The

AD-FREE

BRAND

Secrets to Building Successful
Brands in a Digital World

CHRIS GRAMS

THE AD-FREE BRAND

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Chris Grams

The Ad-Free Brand: Secrets to Building Successful Brands in a Digital World

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About the Author

Chris Grams is president and partner at New Kind, where he builds sustainable brands, cultures, and communities in and around organizations. The open source way—including themes like openness, collaboration, transparency, community, and meritocracy—is a key influence in his work.

Previously, Chris spent 10 years at Red Hat, the world's leading supplier of open source solutions, where he played a key role in building the Red Hat brand and culture, most recently in the role of senior director, Brand Communications + Design.

Chris blogs about the "dark matter" of organizations—brand, community, and culture—at Dark Matter Matters (www.darkmattermatters.com) and about the intersection of the open source way and business at opensource.com. He is also the Community Guide on Gary Hamel's Management Innovation Exchange (www.hackmanagement.com), where he often writes about how to enable communities of passion in and around organizations.

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Introduction

Do you dream of building a world-class brand? If so, your time has come.

In the past, great brands were only within the reach of the organizations with the biggest marketing budgets.

Today you can build a powerful, enduring brand at an amazingly low cost—without expensive ad campaigns, huge budgets, self-interested outside agencies, or deep specialized expertise.

So if you lack the money for an expensive advertising campaign, if you question the value of your current marketing and advertising strategies, or you'd like to move beyond superficial applications of the latest digital media tools, you've come to the right place.

The Ad-Free Brand is a complete, step-by-step guide to building a brand from the inside out, using the energy and passion of the community of people who care about it most, both inside and around the organization.

Why an Ad-Free Brand?

Every day advertising appears somewhere new—on an airplane tray table, on the sidewalk, in our schools, written in the sky, printed on our clothes, embedded in our favorite TV shows.

In fact, it may be quicker for you to name the places where you *do not* see advertising today than to name the places you do (if you can think of any at all). Yet traditional advertising has never been less effective than it is today. It has become background noise filtered out by our brains before most of it can even register.

I reject the notion that adding to the clutter of advertising is a necessary element of building a great brand.

ad-free brand: A brand built from the inside out using the energy and passion of the community of people who care about it most, both inside and around the organization.

I believe money and time can be much better spent investing in meaningful, productive relationships with the community of people in and around the organization who care deeply about a brand. These people are an energy source waiting to be activated. Properly engaged, they can help your brand succeed in ways that advertising never will. And a new breed of digital media tools and strategies has made it easier and cheaper to identify, organize, and motivate your brand community than ever before.

The Ad-Free Brand marries the classic positioning principles used to develop many of the great brands of the twentieth century to the new community-building strategies and tools now available for twenty-first-century brands.

The best of the old world meets the best of the new.

Who Can Use This Book

You don't need a marketing background or previous marketing experience to build a great brand. Some of the best new brands are being built by people who wouldn't consider themselves marketing experts at all.

I've written this book to be useful to anyone who is interested in building a world-class brand. So, whether you have 25 years of brand experience or no experience, whether you are in an organization of 10,000 employees or CEO in a company of 1,

you can use the concepts you'll find in these pages to build a more valuable, enduring brand.

Do any of the following statements describe you?

- I'm interested in reducing or eliminating advertising, marketing, or PR expenses where I am receiving little value in return.

- I'm competing against organizations I'll never be able to outspend.

- I'd like to develop more valuable, sustainable relationships with customers, employees, or other communities.

- I see the benefit of building a more resilient, enduring brand that can weather crises that might destroy other brands.

- I'd like to nurture a community of people that will be open to—and even prefer—new products, services, and ideas from my organization.

- I'd like to innovate faster and incorporate the ideas of the people in the communities surrounding my brand.

- I'd like to ensure my organization is successful at recruiting and retaining the best and most passionate workforce available.

By the time we are done here, you'll have the knowledge you need to create a great brand of your own that can do all these things—at a lower cost than was ever possible before.

What's in This Book

The Ad-Free Brand is a step-by-step guide to building a brand using a collaborative, community-based approach I learned during my 10 years helping build a $1 billion brand at Red Hat, the world's leading open source software company.

In this book, you'll learn how to conduct simple, inexpensive research to uncover what your brand stands for today and what people might value in it in the future. You'll learn how to develop brand positioning that is desirable to your community, deliverable by the brand, and differentiated from the competition by collaborating with trusted members of your brand community. Finally, I'll share techniques and strategies for rolling out this positioning internally and externally in meaningful ways without resorting to advertising.

Once you've finished, you'll know how to:

- Sidestep the clutter, cost, and ineffectiveness of traditional advertising

- Identify "points of difference" your customers will really value

- Develop brand positioning that feels true because it *is* true

- Dramatically reduce the cost of brand research

- Build your brand by guiding, influencing, and *being*—not *telling*

- Quickly prototype your brand positioning and apply what you learn

- Empower the brand advocates who know and love you best

- Communicate brand positioning with low-cost social and web tools

- Adapt classic positioning techniques for today's new world

- Consistently focus first on low-cost, high-value strategies

- Evolve your brand for changing markets, customers, products, and services

Sound interesting? Then keep reading—it's time to build an ad-free brand of your own.

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Ad-Free Brand Positioning Basics

Great ad-free brands will develop brand positioning that resonates with the communities surrounding the brand. But what exactly does that mean, and how do you construct effective positioning for your brand?

Thankfully, the basic concepts behind brand positioning are much simpler than you might think. By the time you finish Chapter 3, you should have all the tools and information you need to develop your own effective positioning, and by the end of Chapter 4, you'll have developed prototype positioning for your brand.

In this chapter, I cover the basic building blocks of brand positioning and then outline some principles that will help you set up your own brand positioning project for success.

My Introduction to Brand Positioning

One day during my time at Red Hat, when we were struggling through a particularly complex brand challenge, I came back to my desk to find a copy of the *Harvard Business Review* opened to an article about brand strategy with a handwritten note attached from CEO Matthew Szulik: "Perhaps you should consider finding someone like this to help you," the note said.

For the next day or two, I searched online, looking for brand strategy firms I might be able to enlist to help us work through our branding issue. I ran across all the normal agencies. I made a list. But none of them felt quite right, and I wasn't sure I could afford to hire one even if they were right.

Then it hit me—what if, instead of finding someone *like* the author of the *Harvard Business Review* article, I actually just contacted the author himself?

I did a bit of research and found that the primary author of the article, a Dartmouth professor named Kevin Keller, had also written a brand management textbook. So I found his email address and sent him a note to see if he'd be interested in talking about Red Hat.

AD-FREE BRAND HEROES PART 2: KEVIN KELLER

Kevin Keller, E. B. Osborn Professor of Marketing at the Tuck School of Business at Dartmouth College, is one of the top brand strategy experts in the world. He has advised many of the world's top brands, including Accenture, Allstate, American Express, BlueCross BlueShield, Campbell's, Disney, Eli Lilly, ExxonMobil, Ford, General Mills, Goodyear, Intel, Intuit, Johnson and Johnson, Kodak, Levi Strauss, Mayo Clinic, Nordstrom, Procter and Gamble, Red Hat, SAB Miller, Shell Oil, Starbucks, Unilever, and Young and Rubicam.

His textbook *Strategic Brand Management* has been called the "bible of branding" and is used at top business schools and leading firms around the world. Dr. Keller is also the co-author with Philip Kotler of the popular introductory marketing textbook, *Marketing Management*.""

I'd recommend anyone who is serious about their brand initiatives invest in a copy of *Strategic Brand Management* and consider purchasing reprints of some of his classic articles about brand management from *Harvard Business Review* and elsewhere. You can find a current list of Dr. Keller's published work here:

http://mba.tuck.dartmouth.edu/pages/faculty/kevin.keller/publications.html

To my surprise, Dr. Keller responded, and we were off and running. Bringing in Kevin Keller was one of the best business decisions I made during my time at Red Hat. Over the next few years, Dr. Keller became a key advisor on Red Hat's brand strategy, and he helped us work through many complex issues, including a few in uncharted territory.

I tell this story here because I use many of Dr. Keller's brand positioning terms throughout this book. In addition, this book contains advice, stories, and examples I learned from Dr. Keller during my time working with him at Red Hat. In the following section, I use Dr. Keller's terminology as I introduce the four key building blocks of brand positioning.

The Four Building Blocks of Brand Positioning

Those who spend all of their time thinking about brands and brand positioning can make the subject seem incredibly complex. Before you know it, these experts will fill you up with so much marketing jargon and so many impressive-sounding positioning principles and rules that your head may end up exploding from the pressure.

Yet the best-executed positioning won't always come from these sorts of experts. Great positioning is often developed by the people who know the brand best, the people who are most passionate about the brand, when they are allowed to play a key role in the positioning process.

So, where many experts might attempt to convince you that positioning is a complex process best left to people like them, my goal in this book is to show you basic brand positioning is *simple* and can be done by anyone—with or without marketing and advertising experience.

> …basic brand positioning is *simple* and can be done by anyone—with or without marketing and advertising experience.

While any person in any organization can help create great brand positioning, whether he has a high tolerance for marketing-speak or not, to do so he must first understand some basic concepts.

I've attempted to simplify the jargon down to four key principles I believe form the foundation of solidly constructed brand positioning. I call these principles "the four building blocks" of brand positioning, and I refer to them often throughout the book.

The four main building blocks of good brand positioning:

1. The competitive frame of reference

2. Points of difference

3. Points of parity

4. The brand mantra

DON'T GET HUNG UP ON THE WORDS

When it comes to positioning terminology, I sometimes get questions like "what is the difference between a brand mantra and a brand essence?" or "is a point of difference the same thing as a key differentiator?"

My answer? Don't get hung up on the words; it's the concepts that matter.

For the sake of clarity, in this book I've standardized on a set of terms that work for me and have become comfortable for me to use in my positioning projects.

But often, I'll be working with a client who approaches positioning from a slightly different point of view, and when this happens I always gravitate toward the words most comfortable to the client (They *are* the client!).

The exact terms aren't important. What really matters is whether we agree on how to articulate brand meaning and understand what makes the brand stand apart.

Using the terminology from this book to describe your brand positioning won't automatically make it good brand positioning, and some of the best-positioned brands I have ever seen were probably developed by people who had never heard of a point of parity.

My advice? Use whatever words you like, but seek to deeply understand the concepts behind them.

The Competitive Frame of Reference

Where does your brand compete?

This can seem like a very simple question with equally simple answers, and it can be.

If you run a furniture store, you probably compete with other furniture stores. If you run a tattoo parlor, you are up against other tattoo parlors vying to attract the same customers as you.

Great brands can't be positioned in a vacuum; they must be positioned in *context*. The competitive frame of reference provides the context for positioning, and it is a fancy way of describing the market or context in which you choose to position your brand.

The furniture store and tattoo parlor are pretty cut-and-dried cases. But have you ever stopped and wondered to yourself, "exactly which market am I in?" and realized that you are really competing in a market or context that is not initially obvious?

> ✉ *Note*
>
> The competitive frame of reference is a fancy way of describing the market or context in which you choose to position your brand.

Let's look at one example of a less-than-obvious competitive frame of reference.

What Market Do You Think Starbucks Is In?

Most people would say Starbucks is in the coffee market because the primary product Starbucks sells is coffee. In the coffee market, Starbucks competes with grocery stores, convenience stores, fast food restaurants, and other coffee shops. The coffee market is tough, and in many of those places the profit margins are pretty slim.

In the coffee market, Starbucks isn't usually competitive on price. In fact, the company managed to convince the world that coffee that used to cost 50 cents a cup was actually worth $2 or more. Starbucks may no longer be the most expensive coffee in the world, but there are definitely plenty of places you can find coffee cheaper.

When it comes to taste, I'm not sure Starbucks has a huge advantage either, despite what their marketing folks might tell you. Only hardcore Starbucks addicts would tell you it is the best coffee out there. Everyone's tastes are different, but if you are like me, you probably wouldn't have too much trouble finding a cup that tastes better.

Convenience is pretty important in the coffee market simply because many people are in a rush to grab a quick cup on the way to work. And Starbucks stores are nothing if not ubiquitous. But in my experience, the only thing as ubiquitous as Starbucks is a line at Starbucks. So, even though you can find Starbucks stores everywhere, after standing in line, it'll still probably take you 10 minutes or more before you have your coffee in hand.

Thus, in a market where price, taste, and convenience are all very important, Starbucks doesn't look like a strong competitor. Yet Starbucks has more than 16,000 stores in 50+ countries around the world and does over $10 billion per year in

revenues.[1] Almost makes it hard to believe that Starbucks could have grown this big by simply competing in the coffee market.

Well, in addition to competing in the coffee market, Chairman and CEO Howard Schultz has been known to say that Starbucks is competing to be your "third place." According to him, the third place is the other place you want to hang out besides your first place (your home) and your second place (your work).

In the competitive frame of reference of third places, Starbucks has a whole different set of competitors, only some of which are coffee shops. Starbucks competes with bookstores, bars, restaurants, parks, libraries—all the places you might want to hang out and spend your time away from home and work.

For years, Starbucks has been differentiating itself not just on its coffee, but also on the experience and environment it creates. That's why Starbucks focuses so much time with the music, ambiance, and complex drink names that make you feel like you are reciting chants when you order them. It is all part of creating an air of comfort, relaxation, familiarity, exclusivity, and all of the other things that you look for in your preferred hang-out spot.

Now, I personally have some pretty awesome first and second places to hang out in. I love my house and I love my office. When you add to this the fact that I am a bit of an introvert who values privacy and quiet time, I'm not really in the market for a third place. So Starbucks' differentiation as a third place probably matters less to me than a nice, tasty cup of iced coffee.

But every time I go into a Starbucks, I see tons of people who have their laptops open, or are reading newspapers, or meeting with friends or business associates. That and $10 billion in revenues per year tells me there must be a lot of other people who *are* in the market for a third place. Small business owners, salespeople who work on the road, people who need to get out of the house—clearly the Starbucks positioning in the third place frame of reference must be working or there wouldn't be a Starbucks on every corner.

In fact, as I write this, Starbucks has just announced a new logo and brand identity that actually removes the word "coffee" from the logo completely. I wonder whether this is actually a sign. Perhaps their effort to position themselves in the "third place" competitive frame of reference has been so successful that they're considering moving into even more markets that utilize their third place brand position, but aren't directly related to coffee at all?

Multiple Competitive Frames of Reference

In all likelihood, you'll decide that you have one primary competitive frame of reference where your organization will spend the majority of its positioning energy.

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1. Data from Starbucks FY10 annual report, page 2.

But hopefully the Starbucks example opens your eyes to the possibility that you may want to position your brand in more than one frame of reference. By looking beyond the obvious competitive markets, you might even uncover new business opportunities or ways to broaden your horizons to include people who may never have considered your brand before.

Be open to the idea that you might want to develop different positioning for each frame of reference, or that you might choose to highlight different elements of the brand as you present yourself in different frames of reference.

If this seems complex, don't worry. In Chapter 4, I take you through a simple exercise that will help you determine the optimal competitive frame of reference (or references) for your brand.

Points of Difference

If you've ever been around anyone who talks about positioning, you've probably heard them talk about points of difference, differentiation, or the concept of key differentiators.

POINTS OF DIFFERENCE: THE ROOKS OF POSITIONING

If brand positioning was a chess game, points of difference would be the rooks. They are strong, powerful tools, and it is easy to understand how they work and see the impact of what they do.

A point of difference is a something about the brand that makes it different from other competing brands. But a good point of difference won't just revel in its different-ness; it must also be something your customers would value.

✉ *Note*

A point of difference is something about a brand that makes it different *and* would be valued by potential customers.

Let's look at an example that highlights good and bad points of difference.

Who Wants Mexican?

I love Mexican food and think it is awesome that I can go anywhere in the country and find a Mexican restaurant. But even though there are probably lots of people like me out there who love Mexican food, my guess is the Mexican restaurant business is pretty tough.

There is a lot of competition, and many of the restaurants tend to look (and often taste) alike. So, if you wanted to open a new Mexican restaurant, how could you ensure it'd stand out?

If you were thinking in terms of creating solid points of difference, you'd probably start by thinking about what customers would value in a Mexican restaurant. Since I'm a bit of a Mexican connoisseur, let me start with what *I* value in a Mexican restaurant. In order of priority:

1. Cleanliness

2. Freshness of ingredients

3. Tasty salsa

4. Good carne asada

5. Price

Say you happened to be opening this restaurant in a place where there were many other people who shared my idea of what is important in a Mexican restaurant. Let's also say that there were a lot of Mexican restaurants already open in the area competing for the attention of people who valued price, quantity of food, and good margaritas.

To stand out, you might consider cleanliness, freshness of ingredients, and tasty salsa as three things you want to focus on as points of difference for your restaurant brand. By focusing on these three things, you could make your restaurant very different in a way that potential customers would actually value. Victory!

By starting with what your potential customers value and then thinking about what makes you different, you have a better chance for success than if you start with just the things that make you different.

Here's another example to highlight this point. What if your claim to fame is that you know how to make an incredibly good, incredibly authentic Mexican posole (a stew) featuring pigs' feet? In fact, it is widely known that no one in the entire world can make a better pigs' feet posole than you.

You should be very proud. But you shouldn't for a second believe that your great posole is a good point of difference for your restaurant. Why? Most Americans

aren't that crazy about pigs' feet, and no matter how good your stew is, they probably won't buy it from you. Your posole is certainly different and probably very tasty (at least to those into that sort of thing), but it is not something your customers would value, so it is not a good point of difference. Get the idea? Or am I just making you hungry?

In the next few chapters, I show you some ways to ensure you are uncovering points of difference for your brand that will not only help you stand out but will also be valued by your customers.

Points of Parity

Now you are probably beginning to think about, and maybe even feel good about, all the points of difference that make your brand stand out. But while you've been busy thinking about how to make your brand stand out from your competition, your competitors are also busy developing points of difference that make them stand out from *you*. This is where the idea of a point of parity comes in.

Most simply, a point of parity is a point of difference a competitor has over *you* that you need to counteract. Sometimes points of parity are "table stakes"—characteristics you need simply to enter or compete in the market. Other times points of parity are advantages that competitors have been able to gain that are highly valued by customers.

> ✉ *Note*
>
> A point of parity is a point of difference a competitor has over *you* that you need to counteract.

It takes a strong person to admit to their weaknesses, and strong brands must admit their weaknesses, too. This is why great brands use not only points of difference to show where they stand out, but also points of parity to show where they are trying to be as good as their competition.

But highlighting a point of parity doesn't necessarily mean that you need to turn it into a key strength for your brand or that you need to beat your competitors at it. You shouldn't feel like you need to turn all your brand weaknesses into strengths.

In fact, one of the key things to understand about points of parity is that they don't represent places where your brand needs to be the best. Instead they highlight places where your brand must simply be good enough, so that, given the amazing points of difference you have in other areas, someone will still choose your brand over the competition.

✉ *Note*

Points of parity highlight places where your brand must simply be good enough, so that, given the amazing points of difference you have in other areas, someone will still choose your brand over the competition.

POINTS OF PARITY: THE KNIGHTS OF POSITIONING

If brand positioning was a chess game, points of parity would be the knights. They are sneaky, often attacking when you least expect it, and are at their most powerful when used in conjunction with points of difference.

Well-played points of parity are one of my favorite brand positioning tools. Points of parity are the jujitsu maneuvers of brand positioning, with the amazing power to nullify the strengths of opposing brands, while focusing energy back on the differences that make you stand out.

> Points of parity are the jujitsu maneuvers of brand positioning…

Make sense? Let's look at an example.

Wal-mart Versus Target

Wal-mart is one of the most intimidating competitors in retail. Over the years, they've developed a key point of difference around everyday low prices that is almost impossible for competitors to match. Their enormous size and efficient operations give them incredible pricing power with the ability to beat the prices of almost any competitor. Wal-mart has used this strength to become, based on annual revenues, the largest corporation in the world.

Faced with a massive competitor like Wal-mart, many companies would curl up in a ball and prepare to die. Yet Target, the second largest discount retailer in the United States, has actually prospered in this tough environment, ranking #30 in the Fortune 500 in 2010.

How has Target done it? I believe a large factor in their success is the combination of a very strong point of difference around design and fashion, coupled with great execution on a point of parity around price.

Is Target always the cheapest? No. As I've said previously, it's pretty difficult to beat Wal-mart on price. But are Target's prices "good enough" that, given how much better designed many of their products are and how fashion-forward much of their clothing is, many people in certain demographics choose to buy from them instead of Wal-mart? Absolutely.

Target is not trying to *beat* Wal-mart on price. They are simply trying to create enough parity around price that their point of difference around fashion and design becomes the deciding factor for many consumers.

It is a great example of using a point of parity and point of difference well together, and it's a 1-2 punch that has worked very well for Target.

The point of parity is one of the most overlooked tools in the brand positioning tool chest, but it can be one of the most powerful, especially when used in combination with a great point of difference. In Chapter 4, I walk you through an exercise that will help you uncover the best points of parity for your brand.

Current Versus Aspirational Points of Parity and Points of Difference

When we begin to develop points of parity and points of difference in Chapter 4, one thing to keep in mind is that you may develop points that the brand currently owns today *and* points that you hope to be able to achieve in the future. Brands shouldn't feel like they can only define themselves by what they are today.

By choosing points of parity and points of difference that describe who you are today and who you want to be down the road, you'll ensure the brand is not only well positioned today, but also has room for future growth.

The Brand Mantra

The final brand positioning building block is the brand mantra, which some refer to as the *brand essence* and others call a *brand promise*.

A brand mantra is short (usually 2–5 words maximum) and encapsulates the competitive frame of reference, the points of difference, the points of parity, and everything else about your brand into one thought. A brand mantra is to brand positioning what triple distillation is to liquor—they both remove the impurities, refining and simplifying to an essential form.

> ✉ *Note*
>
> A brand mantra is a short, 2–5 word encapsulation of everything about a brand.

A brand mantra is *not* an advertising slogan or tagline, and, in many cases, it won't be something you use publicly at all. Great brand mantras can change everything. They become rallying cries that define everything a brand is and will ever be. But, because they are part purification process and part poetry, they are also incredibly hard to make well.

A ROSE BY ANY OTHER NAME WOULD SMELL AS SWEET

In this book, I use the terms *competitive frame of reference*, *points of difference*, *points of parity*, and *brand mantra* to describe the building blocks of positioning. But feel free to use whatever terms you like. Here are some common alternatives:

Competitive Frame of Reference:	Market
	Competitive landscape
	Competition
Point of Difference:	Differentiator
	Key differentiator
Point of Parity:	Brand parity
	Table stakes
Brand Mantra:	Brand essence
	Brand promise
	Positioning statement
	Brand statement

According to Scott Bedbury (the "brands are sponges" guy from Chapter 1), the term *brand mantra* was coined during his time at Nike. The Nike brand mantra, *Authentic Athletic Performance*, is probably the most famous example, and Bedbury discusses it at length in his book A *New Brand World*. From the book:

"Nike's brand mantra put a particular emphasis on maintaining authenticity, by which we also meant integrity and purity, front and center…. All products and activities associated with Nike likewise had to be athletic, not leisurely…. Finally, every Nike product had to exude world-class performance and meet the demands of the world's finest athletes, even though such athletes represented a microscopic piece of Nike's total business…. "Authentic Athletic

Performance" was a simple idea, but like so many simple ideas, its execution and implementation could be complex, not to mention challenging, daunting—and even painful, when it came down to forgoing revenue-generating activities because they violated these accepted core values."[2]

When used in its proper context, a good brand mantra is not simple sloganeering. If you asked most people to name Nike's brand mantra, they'd probably say "Just do it."

But "Just do it" is a tagline, not a brand mantra. It is an externally facing manifestation of *Authentic Athletic Performance* (and a pretty darned good one, I might add). It's a wonderful example of how great communications can be built on the back of a solidly constructed brand mantra.

Still, if the brand mantra is simply used as a building block for campaigns, it is not living up to its true potential. A brand mantra is at its most powerful when it becomes a deeply resonant piece of the DNA of the organization. It can be used to rally an internal or external brand community to action or as a touchstone the organization returns to when making difficult decisions.

> A brand mantra is at its most powerful when it becomes a deeply resonant piece of the DNA of the organization.

What businesses should you be in? What businesses should you not be in? How should you handle this crisis you've gotten yourself into? How do you make this painful choice? The brand mantra can be your guide.

Kevin Keller tells a great story of how Disney (Brand mantra: *Fun Family Entertainment*) at one point made the choice to get out of an investment business they had entered because, although it was vaguely family-related, it was neither fun nor entertaining.

This is my favorite example of a brand mantra that has been used to steer the brand and keep it on track.

THE BRAND MANTRA: THE QUEEN OF POSITIONING

If brand positioning was a chess game, the brand mantra would be the queen. It is the most powerful piece you have and, when properly placed, can win the game by itself. It is, however, one of the most difficult pieces to get into the action, especially early in the game.

2. From *A New Brand World* by Scott Bedbury, page 51.

In my experience, the best brand mantras are the rock stars of the positioning world. For people who don't have the patience for understanding competitive frames of references, points of parity, and points of difference, a poetic, authentic brand mantra makes everything else fade into the woodwork. It encapsulates every important point of difference, maybe an important point of parity, and even the competitive frame of reference, into a few short words.

Brand mantras are poetry. They are art. And they are powerful tools, not just for building brands, but for building organizations. Yet, as I've noted, great brand mantras are very difficult to achieve, and some positioning exercises never uncover one.

In upcoming chapters, I reveal some exercises and tips that can help your brand break the code and find a powerful brand mantra that works for you.

AD-FREE BRAND HEROES PART 3: SCOTT BEDBURY

Scott Bedbury, CEO of the brand consultancy Brandstream, is a branding legend who played key roles in the development of the Nike and Starbucks brands during the late '80s and early '90s.

Tom Peters has called Bedbury "perhaps the greatest brand maven of our time."[3] His book *A New Brand World*, published by Viking Press in 2002, is a great read for anyone who wants to be inspired by the possibilities brand positioning can create from someone who was a central figure in the development of two of the most iconic brands of our time.

Key Principles Behind a Successful Ad-Free Brand Positioning Project

Now that you have a taste of some of the most important brand positioning concepts, you are probably eager to get started working on positioning for your brand.

To design the best possible brand positioning project for your organization with the best chance for success, you'll need to recognize that, while the fundamental building blocks may stay the same, every positioning project will be a little different.

I've helped people with a wide variety of brand positioning projects in all sorts of organizations including large corporations, small businesses, non-profits, start-ups, websites, events, musical groups, and government agencies. I've even helped people position themselves.

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3. This quote appeared in the "Praise for…" section at the beginning of Scott Bedbury's book *A New Brand World*.

In some organizations, I've run very formal positioning projects involving input from dozens of people and expensive research that took many months to complete. I've also done mini-positioning projects that were completed at no cost over a weekend.

When making a decision about how to set up your positioning project, I'd suggest you take the following principles into account:

Cast Your Net as Wide as Possible

Two-time Nobel Prize winner Linus Pauling once said, "The best way to get a good idea is to generate a lot of ideas." And I've already mentioned, Linus's Law, named for Linux founder Linus Torvalds, which states, "Given enough eyeballs, all bugs are shallow."

Can two Linuses be wrong? Contrary to what you'll hear from many branding experts—who like to run positioning projects behind closed doors and involve only agency types, marketing executives, or management committees—great positioning projects can be run out in the open.

My experience in the open source world has taught me that the more people you can involve in the positioning project, the more great ideas you'll uncover and the more flaws you'll reveal. Where traditional positioning projects are often very secretive projects run by a select few, I believe great modern positioning projects can be run as powerful meritocracies where the best ideas can come from anywhere, and often do.

> 🔍 *Tip*
>
> The more people you can involve in the positioning project, the more great ideas you'll uncover, and the more flaws you'll reveal.

Also recognize that, especially if you are a small organization or an organization of one, you can get even more ideas if you cast your net beyond the walls of your organization. Consider whether getting your customers, partners, friends, or even neighbors involved in your positioning project might give you ideas you could never get on your own. I cover this subject in more detail in Chapter 4.

Powerful brand positioning doesn't have to be the work of a lone genius and usually isn't. My goal is to break the (misleading) stereotype of the ad agency creative director who stumbles upon the perfect positioning while scribbling on a napkin and sipping a martini at an outdoor brasserie in Manhattan.

> Powerful brand positioning doesn't have to be the work of a lone genius and usually isn't.

Great brand positioning is the result of collaboration between people who are *passionate* about a brand and is led by people who cast their net widely for the best ideas on how to position that brand.

The Best Ideas Should Win

When I talk about soliciting ideas from a large group of people for a positioning project, many people immediately assume I mean turning the project into a democracy where every person gets a vote and majority rules. Nothing could be further from the truth. Positioning by popular vote can be ugly, painful, and ineffective and is a great way to achieve a lowest common denominator of bland and mediocre ideas.

While I like to involve as many people as possible in the positioning project to ensure their ideas are captured, I also make sure the rules of the game are very clear. In a positioning project run the ad-free brand way, we create a meritocracy where the *best* ideas will win, not necessarily the *most popular* ideas (although in many cases both can happen at once, which I love to see).

Tip

In a brand positioning project run the ad-free brand way, the *best* ideas should win—not necessarily the most popular ones.

So we consult as many people as possible throughout the course of the project, communicate regularly, and keep them involved through the process, but never promise them they will get a vote. Does the fact that they don't get to vote make people less apt to contribute?

Believe it or not, I've never seen this happen. In my experience, people aren't used to being asked what they think. Usually they are thrilled to be asked, excited to even have the opportunity to contribute.

The People Who Care the Most Make the Decision

So, who chooses which ideas are the best ideas? I recommend you put together a small leadership group of people to make the final brand positioning decisions and recommendations (between 5 and 15, depending on your project size). These people are not always the most senior people in your organization, although some of them might be. They are the people with the deepest understanding of and most experience with the brand. Eventually, many of these people may become part of the long-term "command center" of your in command, out of control brand.

🔍 *Tip*

Choose a diverse brand leadership group made up of people with the deepest understanding of and most experience with the brand and culture, regardless of where they sit in the organization.

What should you look for? Good candidates could include employees who have been with the organization for many years. They may be people whose daily job is to manage the brand or brand-related assets. They might be people who are most passionate about the brand and culture of the organization. These will also be the people who will be your strongest advocates internally for socializing the brand.

Depending on how your organization is set up, this group may make the final brand positioning decisions (my preference) or decide on the final recommendation to take to the executive team for blessing (more dangerous).

But I believe the worst way to make decisions on a brand positioning project is to put a team of just executives or just marketing people in charge. For me, no job title should be a guarantee of a vote during a brand positioning project (although executive *support* is a must). If you want to achieve brand positioning that truly reflects your brand in an authentic way, put the people who care the most in charge. They will almost never let you down.

> Put the people who care the most in charge. They will almost never let you down.

Value Diversity

The best positioning projects involve people looking at the brand from as many angles as possible. For example, groups that talk to customers or community members every day, like sales, support, and customer service, often have more expertise on the actual brand experience than marketing folks. There are all sorts of people both inside and outside the organization who can bring points of view to the project that might never have been evident to those whose day job is to manage the brand.

What is the best way to ensure you get the best ideas? Don't just get a lot of people involved, but get lots of different types of people involved. Don't stop at collecting ideas from this diverse group; consider including some of the best and brightest people as part of the decision-making team.

Begin Your Positioning Rollout on Day 1

When you bring a diverse group of people into your project, in my experience you will not only get a more diverse set of ideas, but will also pave the way for the future success of the brand positioning.

John Lilly, former CEO of the Mozilla Corporation, has a saying: "Surprise is the opposite of engagement." I've used this statement as a guide over and over during positioning projects.

Involving people in the creation of positioning early in the process will give you a head start on rolling it out because you'll be building a strong set of advocates inside and outside the organization starting on day one. These are the people who, because they're involved, will help ensure your project's success. But by not involving people in the project who care passionately about the brand, you are taking dangerous chances that can actually lead to failure.

"Surprise is the opposite of engagement."
—John Lilly, Venture Partner at Greylock and former CEO of Mozilla Corporation

Building brand positioning in secret and then unveiling it as a dramatic surprise (the traditional favorite approach of advertising agencies, "Look, a spiffy new slogan!") is a horrible strategy in a world where the Internet and social media have given every individual powerful tools to publicly destroy your team's hard work.

I look to involve people early and often who I believe will play key roles during the brand positioning rollout. When properly engaged, these passionate brand advocates will work tirelessly for the brand. But when spurned, they can do more damage than your worst enemies.

THE GAP LOGO: A CASE STUDY IN SURPRISE VERSUS ENGAGEMENT

In October 2010, Gap provided one of the best examples I've ever encountered of "surprise is the opposite of engagement" in action.

In a startling announcement, the company unveiled a dramatically different logo for the Gap brand. The reaction from the communities of people surrounding the Gap brand was swift and disastrous.

Why did people have such a visceral negative reaction to the logo change? Was the logo really that bad? The firm in charge of the redesign had a deep understanding of and experience with the Gap brand and has an overall great reputation for doing quality work. So how did a project run by experienced brand professionals working with one of the largest consumer brands in the world go so wrong so quickly?

The answer? Gap *surprised* the people who cared about the brand the most.

While this concept seems so simple, I wonder if many in the advertising world still struggle with it. After all, if you've been doing big *Mad Men*-style brand "reveals" for the last 30 or 40 years (What's behind the curtain? Why it's a new logo!), the idea of working transparently *with* customers to define a brand represents a monumental transition in process.

Please don't misunderstand me. I'm certainly not suggesting that large companies start taking votes or resorting to crowd-sourcing their brand identities. The horror.

I'm suggesting twenty-first-century brands must take their community of loyal customers on the transitioning brand journey with them. They must let their communities come along for the ride, showing the people who love them the scenery they see; granting them the opportunity to share ideas, suggestions, comments; and even letting them get things off their chests along the way.

I don't think the brand community expects you'll give it the wheel to steer the brand. But the simple fact is this: if the community isn't invited on the journey, it will reject the destination. And now that social media has given brand communities loud voices and powerful organizing capabilities, real problems can be created for brands that surprise their communities.

Gap learned this lesson the hard way. Hopefully, as long as you keep the idea that surprise is the opposite of engagement in the back of your mind as you consider your brand strategy, you won't need to make the same mistake.

🔍 *Tip*

If the community isn't invited on the journey, it will reject the destination.

The Size of the Project Should Be Proportional to the Value of the Brand

If you are running a website that does $100,000 a year in revenues, should you go out and invest $40,000 doing research for your positioning project? Absolutely not. If you are positioning a brand responsible for millions of dollars of revenue, should you change your brand strategy based on a mini-positioning project you ran in your basement with the help of your dog over a long weekend? I wouldn't.

If the risks are small, keep the investment small. If the risks are larger, consider making a larger investment and potentially consider bringing in a professional branding firm to help facilitate the project.

Positioning projects usually involve an investment in both time and money. For many small organizations, time is easier to part with than money. For many large organizations, money is easier to part with than time. So if your money is short and your time is plenty, use this book and do most of the work yourself.

> ...if your money is short and your time is plenty, use this book and do most of the work yourself.

But if you have a budget, yet are pressed for the time or people required to do things right and the stakes are high, consider bringing in a professional partner to help you through the process. Sometimes an outside facilitator can also be an objective voice of reason and experience when things get emotional or next steps are unclear.

In some ways, you should consider your time/budget investment in much the same way you'd consider budgeting for a home improvement project. Could you put up your own drywall in the new guest room? Yes. Should you? Well, that depends on your experience, time, and patience.

The same concept applies here. While this book is designed around the idea that you can "do it yourself" in most cases, there are certain projects where you can achieve better results if you enlist professional assistance. I'll point these places out as we cover them.

The Four Phases of an Ad-Free Brand Positioning Project

An ad-free brand positioning project is made up of four phases:

1. Research

2. Positioning

3. Initial rollout

4. Continuing engagement

Smaller organizations may move through these phases relatively quickly, while larger, more complex organizations might take months before they make it to the continuing engagement phase. All ad-free brand positioning projects will go through these four phases at least once. But I encourage brands to think of brand positioning as an ongoing process, living by the open source adage "release early, release often."[4]

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4. Like Linus's Law, the adage "release early, release often" was first popularized by Eric Raymond in his 1997 essay "The Cathedral and the Bazaar."

✉ *Note*

Think of brand positioning as an ongoing process, living by the open source adage "release early, release often."
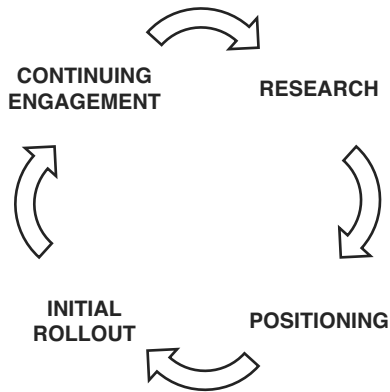
Figure 2.1   *The four phases of a brand positioning project are the research, position-ing, initial rollout, and continuing engagement phases. Ideally brand positioning is an iterative process where these phases repeat over time.*

The sooner you can begin to test new concepts and ideas with the communities of customers, partners, and contributors surrounding your organization, the better your ability to quickly make refinements that will ensure the effectiveness and rele-vance of the positioning.

In addition, I recommend ongoing diligence once the brand positioning has been effectively rolled out. You'll want to regularly update your research; re-examine your positioning concepts to make sure they remain relevant in the face of changes to your organization ; and continue to communicate, making changes to your approach as necessary. In this way, brand positioning becomes an ongoing cycle versus a one-time event.

Basic Training Is Now Complete!

You should now understand the basic concepts and principles behind the ad-free brand positioning process. In the next chapter, we take a closer look at the research phase, covering all the required homework that will help you better position your brand.

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