

A large white paper boat is positioned in the bottom left corner of the frame. Behind it, a large white paper letter 'Q' is mounted against a dark, textured concrete wall. The scene is set on a grey concrete floor. The lighting creates soft shadows of the boat and the letter 'Q' onto the floor and wall.

THE MAKING OF AN ICON

Soon Yu

Are you ready

to strangle the next person who tells you to “innovate or die”, “jump on the next S curve,” or “find the game changer?” Do you wish there was an easier, more profitable way to drive organic growth? Fortunately, this manifesto will help you stop chasing the new and instead, innovate the old.

Modern business gurus all cry for the need to innovate, to disrupt, and to act like a startup. It's hard to argue with that kind of thinking. It's sexy and exciting. But it's wrong. Too many businesses become enamored by shiny new objects and end up overlooking the value locked away in their existing products. Maybe your business is one of them.

Iconic Advantage is a different approach that allows companies to leverage what they already have to create lasting differentiation and deeper relationships with their customers. It generates disproportionate levels of profit and protects you against market fluctuations. Many of the world's most successful brands have been using it for years. Now, you can benefit from reaching iconic status, whether you're a Fortune 500, local pizza parlor, or an aspiring Unicorn startup.

What is Iconic Advantage?

Iconic Advantage isn't just something companies luck into, it's a deliberate strategy that focuses on building timeless distinction and relevance so businesses can rise above their competition and build stronger emotional connections with their audience. It's a strategy that applies across every area of an organization. And it's a strategy that helps you stay focused on what matters year after year.

Most manufacturing industries are on a runaway train heading towards faster, cheaper, and more commoditized products. It's all about quantity, quantity, quantity—which pushes quality into fourth place. Because why would you need to create a jacket that can last years when it's likely to be replaced by another one in a matter of months? The companies that embrace this trend are all focused on what's next. They're concerned only with the new.

But being iconic is about taking a step back and looking at the now and the then. It's often about innovating on your oldness to create something that rises above the accelerating speed of consumption. It allows a company to take an existing asset they've already invested heavily in and develop it to make it more distinctive, relevant, and universal—the three essential ingredients that lead to iconicity.

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The iconic part is important. Like religious icons and cultural icons, we're talking about properties that have meaning, relevance, and an emotional connection with an audience. Over time, these are properties that have become the standard-bearer for their category, niche, segment, or movement. We can learn as much from Andy Warhol and NSYNC as we can from Apple and BMW on this subject. It's this stronger human connection that helps to create a real, sustainable business advantage in the market. It generates true loyalty and can result in sales volumes that drive costs down and multiply profit margins.

What are the benefits of an Iconic Advantage strategy?

There is plenty of evidence that Iconic Advantage leads to greater customer loyalty, greater demand, and stronger testimonials. Some research from WPP, one of the world's biggest advertising agency groups, shows that people find it far easier to remember iconic brands. Its studies have revealed that iconic brands have over 60 percent better top-of-mind awareness than non-iconic brands. This is because iconic brands connect more deeply with their audience. And they do it in a way that includes the heart as well as the head.

Many marketers assume this connection is the result of frequently bombarding people with sales messages. But it seems that's just not the case. Research involving 7,000 consumers, conducted by CEB Inc., formerly Corporate Executive Board, shows that out of all people who claimed to have a relationship with a brand, 64 percent stated that "shared values" was the primary reason. This is part of the very foundation of Iconic Advantage.

CEB's research went on to investigate what led to consumers buying a product. And it found that "making a purchase decision easy is what makes customers choose your brand." This is one of the results of building Iconic Advantage. By becoming the trusted product for a defined audience, you make your product the simplest choice when people are ready to purchase.

This deeper connection and increased awareness doesn't translate just into sales. They translate into more profitable sales too. Our experience has shown us that iconic franchises generate a disproportionate share of profits in comparison to non-iconic products.

In our research, we looked at two dozen brands that weren't realizing their full iconic potential. Their iconic properties were delivering up to three times the profit and double the volume of other properties. That made them substantially more valuable to the business.

An Iconic Advantage approach begins by creating powerful signature elements that drive meaningful differentiation. This, in turn, generates greater loyalty and demand—which naturally translate into higher prices and greater sales volume.

This simply grows over time as you strengthen your differentiation by continually innovating your existing product. Your regular refreshes stimulate repeat purchase from your existing audience. And by bringing your product to the front of your audience's minds, you can spend less on marketing and promotion.

At the same time, the increased volume you enjoy from being a market leader drives down costs and allows you to achieve the highest gross margins in the industry. This, in turn, allows you to reinvest those profits into creating even greater Iconic Advantage. It's a virtuous cycle.

Innovating your existing products leverages your existing staff, structures, processes, manufacturing facilities, distribution channels, retail outlets, and customer base in a way that “radical” innovation never can. It’s a smart use of resources and energy. It leads to increased gross margins and has a far higher chance of success. It’s also simpler to do, and you’ll start seeing results faster. But the most important reason is iconic branding is more sustainable.

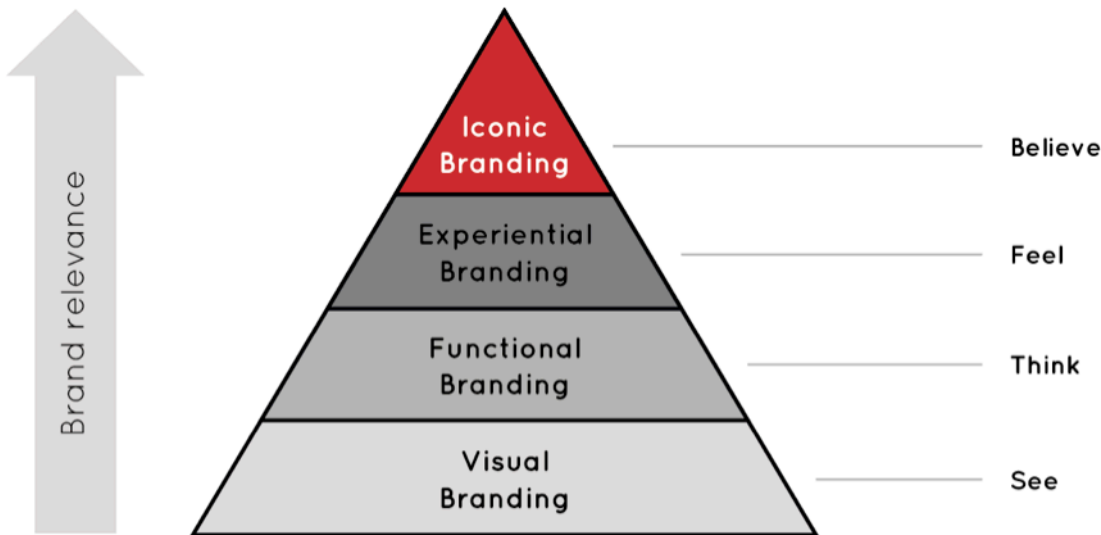
What is iconic branding?

Because branding is so poorly misunderstood by the majority of business people, many businesses don’t get much value out of it. They limit themselves to the most basic form of visual identity and miss out on the massive opportunities in creating a brand that connects with their audience, generates sales, and protects them against market fluctuations.

Iconic branding goes beyond what your audience sees, thinks, and feels. It reaches a deeper part of what people believe about themselves. The product becomes something the audience members define themselves by.

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The power of the brand connection increases as it goes deeper. The different levels of branding look like this:



Hierarchy of Branding

Level 1: Visual branding

Most brands have some kind of corporate identity guide. It shows the different variants of the logo and outlines the rules of how each one should be used. It lays down the color palette, the fonts, the image style, and any other visual elements. It's all about control. Because the world's top brands tend to have a visual consistency, the hope is that acting like them will open the doors to success.

Level 2: Functional branding

This is about moving beyond recognition to understanding. You want people to know what it is you do and how that applies to them. Ideally, this starts with your product design. If it communicates what makes your product special at a glance, it makes this stage so much easier. However, that's not always possible. That's why many brands use advertising and other communication channels to let people know why they should buy it.

Level 3: Experiential branding

More powerful brands move beyond information to emotion. To reach this level, a brand needs to resonate with the sentiments of its audience. It also needs to understand that actions are more important than words. You can't do this cynically. An audience will see right through that. Instead, it should come from the values that run through the whole organization. Experiences aren't just big PR stunts and high-profile sponsorship deals. The most important experiences are researching, purchasing, unpacking, and using the product or service. And—vitally—anything that involves interaction with your staff.

Level 4: Iconic branding

This is the ultimate form of branding, and very few brands operate at this level. This is when the brand goes beyond a superficial connection to its audience and taps into the aspirations and beliefs of who its audience wants to be. These brands transform into icons that the audience uses to define itself. Brands such as Nike, Apple, Porsche, and Harley-Davidson are at this level. And they didn't reach it by accident. There are some very deliberate things a brand needs to do to become an iconic brand.

What makes iconic branding so special?

Throughout human history, icons have played a central role in society. They were central to the earliest mythology, culture, and religion. And they've never left us since. Iconic visual elements became shorthand for a collection of aspirations, beliefs, and stories. We ended up with symbols, relics, and myths that have played a significant role in people's lives. It may seem archaic to most people, but the human need for icons hasn't diminished. If anything, it has accelerated alongside our media channels.

This is because icons become shorthand for larger concepts and stories. If I asked you to explain what a crucifix represents, you'd struggle to do it justice in a sentence. And some theologians could write entire books on it. But the symbol represents all of that—all of the information, all of the meaning, and all of the emotion. In a world where we are bombarded with increasing volumes of information from constantly multiplying media channels, these potent symbols become even more valuable.

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So icons continue to play a vital role for people all over the world, even although most of them are now secular and owned by corporations.

Some brands have such outstanding success at standing for a category benefit that their name becomes synonymous with it. Brands such as Xerox, Google, and Hoover became verbs. Other brands, like JELL-O, Clorox, and Q-tips, become the generic name for their category. That doesn't happen for all iconic brands. But it's a pretty good sign that a product has become one.

On its most basic level, iconic brands become a shortcut for decision-making. In most categories, consumers face a dizzying number of products, all with slightly different benefits. It's a complex job to weigh each option based on rational facts alone. So it's no surprise that most decisions are based on instinct and habit. With their deeper human connection, iconic brands become an easy decision in a crowded marketplace.

That's not a great surprise when you understand how the brain processes images. Part of our visual processing is handled by the amygdalae, a pair of almond-shaped structures deep in the temporal lobes of the brain. These are involved in memory and emotion, providing emotional reactions to visual stimuli. What we see and what we feel are intrinsically linked.

On another level, humans seem to have a psychological need for icons. As Abraham Maslow described in his hierarchy of needs, once people's desires for physiological basics, safety, belonging, and esteem have been met, they aim for self-actualization. They want to be the best version of themselves. And iconic brands work as catalysts to help people reach this ultimate level of being.

Icons have a magical talisman quality that transforms people. They actually put people into a different state just by their using them. Think of how you feel signing a document with a BIC pen compared to signing it with a Montblanc. How about being chauffeured in a high-end Honda compared to being chauffeured in a Rolls-Royce? The functional difference between each option is marginal, but the experiences are incomparable.

Icons also give people a sense of belonging to a community. They feel a kinship with other people who buy the same brand. Mac users feel part of a creative community. Jimmy Choo shoe wearers feel part of a fashion elite. Harley-Davidson riders feel part of a tribe of road warriors. The feeling of belonging is an important human need, and iconic brands fulfill that in spades. They make loyal customers feel connected to a wider community of discerning individuals.

So how can you create Iconic Advantage?

To create something iconic, you need to stand out from the competition. And this is the soul of your Iconic Advantage. The goal is to supercharge the three qualities that make a product iconic: distinction, timeless relevance, and universal recognition.

1. Create Noticing Power

It's impossible to stand out by being the same. Yet, most markets end up filled with generic products with a similar list of features. You need to make your offering distinctive. You need to stand out. The best iconic products create lasting iconic signature elements that not only look markedly different but also are own-able. Rather than just being different for the sake of it, these signature elements embody the brand's key point of difference in a meaningful way.

2. Develop Staying Power

You can't build an iconic brand without developing a deeper connection with your audience. You need to make it timelessly relevant so it sticks around. The best kind of iconic brand has a story to it. This can be the heritage of the brand. Or standing for something radically different from the rest of the market. Or the breakthrough science that delivers a meaningful benefit. This is what gives the brand a deeper connection with the audience that you could never achieve with mere aesthetics.

3. Build Scaling Power

Once you've got the first two principles in place, you need to give your iconic property as much presence as possible to become universally recognized. The goal is to scale your iconic signature elements by increasing awareness through marketing, availability through distribution and presence through product/service extensions.

These three steps create distinction, relevance, and recognition, which form the core of an Iconic Advantage strategy.

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So why pursue Iconic Advantage?

Sure, we've already discussed this and given you a myriad of reasons.

First of all are the financial reasons. This strategy doesn't require a huge expense. You can probably undertake the whole process with your existing staff and infrastructure.

It's also less risky than pursuing only a disruptive innovation strategy. When you innovate on the old, you've already got a product (or service), production, distribution, and—most important—an audience. That's the foundation you're building on. An Iconic Advantage strategy is focused on getting the most value from these existing assets.

Because you are leveraging existing assets, it can help you generate substantially more profit. And it does that by helping you reduce manufacturing costs as you scale, and allowing you to charge more for a product that possesses a historical emotional value for your customers.

It's also a simpler strategy that's easier to implement than building new capabilities. Although it doesn't require many new technical skills to implement (since you are leveraging many of your existing resources), it does require strong leadership and commitment across your organization. The temptation to be distracted by shiny new objects is especially strong for those with the most resources and influence.

Last, if you want to make a mark on your organization and be hailed as a hero, following an Iconic Advantage strategy is a great way to achieve that. You'll make a radical impact on the short- and long-term success of the business. You'll elevate your company's offering above the competition in a more sustainable way. And that's an outcome everyone in the business wants.

These are all compelling reasons to pursue an Iconic Advantage strategy: you'll make more money, it's easier to do, and it will help your career. However, the real reason to pursue this strategy goes much deeper.

There was an outcry when it was announced that Twinkies were being discontinued—not necessarily because people were regular consumers of the product, but because the product had a place in their heart. It was part of people's rose-tinted past, and the idea of not being able to relive that part of their personal history (or have others share in this experience in the future) was unthinkable. Iconic brands have the power to make people feel something, and that's what makes them special.

If you have read this far, it likely means there's a brand you care enough about to want to elevate it to an iconic level.

That's good for the brand. But it's also good for all of us.

Each of us, whether we admit it to ourselves or not, has a love affair with a number of brands. As with all good romances, we don't want it to end. We want to keep that love in our lives. We want to be all-in.

As the caretaker for your brand, it's your job to keep that love alive. 📖



Info



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About the authors

Soon Yu is an international speaker and author on innovation and design. He most recently served as the Global VP of Innovation and Officer at VF Corporation, parent organization to over thirty global apparel companies, including The North Face, Vans, Timberland, Nautica, and Wrangler. He has been a founder and CEO for numerous venture-backed startups and was recognized as a Northern California finalist for the prestigious Ernst & Young “Entrepreneur of the Year” award. Prior to this he worked at Bain and Company, The Clorox Company, and Chiquita Brands, where he won company-wide awards for best advertising, best promotion, and best new product, and gained industry recognition from the Webby Award, Favorite Website Award and Dope Award. He frequently guest lectures at Stanford University, where he received his MBA, and is an adjunct professor at Parsons School of Design.

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