



# STOP Branding and START Activating

(Part II of “A Manifesto for Thinking Small”)

Craig Wilson

# When brand strategists think about brands,

markets, and how they will conceptually win in relation to the competition, they enter into an inherent, yet oft overlooked, risk—the misperception that the long-term viability, and scalability, of their organization is based on what their competitors do. This thinking tends to focus on a particular stratagem, characteristic, or attribute of the competition.

“Brand positioning” then ensues in an effort to find a niche that uniquely creates value relative, again, to the competition. This is where the Big Idea begins to seem of value as the brand strategist peers into the equation and is compelled to generate a single significant communication that will drive home their newly identified niche and value proposition, a value proposition that will signal to their target audience, like a lighthouse beam signals a ship on its approach to a distant shore, drawing them out of the darkness. Funny thing. Ships don’t rely on lighthouses anymore. They use Satellite Global Positioning Systems, or GPS, just like the ones you and I use on our phones today. Our phone’s GPS tells us where we are. Rather than having to rely on a beacon from a faraway source, we now get to choose our own destination and path to get there. The same is true for consumers. They know who they are, what they want, and they have myriad choices of where to get it. They are navigating their own travels.

Campaign advertising is still where most of the money is spent. The fact that traditional advertising (TV, print, radio, outdoor, cinema) comprised 72% of the total advertising spend in 2015 (TechCrunch) underscores that there remains a desire to broadcast singular messages to create general awareness. Driving this style of pursuit of customers is the strategist's belief that they have the power to create demand. This errant and antiquated approach ignores the reality that consumers have their own desires and definitions of what they want, and that they have their own means to help them find it. From social networks to Google, and now even Amazon, consumers young and old, boomers and millennials, are finding their own paths that come aided by recommendations, testimonials, and contextual data supporting their decisions.

[Part One of this series](#) explored the inefficacy of “Big Idea” campaign marketing and noted the success of brands practicing the contrary, described as a process of nurturing the character of an organization. Part Two is presented as a manifesto to marketers and brand strategists to STOP Branding, to stop trying to create demand, to adopt a different frame of mind, to think in terms of relationship activation by being true to a set of principles that will connect them to existing, latent demand.

Marketers don't generate demand. Great companies spend their time understanding what and where latent demand exists and build the products, services, and user experiences that connect to that demand. They delve into their founding principles and develop, invent, or innovate goods and services specifically driven and defined by those principles. Don't misinterpret this effort. It's not a matter of chasing market opportunity. It's as much an inward journey as it is recognition of the current state of any given market. This is where the mental shift is happening among great companies that are attracting incredibly loyal customer bases. They are thinking about markets and the competitive environment they reside in in terms of user experience design.

In Part One, Levi's served as the example how Big Idea marketing is ineffective in long-term customer relationship development. As a comparative study, another jeans maker, Hiut Denim Co., serves as an example of a company that is succeeding by small communications bent on nurturing true customer relationships. Hiut Denim is deeply self-aware and steadfastly committed to tying self to user experience design. Albeit much smaller, newer, and lesser known, Hiut Denim is creating a following of loyal customers because they have designed a user experience that reflects their character and that user experience resonates with a very particular point of view. Hiut Denim is sharing their beliefs, their story. They are not positioning themselves against the rest of the jeans market. They are simply making jeans their way and sharing the philosophy behind their practices.

The fascinating aspect of the phenomenon exemplified by Hiut Denim is that because they are so clear about who they are, why they do what they do, and the values and beliefs that make up their character they are relieved of the pressure to promote their existence with big sweeping statements. They don't have to brand themselves. The user experience—the experience the customer has—begins with a simple proposition: “Do one thing well.” Currently, the application is specific to the process and act of making jeans. Hiut Denim just makes jeans. From the founder:

“I love quality. I love longevity. I love good design. I love ideas. I love this town. But most of all, I love that I can wrap all these things up into a pair of jeans.”

He has also said of Hiut, “we are here to try and make the best jeans we can and not the most jeans we can.” Their user experience is a woven tapestry of history, values, definition, passion, and product: Lots of little bites. Their website flies in the face of hyperbole. It's more of a journal made up of deeply considered musings that depict the cognitive processes of the founders, sharing in story form the principles by which they live and operate the organization.

*““ The user experience—the experience the customer has—begins with a simple proposition: “Do one thing well.”*

I'd posited in Part One that none of the advertising agencies complicit in the bilking of Levi's into big campaign after big campaign could deftly articulate Levi's core operating principles—i.e. Levi's reason for being. I even went as far as to say the management of Levi's couldn't articulate it, and I unapologetically stated that the American jean buyer had no idea either. In stark contrast, I'm more than a little confident that the Hiut Denim customer has not only a good idea of what drives decision making at Hiut Denim, I'd safely wager that they purchase for that reason and because of that purpose.

This is most important. Within just a few moments of interacting with Hiut Denim, a potential customer will glean why the company exists, what they believe in, why their jeans are valuable, what is behind their particular definition of quality, and a powerful point of view on style and lifestyle. That's a lot to download in a few short heartbeats.

Levi's could continue to spend lavishly on Super Bowl ads and Big Ideas and never affect customers as deeply as Hiut Denim's very simple, small budget website. The beauty of this juxtaposition is that Hiut Denim could care less about what the rest of the market is doing. They are tending to the stuff that's important to them and sharing it with their customers.

In the final analysis, Hiut Denim is practicing great “Service Design.” They are distinguishing themselves because they are systemically consistent, a consistency emanating from the principles of the organization. The entirety of their service environment expresses all of the same principles. It’s holistic. This is the crux of the argument against big ideas and in favor of thinking small—that by identifying the core values of the organization it becomes incredibly easy and efficient to create a consistent and meaningful service environment for your customers. It is this type of service environment that feeds small bites of information consistently to the customer in a way that they come very quickly to understand why you’re a brand that resonates with them. Inconsistency is the hallmark of big idea marketing and the death knell of long term, sustainable customer relationship development.

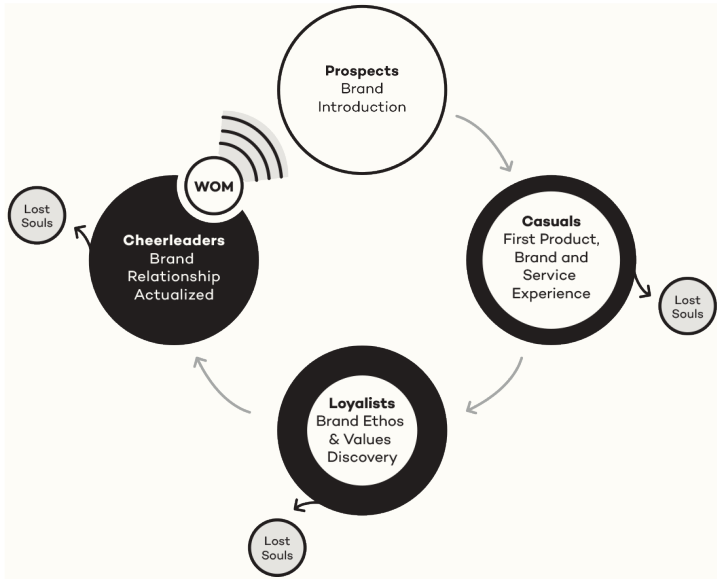
Herein lies the important lesson: It’s one thing to have a competitive advantage: superior product, quality, pricing, distribution, etc., it’s quite another thing to have a real connection with your customers based on values, beliefs, and causes. Competitive advantage is always under siege, but a shared point of view between a brand and its constituency is incomparable. Competitors are left unable to usurp another’s authenticity, principles, and sense of purpose. Being true to one’s principles is the ultimate defense. All other things being equal, authentic purpose outperforms in terms of long-term customer relationship development. What I like to call “customer activation.”

When looking at why your customer is loyal, ask yourself: Is it because you're outperforming the competition, or is it because you stand for something your customer also believes? If it is strictly a result of a short-term competitive advantage, then your business is at risk of a competitor swooping in with a better mousetrap. In the world of brand differentiation, clarity regarding this point is paramount. Real loyalty is a heart-felt occurrence that organically evolves over time.

However, it is mission-critical that the internal set of values be made actionable on the front line with the consumer. This means that it is important to clearly identify the tangible, relevant, and helpful ways these values work on behalf of the consumer's enjoyment of the product or service at play. If the message is too complicated or convoluted, the risk is the consumer may misconstrue the actual value set. If the communication is overly simplified, the risk is the brand will appear only superficially committed to the values—one of the same risks inherent with Big Idea Campaign thinking. To understand how well your customer is gaining traction in their relationship with your brand, it's possible to identify the path—the milestone stepping stones—they are experiencing in becoming advocates. This exposes the consumer's points of confusion as well as the positive key milestones in their "brand discovery." This path to advocacy is called "The Customer Activation Cycle" and delivers the critical messages and brand experiences that lead consumers to a full understanding of the value set. This, then, creates an emotional connection to the brand, which is the moment casual customers move to advocacy.



## The Customer Activation Cycle™



It is the antithesis to Big Idea marketing and the only model that predicts why, when, and how a customer will buy based on what you do as a brand, versus what you say as a brand.

*Blueprint to a Billion* is an analysis of the patterns of the roughly 400 companies that went public in the 1980's that eventually reached \$1B in sales over a 20-year span. The author, David G. Thomson, describes seven attributes common among those companies. Interestingly, in a *New York Times* interview, Mr. Thomson was asked if a company had to master all seven, or if there were two or three that were the keys to target to spur growth. His reply was:

“First, you must have a breakthrough value proposition. Then you must attract marquee customers who use your product or service in a big way, help define the benefits in customer terms, and finally sell for you. They are so committed to your success that they proactively call their friends. This reduces your sales cycle time and sales costs by at least half. Finally, marquee customers who have a significant unmet need help your company create exponential returns.”

Translating, the three most important things required to scale a brand are:

1. **Be abundantly clear about your brand’s point of view** regarding why you do what you do, this being the driving principle that causes the end consumer experience with your products or services to be uniquely valuable to them as individuals.
2. **Define your goods or services in terms of the end user’s experience;** meaning, understand clearly why your customers value your particular offer in the market place and make this the focal point of your service design.
3. **Do everything you can to nurture long-term sustainable relationships** with customers because it is these customers that create the profitability and cost effectiveness in the demand chain that fuels growth.

The strategic imperative for growth according to Mr. Thompson then is to create brand advocates, and long-term repeat buyers. In the Customer Activation Cycle™, these are Cheerleaders. Cheerleaders represent 10-12 times the profitability over first time buyers, they advocate on your brand's behalf, and they are willing to pay premiums to remain with your brand. These customers are the fuel that drives profitable growth, the engine being the process of creating those Cheerleaders.

This is the crux of the value of thinking small. Thinking in terms of the nuances of your customers' experience and what they glean in the nooks and crannies of their interactions with your company provides a means by which they continually add context to their understanding of who, why, and how you do what you do. This is where the true value proposition resides, the one that Mr. Thompson alludes to. It does not reside in a tagline, but in a progressive development of understanding of your authenticity.

*“ Be abundantly clear about your brand's point of view regarding why you do what you do ...*

The goal then is to design a user experience that leads to an idealized state of brand/consumer relationship where the brand image arises fully in the mind of the consumer. It is possible to pinpoint key brand messaging, channel presentation, product and service experiences, and measurement strategies, all with the intention of crafting customer experiences to dramatically increase customer loyalty by connecting the authentic purpose of the brand with the values held by the consumer. The context is imparted in stages as the brand/customer relationship evolves over time and with experience.

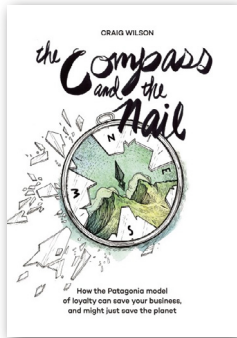
Good service design is driven by principles. Principles are tied directly to purpose. Purpose-driven firms have produced an outstanding aggregate return of 1,025% over the past 10 years, compared to 122% for the S&P 500. Millward Brown research shows values-driven brands outperform the competition by five times in terms of shareholder growth. Purpose trumps all other market advantages.

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When there is no consumer connection, there is no relationship. When there are no shared beliefs, there is no relationship. When there is no purpose, there is no reason for loyalty. Less connection leads to less relationship, less loyalty, less growth—A painful daisy chain of affect.

Building a meaningful direct connection with your consumer is the most fruitful path to growth. It's about transparency and authenticity, sharing small achievements one bite at a time, and doing the right thing and making doing the right thing the model for success rather than misusing resources, duping customers, or selling hyperbole. The path to growth, whether you're striving to hit \$1M, \$10M, \$100M, or even \$1B, is to be purpose driven, to clearly understand the needs of your customer and design purpose into the totality of their user experience. **By eschewing the Big Idea, campaign mentality, you'll be forced to do all of the little things that assure the development of a meaningful relationship, and that is when true, sustainable success begins to occur.** 📌

# Info



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**ABOUT THE AUTHOR** | Craig Wilson is an entrepreneur, consultant, author, and coach. He has founded three businesses, just recently selling the theater production company he and his wife founded in 1990. He is a leading authority on loyalty, brand development, and direct marketing and counts some of the world's most iconic brands in his listing of experience including Kiehl's, Patagonia, Seventh Generation, prAna Living, Burton Snowboards, and Revolution Living, among others. He's a three-time NCAA National Champion coach and a passionate observer of human behavior.

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