symbolic resources. People use brands to construct and maintain identities, and to connect with or differentiate themselves from other people.

In searching for a definition of what a brand is, it is illuminating to consider the differences between a product and a brand:

- You buy a product for what it does; you choose a brand for what it means.
- A product sits on retailers' shelves; a brand exists in consumers' minds.

- A product can quickly be outdated; a brand is timeless.
- A product can be copied by a competitor; a brand is unique.

A product becomes a brand when the physical product is augmented by something else—images, symbols, perceptions, feelings—to produce an integral idea greater than the sum of its parts. A brand might be composed of a single product, or it might be made up of multiple products that span many categories. But at its core there remains a soul, a distinctive identity and image that resonates with its consumers and transcends its physical representation in terms of product format. Lysol is the brand; Lysol Anti-Bacterial Kitchen Cleaner is the product.

The first two aforementioned observations—that we choose brands for what they mean and that brands exist in consumers' minds—are absolutely fundamental to understanding brands and are central tenets of this book. The two points are interrelated, as the meaning that brands have for us is a function of the way brands exist in our minds.

How Brands Exist in Our Minds

It bears repeating that a brand is created not only as a result of a marketer's activities (the stimulus or "input") but also, critically, as a result of the consumer's reading of and reaction to those activities (the "takeaway"). From the marketer's perspective, a brand is a promise, a covenant. From the consumer's, it is the set of associations, perceptions and expectations existing in his or her mind. Brand associations are created, sustained and enhanced by every experience and encounter a consumer has with the brand. A TV commercial is an encounter with the brand. So is using or physically consuming it. These experiences and encounters with the brand over time build up into collections of associations, influencing brand perceptions and forming a brand associative network, or *brand engram*.

In *Searching for Memory*, Daniel Schachter[3] describes engrams thus:

> Engrams are the transient or enduring changes in our brains that result from encoding an experience. . . . A typical incident in our everyday lives consists of numerous sights, sounds, actions, and words. Different areas of the brain analyze these varied aspects of an event. As a result, neurons in the different regions become more strongly connected to one another. The new pattern of connections constitutes the brain's record of the event: the engram.

Along with other scientists and theorists, Schachter[4] calls into question the traditional view that a memory is simply an activated engram of a past event. He disputes the direct one-to-one correspondence between a piece of information stored away somewhere in our brain and the conscious experience of a memory that results when this piece of information is activated. So memories are neither created from scratch each time (other than those formed when we are very young), nor do they constitute an activated picture of a past event: "We do not shine a spotlight on a stored picture."[5] Rather, neural network models are based on the principle that the brain stores engrams by strengthening connections between different neurons that participate in the encoding of an experience. When we encode an experience, connections between active neurons are reinforced, and this specific pattern of brain activity constitutes the engram. When we later try to remember the experience, a retrieval cue will induce another pattern of activity in the brain, and if this pattern is sufficiently similar to a previously encoded pattern, remembering will occur.[6]

New information and experience connects with existing networks, with any of the thousands or millions of engrams in the brain. These patterns of connection have the potential to enter into awareness at any moment, though mostly they lie dormant. In the case of a brand associative network, the information or input comes from the numerous and diverse encounters with the brand. Each such encounter is a stimulus that is stored in the brain and adds to the associative network already existing for the brand. New information about the brand passes down a neural pathway and modifies the brand engram. The more frequently a pathway is traveled, the better defined it becomes. So the more frequently a given element is connected with a brand engram, the more strongly it tends to be associated with that brand in our minds. The opposite also holds true. So, while brand associations are strengthened and consolidated over time through repetition, they weaken over time if they are not repeated. In the latter case, if lots of new, different pathways are created, existing associations suffer interference from the increased noise or traffic, potentially leading to what Schachter calls "an increasingly blurred engram."

In neuropsychological terms, then, a brand is "the totality of stored synaptic connections. . . . A web of connecting neurons that 'fire' together in different patterns."[7] As these connections between brand associations are reinforced over time, they effectively come to define the brand in consumers' minds. The collective, associated meanings of a brand thus resemble the structure of a neural network, as illustrated in Figure 1.1.

The speed with which a mental representation of a brand forms in the mind given an appropriate cue is referred to as salience. Salience benefits brands in terms of loyalty and also category dominance—a theme to which we will return in Chapter 6. It provides brands with an advantage due to people's reliance on heuristics when they make decisions, including brand decisions. Heuristics are cognitive rules of thumb, hardwired mental shortcuts that we use all the time in routine decision making and judgment. Consider the "familiarity heuristic," one of the first heuristics to be identified and studied by pioneers in cognitive science.[8] This robust and fundamental heuristic essentially says that if something comes quickly to mind, trust it. The rule of thumb here is that familiar equals

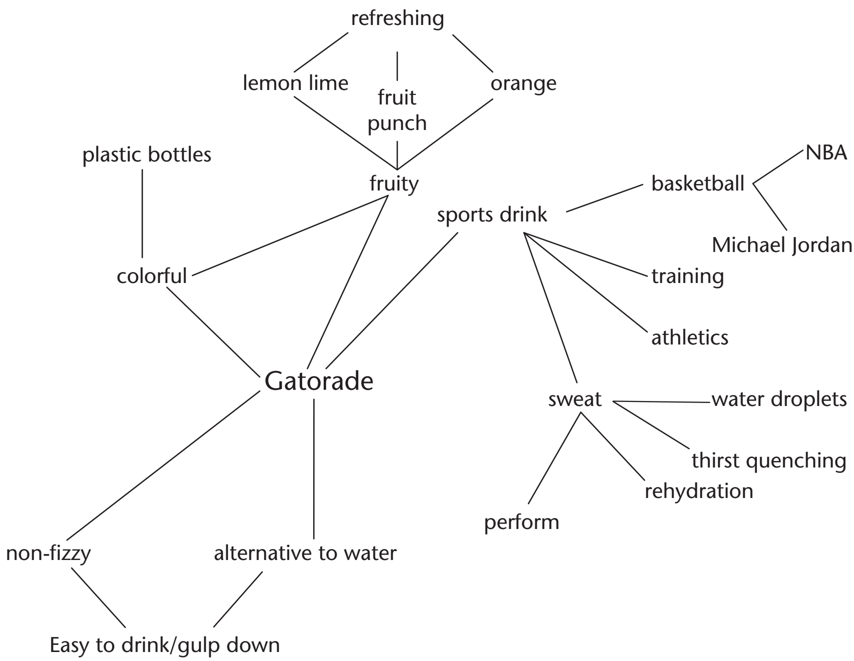

FIGURE 1.1 Brand as associative neural network.

better equals safer. Like others, the familiarity heuristic is an amalgam of habit and experience. Heuristics are normally helpful and save a great deal of time and mental energy in navigating the myriad of decisions we face every day. To an extent, brands themselves can be seen as heuristic devices.

Heuristics are one of the most important ideas to emerge from cognitive psychology in the last couple of decades, and are related to another: "two-system thinking." The term was coined by psychologist Keith Stanovich in 1999 and refers to a dual process and dual system theory of thinking, as in reasoning, judgment and decision making. This is not the split brain typically taught in schools, with its left and right hemispheres dedicated to different tasks. In fact, Stanovich later revised the labels "System 1" and "System 2," preferring instead to talk of Type 1 and Type 2 processes, corresponding roughly to the distinction between intuition and reflection.[9] Type 1 thinking is fast, automatic and intuitive. Type 2 is slow, conscious and deliberative. This has important implications for the way in which brands affect purchase decisions. Type 1 processing generates intuitive, default responses, informed by previous experience and influenced by emotion. Subsequent Type 2 processing may or may not intervene to modify these initial responses. In the brand world, this largely depends on the type of product category under consideration. Packaged goods purchased in a grocery store are normally chosen based on habit and past experience, with little deliberation. In-store visibility and use of trigger cues are critical in this type of habitual, automated purchasing.

Decision making in higher priced categories such as cars or computers is more deliberative. Yet when Type 2 processing does intervene it is still influenced by intuitive reactions to potential choices. A positive intuitive response to a brand will predispose people to look for reasons to justify choosing it over competitive brands. Even when a positive intuitive response is ultimately overridden by Type 2 processing (deciding a favored brand is too expensive, for instance), it still influences those deliberations significantly. We will return to the neuro-psychology of brands, in particular as it relates to brand meaning, later in the book.

Neural networks, synaptic connections and dual processing sound far removed from the American Marketing Association's 1960 definition of a brand previously mentioned. The crucial difference is that today the concept of a brand is considered more from the consumer's perspective than from the marketer's. For, ultimately, it is the consumer who assigns meaning to and therefore determines the fate of a brand, and consumers react not so much to reality per se but to their perception of reality. It is thus more accurate to describe a brand as *the consumer perception and interpretation of a cluster of associated attributes, benefits and values.*

Chapter 3 on perception will discuss how people perceive and interpret information and how this gives rise to meanings in our minds. Simplifying the previous statement, we can therefore arrive at a more concise definition of a brand:

A brand is a cluster of meanings.

Though the nature of those meanings evolves over time, a brand remains always a cluster of meanings. Like a mosaic or kaleidoscope, the individual and particular way that these meanings line up with each other is what gives the brand its uniqueness. The manager's role, as will be discussed later, is to reinforce, revitalize, refine and at times rotate the meanings associated with the brand.

From Trademark to *Trustmark*

With people steadily losing faith in government, big business and other social and financial institutions, brands face both new opportunities and new challenges. Today more than ever consumers have the desire and the ability to probe the company behind the brand and vet its values and policies. According to the 2006 Edelman Trust Barometer, "quality products and services" was the number 1 response in identifying the standard of trust. By 2010, the "quality" criterion had fallen to number 3. "Transparent and honest practices" was number 1 with 83 percent of respondents citing it. In a 2013 global study of 11,000 consumers by the same company, 93 percent of respondents wanted transparency on how products are made and sourced.

Questions such as, Who makes the product? Where? How are the ingredients sourced? have become important because brands are being held to a higher standard by consumers. Nike found this out the hard way when its well-documented foreign labor issues not only tarnished the company's image but also had an adverse effect on its sales, financial performance and stock price.

Companies and brands with clearly articulated values, and what will be described in Chapter 6 as *purpose*, stand to benefit in terms of customer loyalty and goodwill. This can to some extent insulate brands against public wrath in the case of mishaps and misfortune. Yet core values cannot be faked, and trust cannot be bought. Brand trust has to be earned. A function of dependability, authenticity, integrity and transparency, brand trust is hard won nowadays. Moreover, if the covenant between brand and customer is broken—for example, if the manufacturer cuts corners by compromising on ingredients or lowering service levels or in any way jeopardizes the consumer's interests—consumer goodwill can soon be withdrawn.

This explains the uncompromising manner in which companies these days respond to product contamination scares or the discovery of a technical fault in a product—or how they should respond. General Motors could have reacted far sooner to address its ignition switch issues in the United States, which were linked with several fatalities before the company eventually staged a massive vehicle recall in 2014. Its corporate brand reputation suffered predictable consequences. It was a similar scenario to Toyota's 2009–2010 unintended-acceleration crisis and corresponding product recall.

Yet the principles of crisis management were established long ago, when Johnson & Johnson provided a textbook lesson. In 1982, seven people in the Chicago area died after taking Extra Strength Tylenol capsules that had been laced with cyanide. The company immediately alerted the public nationwide and warned them not to take any type of Tylenol product. Advertising and production of the product were stopped and all Tylenol capsules were recalled from the market. The recall included around 31 million bottles of Tylenol, with a retail value of more than 100 million dollars. The company offered to exchange all Tylenol capsules that had already been purchased for Tylenol tablets. Although this move cost Johnson & Johnson millions of dollars more and there may not have been one microgram of cyanide in any of the capsules that were replaced, this initiative and the company's actions throughout the crisis illustrated its concern for the consumer, whose interests were put before financial considerations. As a result, Johnson & Johnson's reputation was preserved and further enhanced when it soon became the first company to introduce layers of tamper-resistant packaging to its products. Incredibly, not only did the Tylenol brand survive intact, but it also soon regained its original market share.

Prompt and judicious action increased the perception of Tylenol's integrity and trustworthiness as a brand.

In 2009 a U.S. survey of consumer taste preferences ranked Domino's Pizza tied for last among the major pizza chains. The brand had previously been known for one thing: delivering pizza to your door within 30 minutes. From 2009 onwards, under the guidance of CEO Patrick Doyle, transparency would replace speed at the heart of the company's marketing strategy. Doyle himself appeared on-screen in various phases of a marketing campaign that began in 2010, with the chain admitting in TV ads that some customers felt its pizza crust tasted "like cardboard," and that microwave pizza tasted better than Domino's. The company reformulated its pizza, testing combinations of dozens of cheeses, 15 sauces and nearly 50 crust seasonings to find the one that satisfied customers. In the advertising, Domino's acknowledged its prior shortcomings and asked consumers to give the new product a try.

The "Turnaround" campaign proved to be one of the most successful restaurant campaigns of all time. Sales at Domino's increased 14.3 percent during the first quarter of 2010 and grew some 10 percent over the full year. Domino's still suffered occasional complaints, for instance that the pizzas in commercials bore little resemblance to the ones delivered to doorsteps. So the company adopted a "no faked photography" policy, and Doyle also encouraged customers to upload their own pizza photos on social media. When a few subpar pizzas popped up, the company tracked down the customers, baked new pizzas, and filmed the surprise deliveries. The transparency and customer engagement that helped transform the company's reputation continue as the cornerstones of its marketing activities today.

Through transparent and honest practices, authentic sense of purpose, adherence to founding values and exemplary customer service, brands like BMW, UPS, Duracell, Nutella, Persil and the United Kingdom's John Lewis have become much more than trademarks. They have come to be seen as *trustmarks.* The ability of a brand to provide dependability in a less than perfect world gives it a very meaningful advantage. The goodwill that people are prepared to invest in such brands is considerable. As described above, even brands that suffer mishaps and make mistakes are "forgiven" by the public if it is felt that they act with integrity and are trustworthy.

Brands, then, help people to satisfy their material, symbolic and emotional needs and aspirations. In today's postmodern marketing world, transactions and interactions between marketers and consumers are, above all else, exchanges of meanings. Brands provide benefits in the form of meanings, and consumers interpret and recycle these meanings, and assign their own, in an ongoing process of co-creation. While brands allow marketers to add meanings to products and services, it is consumers who ultimately determine what a brand means. This they do in the context of their own personal motivations, an area to which we next turn.

Notes

1. Interbrand's Best Global Brands, 2015. http://interbrand.com/best-brands/ accessed 10/6/2015.
2. De Chernatony and Riley 1997, p. 90.
3. Schachter 1996, p. 59.
4. Ibid., p. 71.
5. Ibid.
6. Ibid.
7. Gordon and Ford-Hutchinson 2002, p. 48.
8. Herbert 2010, p. 4.
9. Evans and Stanovich 2013.