

KELLOGG ON BRANDING IN A HYPER- CONNECTED WORLD

Edited by
Alice M. Tybout
Tim Calkins

WILEY

Cover image: ©xamtiw/iStock.com

Cover design: Wiley

Copyright © 2019 by John Wiley & Sons, Inc. All rights reserved.

Published by John Wiley & Sons, Inc., Hoboken, New Jersey.

Published simultaneously in Canada.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 646-8600, or on the Web at www.copyright.com. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permissions>.

Limit of Liability/Disclaimer of Warranty: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. You should consult with a professional where appropriate. Neither the publisher nor author shall be liable for any loss of profit or any other commercial damages, including but not limited to special, incidental, consequential, or other damages.

For general information on our other products and services or for technical support, please contact our Customer Care Department within the United States at (800) 762-2974, outside the United States at (317) 572-3993 or fax (317) 572-4002.

Wiley publishes in a variety of print and electronic formats and by print-on-demand. Some material included with standard print versions of this book may not be included in e-books or in print-on-demand. If this book refers to media such as a CD or DVD that is not included in the version you purchased, you may download this material at <http://booksupport.wiley.com>. For more information about Wiley products, visit www.wiley.com.

Library of Congress Cataloging-in-Publication Data:

ISBN 9781119533184 (Hardcover)

ISBN 9781119533283 (ePDF)

ISBN 9781119533290 (ePub)

Printed in the United States of America

10 9 8 7 6 5 4 3 2 1

CONTENTS

Foreword ix

Jim Stengel

Preface xi

Alice M. Tybout and Tim Calkins

Acknowledgments xvii

Introduction: The Power and Challenge of Branding xix

Tim Calkins

Section One

THINKING STRATEGICALLY ABOUT YOUR BRAND

Chapter 1

Brand Positioning: The Foundation for Building a Strong Brand 3

Alice M. Tybout

Chapter 2

Leveraging the Power of Brand Purpose 20

Jim Stengel, Matt Carcieri, and Renée Dunn

Chapter 3

Creating a Powerful Brand Portfolio 37

Tim Calkins

Chapter 4

Competitive Brand Strategies: Creating Pioneer, Fast-Follower,
and Late-Mover Advantage 53

Gregory S. Carpenter and Kent Nakamoto

Chapter 5

Leading the Brand: Brand Strategy Orchestration and Implementation 67

*Eric Leininger***Chapter 6**

The Three Keys to Building Global Brands with Soul 78

*Sanjay Khosla***Section Two****BRINGING YOUR BRAND TO LIFE****Chapter 7**

Brand Design and Design Thinking 93

*Bobby J. Calder***Chapter 8**

Leveraging Touchpoints in Today's Branding Environment 110

*Kevin McTigue***Chapter 9**

Building Strong Connections between Brands and the Self 129

*Neal J. Roese and Wendi L. Gardner***Chapter 10**Building Strong Brands through Advertising Strategy
in the Online Age 143*Brian Sternthal***Chapter 11**

Digital Brand Storytelling 161

*Mohanbir Sawhney***Chapter 12**

Branding Services in the Digital Era 177

Tom O'Toole

Section Three**GAINING INSIGHT ABOUT YOUR BRAND AND
QUANTIFYING ITS STATURE****Chapter 13**

Digital Transformation and the Evolution of Customer

Insights in Brand Building 193

*Bridgette Braig***Chapter 14**

Using Neuroscience to Assess Brands 207

*Moran Cerf***Chapter 15**

Measuring Brand Relevance and Health 218

*Julie Hennessy***Chapter 16**

Connecting Marketing and Finance via Brand Value 234

*Bobby J. Calder***Section Four****LESSONS FROM BRAND LEADERS****Chapter 17**

Has Purpose Lost Its Purpose? McDonald's Defines

Its Style of Marketing 249

*Silvia Lagnado and Colin Mitchell***Chapter 18**

Ulta Beauty Gets a Branding Makeover 256

*Mary Dillon and Dave Kimbell***Chapter 19**

Transforming a Historic Brand for a Hyper-Connected World:

The John Deere Story 263

Denny Docherty and Mike Porter

Chapter 20

Rebranding an Organization: The Novant Health Story 271

*Scott Davis and David Duwall***Chapter 21**Repositioning a Country Brand: Changing the Conversation
about Mexico 279*Gloria Guevara***Chapter 22**

Managing Brand Communications in a Digital World 287

*Cindy Halvorsen***Chapter 23**

Customer Experience: The New Frontier of Branding 294

*Sergio Pereira***Chapter 24**

Brand New: Creating a Brand from Scratch 301

*Paul Earle***Index** 311

PREFACE

The world of branding has changed dramatically in the past decade, and the pace of change only seems to be accelerating. A key force driving both change and complexity is the overwhelming access to people, products, and information. In today's world, we are hyper-connected.

Consumers have an almost infinite range of products and services quite literally at their fingertips, and these options can be delivered, if not instantly, then close to it. Brand managers can connect directly with their customers, track their decision journey, and in many cases make the sale without the assistance of traditional intermediaries. The opportunities are endless for both consumers and managers, and the breadth of options has the potential to be overwhelming.

Although some argue that brands are becoming less important, we believe the opposite—that branding is becoming even more important. Brands provide differentiation, create loyalty, and even foster a sense of identity. Without a powerful, distinctive brand, firms have to rely purely on product-based differentiation, and this can be difficult to maintain.

Our goal in writing and editing this book is to help business leaders navigate this evolving landscape. We do so by drawing upon the perspectives of Kellogg's world-renowned marketing faculty, as well as those of senior executives who put theory into practice as they build and manage brands on a day-to-day basis.

This book is the latest in a series of marketing books from Kellogg, stretching back to 2001 with the publication of *Kellogg on Marketing*. Four additional books followed: *Kellogg on Integrated Marketing* (2003), *Kellogg on Branding* (2005), *Kellogg on Advertising and Media* (2008), and the second edition of *Kellogg on Marketing* (2010). These books reflect the collective wisdom of the Kellogg marketing faculty. Thousands of executives have turned to them for perspectives, frameworks, and tools when creating marketing plans and building brands.

OVERVIEW OF THE BOOK

Our introduction highlights the power and challenge of branding. The four sections that follow it focus on themes of strategy, implementation, methods, and practical applications.

Section One, “Thinking Strategically about Your Brand,” covers big-picture issues. The six chapters in this section examine the intended meaning for the brand, how the brand will compete, and the vision and leadership required to create a strong brand.

Chapter 1, “Brand Positioning: The Foundation for Building a Strong Brand,” provides a contemporary look at the core concept of brand positioning and describes ways to evolve a positioning strategy over time. Chapter 2, “Leveraging the Power of Brand Purpose,” explains why it is important for companies and brands to articulate their purpose; that is, why they exist. Clarity about company/brand purpose has helped many companies effectively engage multiple stakeholders and in some instances is integral to brand positioning. Chapter 3, “Creating a Powerful Brand Portfolio,” explores the opportunity and complexity that comes from creating a portfolio of brands.

The remaining chapters in Section One are devoted to competitive strategy, leadership, and globalization. Chapter 4, “Competitive Brand Strategies: Creating Pioneer, Fast-Follower, and Late-Mover Advantage,” considers issues related to the timing of a brand’s entry into a category, describing the advantages and challenges associated with being a pioneer, fast follower, or late entrant. Chapter 5, “Leading the Brand: Brand Strategy Orchestration and Implementation,” highlights the importance of involvement and walking the talk at the highest level of the organization. Last, Chapter 6, “The Three Keys to Building Global Brands with Soul,” details principles for managing global brands. It emphasizes the need to exert central control over a brand’s essence and connection to consumers’ goals, while delegating sufficient authority and responsibility to local managers to adapt the brand to cultural differences and habits.

Section Two, “Bringing Your Brand to Life,” focuses on strategy implementation. Chapters in this section address the challenge of translating the intended meaning for the brand into everything that customers experience. Here is where hyper-connectivity has its greatest impact for many brands. In the pre-digital world, once the strategy was set, the execution of it followed logically. The brand positioning and research into targeted consumers’ buying patterns provided clear guidance for setting the price, choosing retail outlets, developing a persuasive message, and choosing the media to deliver the message. The assumed buying process was systematic and was likened to a funnel

where a consumer began by considering a set of familiar brands and narrowed the set until a “winner” emerged—the brand purchased because it best fit with the consumer’s goal. Today, brands enter and exit the consideration set throughout the decision process, and the options for pricing, delivering, and communicating about brands are constantly evolving.

Chapter 7, “Brand Design and Design Thinking,” begins the section by detailing how both verbal/auditory (i.e., name, sound) and visual/olfactory (i.e., shape, scent) elements significantly influence consumers’ perceptions of a brand outside of their conscious awareness. Chapter 8, “Leveraging Touchpoints in Today’s Brand Environment,” discusses how to create a consistent and coherent brand experience at touchpoints throughout the customer decision journey.

Ultimately, brands succeed when they connect with consumers’ fundamental motivations. Chapter 9, “Building Strong Connections between Brands and the Self,” draws upon a wealth of academic research to describe such motivations and offer advice about how to build strong connections between a brand and the self. The next three chapters provide guidance for effectively managing brand communications (Chapter 10, “Building Strong Brands through Advertising Strategy in an Online Age,” and Chapter 11, “Digital Brand Storytelling”) and the service experience (Chapter 12, “Branding Services in the Digital Era”).

Chapters in Section Three, “Gaining Insight about Your Brand and Quantifying Its Stature,” examine methodologies for understanding consumers and evaluating brands. Chapter 13, “Digital Transformation and the Evolution of Customer Insights in Brand Building,” and Chapter 14, “Using Neuroscience to Assess Brands,” describe new qualitative and quantitative methods that can provide deep insight into consumers’ needs and uncover perceptions of brand. Chapter 15, “Measuring Brand Relevance and Health,” presents a framework for diagnosing the stage in the customer decision journey where a brand may be failing, and Chapter 16, “Connecting Marketing and Finance via Brand Value,” explores how marketers and those in finance and accounting might arrive at a shared view of the monetary value of brands.

Section Four, “Lessons from Brand Leaders,” reinforces the practical relevance of the concepts outlined in the previous sections with case studies and advice from people managing brands on the front line. Chapter 17, “Has Purpose Lost Its Purpose? McDonald’s Defines Its Style of Marketing,” looks at the challenge of finding the right balance between positioning and purpose for McDonald’s. Chapter 18, “Ulta Beauty Gets a Branding Makeover,” details how marketers built the Ulta Beauty brand while also supporting the numerous, well-known brands carried in its stores.

The next three chapters present case studies demonstrating that the value of strong brands and challenges associated with building them extend beyond the familiar consumer-targeted brands. Chapter 19, “Transforming a Historic Brand for a Hyper-Connected World: The John Deere Story,” charts John Deere’s journey from a product-focused manufacturer to a company and brand dedicated to using emerging technologies to help its core customers—farmers—optimize their yields. Chapter 20, “Rebranding an Organization: The Novant Health Story,” illustrates the bold rebranding of the healthcare organization Novant Health. Chapter 21, “Repositioning a Country Brand: Changing the Conversation about Mexico,” shows the power of extending the brand mindset beyond products and services, and details how public and private stakeholders came together to reposition the country of Mexico as an appealing destination for tourists from around the world.

The section concludes with guidance on creating and managing brands. Chapter 22, “Managing Brand Communications in a Digital World,” presents advice on how to build brands in a hyper-connected world, with a focus on digital communications. Chapter 23, “Customer Experience: The New Frontier of Branding,” outlines guidelines for managing the customer experience. And finally, Chapter 24, “Brand New: Creating a Brand from Scratch,” offers some sage advice for entrepreneurs and companies seeking to create a differentiated new brand in a cluttered market.

HOW TO USE THE BOOK

This book is a collection of chapters, and each one explores a different aspect of building strong brands. The chapters are self-contained but complementary, allowing readers to use the book in a variety of ways.

The book’s distinctive combination of academic frameworks and practical lessons make it appropriate for both university courses and executive reading.

An academic might assign the book for a branding course at either the MBA or executive level. For example, we use the book in our Kellogg on Branding executive education program. Chapters in the first two sections provide the basic structure for the program, and chapters from Sections Three and Four serve as additional readings that illustrate and deepen understanding of specific topics.

Students of branding not enrolled in a formal course but who seek a broad understanding of branding in today’s world may wish to read the book from cover to cover. Experienced brand managers may focus their attention on contemporary concepts such as brand purpose (Chapter 2), new research methods and diagnostic tools (Section Three), and insights from their peers

(Section Four). Executives and entrepreneurs confronted with a specific challenge, such as launching a new brand, may concentrate on a subset of chapters that address decisions made during the launch period. For example, those preparing to launch a new brand might find the chapters related to brand positioning (Chapter 1), the competitive environment (Chapter 4), brand design and touchpoints (Chapters 7 and 8), and advice for creating a brand from scratch (Chapter 24) particularly relevant.

However you use this book, we hope you will find that it enhances your appreciation for brands and their continued and growing significance in our hyper-connected world.

Alice M. Tybout
Tim Calkins

CHAPTER 24

BRAND NEW: CREATING A BRAND FROM SCRATCH

PAUL EARLE

No new product or service can launch anonymously—even, ironically, the global hacker collective Anonymous. Its cheeky name and iconic Guy Fawkes mask visual identity are as good as any new brand created by a professional, and Anonymous is now famous.

Similarly, Brandless—a new company that purports to be the antihero in a postapocalyptic brand world run amok—is of course itself a brand, and has now trademarked its name in nearly 70 categories.

The truth is that brands are omnipresent and inescapable. They impact everything: not just products and services, but people and places. Brands have impact, and great new ones can quickly take hold. Especially now.

Why now? I believe we are in the early stages of a full-fledged revolution in the consumer sector: within the next five years, practically every category will face radical change brought on by a new brand created from scratch. The big incumbent brands don't have the cachet and consumer hold that they once did, and marketplace conditions—starting with the rise of e-commerce—are making it easier than ever for upstarts to get a new alternative commercialized.

As I often preach, a superb brand wrapped around an average product will outperform the inverse every time. If you're interested in creating an instantly resonant and relevant brand that develops relationships with people, secures a real competitive advantage, and ultimately materially improves your company's financial value, read on.

FOUR STEPS TO CREATING A BRAND THAT WINS

Here are the four steps to creating a powerful new brand, based on my decades of experience as a practitioner, academician, and writer.

Step 1: Look for a Hook: Finding Sparks

When creating a new brand, it must absolutely be rooted in, well . . . *something*. You just need some sort of hook, a spark, a way in. Great new brands are never arbitrary.

So what defines the “something” in which a brand must be rooted, and how do you uncover it? My partners and I explore *product*, *story*, and *purpose*.

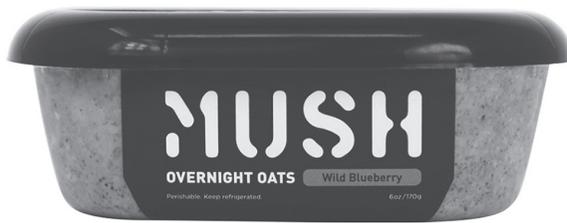
Product Deeply ponder the product or service that you’re looking to brand. What is unique about it? What’s special? What’s . . . a little weird, even? Any nuances or eccentricities of the product should be celebrated, not dismissed; this is the magic that can make a difference.

You can deploy what I’ll call the “Altoids convention.” Altoids is the confection that became a sensation in the 1990s when it was touted as “Curiously Strong,” a line that survives to this day. As you consider how to breathe life into your own new product or service, ask yourself, what is *curiously strong* about it? The answer to this question should spark a great brand idea or two (and if there simply isn’t anything, you have a product problem and had better solve that first).

Story We’re innately narrative creatures: simply look at the petroglyphs on caves dating back thousands of years. Does your brand have an inspiring story construct? I was part of the team that created a successful new brand called High Noon vodka, inspired directly by a story about people enjoying each other’s company outside, under blue skies; imagining and capturing this moment far preceded landing on the name itself. Founder origin stories are also compelling . . . and even better, real! There is a great new brand of oatmeal called Mush, inspired by the product for sure, but also by a story that goes back to co-founder Ashley Thompson’s childhood and her unusual practice of soaking her breakfast cereal in milk overnight (see Figure 24.1).

Purpose The principles for which you stand make for great brand sparks, so your brand purpose should be articulated at the beginning of the process,

Figure 24.1
Oatmeal Brand Mush



not at the end. Consumers today want brands they can *join*, not simply buy. You should also consider the timeliness of your brand's purpose. Nike is an example of a brand that is evergreen but also inextricably linked to the time of its birth. Coming of age in the 1960s and early 1970s, the Nike brand still has not completely lost its counterculture attitude. What is happening *right now* that moves people's hearts and minds? The answer might lead to a powerful brand idea.

Step 2: The Name Game: Proving Shakespeare Wrong

In *Romeo and Juliet*, Shakespeare wrote: "What's in a name? that which we call a rose / By any other name would smell as sweet."

The Bard was one heck of a writer, but he was *way* off on this one. And apparently the big rose companies agree: the international rose grower David Austin, for example, owns over 60 active trademarks (including "Juliet"). And none of its branded roses have names such as "Sewer Gas" or "Donkey Vomit," for obvious reasons. Do you think those handles would affect your perception of smell and your experience with the rose overall?

Names, of course, matter. Here are some markers for a great name.

Product Relevance The name should tell a story that directly or at least indirectly ties to the product itself, its reason for being, and consumer needs/wants. A great example is Peloton, the new home exercise equipment company best known for its digitally connected stationary bike. In cycling parlance, a "peloton" is a group of cyclists at the front of the pack. This name is obviously relevant to cycling and leadership, but also speaks to the fact that via the online community, home cyclists are connected to each other—a "virtual pack" (see Figure 24.2).

Figure 24.2
Home Exercise Equipment Brand Peloton



Another great example is the name for New England's football team: the Patriots, which honors the region's key role in the American Revolution. You may not like the team or Tom Brady, but it's a great name. I shake my head when I see new sports franchises pick names that have nothing to do with their home cities. Exhibit A: Las Vegas's recent selection of "Golden Knights" as the name for its new pro hockey team, pushed through by the owner because he was formerly in the U.S. Army and that was the name of its parachute team. Huh?!? Wouldn't a moniker such as "Aces" or "Blackjack" be more of a fit, and more engaging?

A few years ago, I was part of the team that created Angel's Envy, a brown spirits brand that was eventually acquired by Bacardi for over \$100 million. The name tells a compelling and useful story about the product: our master distiller figured out how to reduce the amount of distillate that would evaporate inside the barrel during aging, making the flavor more intense (the lost spirit is called the "angel's share," so we created heavenly envy, of course). The name highlights this innovation and enhanced experience in an interesting and memorable way.

The importance of product and consumer relevance is why I typically don't care for names that are portmanteaus (new composites of existing words, or elements of words). What the heck is an "Accenture," and what adds up to "Xfinity"? Again, these brands may work now, but only thanks to massive resources, a lot of time, and frankly, some luck. Of course, there are exceptions. Procter & Gamble's "Swiffer" is an effective name, and it previously had no meaning at all. And one benefit of portmanteaus is that they can skirt trademark challenges, because by definition the composite word is unlikely to have previously existed.

Emotion "Form follows function, but both report to emotion," said Willie Davidson, superstar designer and grandson of the founder of a certain motorcycle company. Emotion is the king of the jungle in marketing and innovation, and it certainly wins in naming. A great name is essentially a short ad for the product, evoking feeling and inspiring some kind of action (consciously or unconsciously). If the name is met with indifference, it is by my definition a lousy name. Even slightly polarizing names are better than those bereft of all feeling (the previously mentioned oatmeal brand "Mush" is a great example; most love the name, but some really hate it. Nobody is indifferent, however, and that means the company is on to something!). The bottom line is that names must *engage*.

One reason Angel's Envy is so engaging is that the name is rife with creative tension. "Envy" is one of the seven deadly sins in Roman Catholic theology, and certainly not what you'd expect from a divine figure such as an angel. The feminine associations with "angel" also clash with the overwhelmingly male skew of a bourbon's consumer base. All this prompts intrigue, discovery, and dialogue—simply from the marriage of two words.

Ease of Use Generally speaking, names should be as short as possible and roll off the tongue. Brevity is important not just because short names tend to be more memorable, but also because they make it easier for your design team, which has precious limited real estate to work with when creating packaging labels and other elements. Procter & Gamble has mastered the art of short, snappy names: Tide, Gain, Cheer, Scope, Bold, Crest, Joy, and so on. Again, there are exceptions to these unofficial rules. I think a name *can* be long, provided it is intentionally so and not because of sloppiness. I Can't Believe It's Not Butter is an example, as is the great old 1970s brand Gee, Your Hair Smells Terrific.

Regarding the important role of sound in branding, it's best if your name is mellifluous (mellow or sweet sounding)—or at least not the antithesis. Avoid

tongue twisters or names that might be confusing to pronounce. Try saying the name out loud a few times; if it sounds like you're clearing your throat in the late stages of a cold, it's time for plan B.

Names that are vaguely feminine are among my favorites, mainly because the abundant use of vowels just makes them nice to say and hear. Some of the great new names today hit this mark: Hello (oral care), Olly (vitamins), and Mio (water enhancers).

Marketability Identifying a brand name that is inherently marketable reminds me of Supreme Court justice Potter Stewart's comment on recognizing pornography: that it was impossible to define, but you know it when you see it. However it is defined, marketability is an important consideration in today's world of hyper-connectedness. Put simply, the idea has to be hardwired for multidimensional engagement from the beginning. Run a few internal tests for what we call "campaignability": What is a potential tagline? What about a launch act? Or a social campaign? If you find that it feels unnatural to market your name idea, it's probably not a very good name. In the Angel's Envy example, we knew early on that playing off the juxtaposition between an angel and a cardinal sin would be a winner in the marketplace.

When I'm deep into a naming dive, my internal name finder is at a very high state of alert practically around the clock. Once I'm "on," every word I see or hear might be repurposed into a winning name. It might be in print or in online media, on television, in conversation with a Lyft driver, on street signs, or on a bumper sticker. Or it might be on a menu at a restaurant, a lyric of a song on the radio, a paper flyer stapled to a telephone pole, the air safety manual on a 737—anything, anywhere. And if it's interesting to me, I'll write it down. Some collect stamps, or coins, or antiques: I collect words.

I have heard lots of chatter about technology-based solutions to name creation, but I'm dubious that naming can be done well without a really intense and really analog, old-fashioned human touch.

Step 3: A Click and a Prayer: Searching the Trademark Office

As with all other functions of the innovation game, an idea that is never implemented has essentially no value. In context: you will need to properly clear your name of all trademark issues if you want to comfortably (and responsibly) use it.

In the United States alone, there are over 400,000 new trademark applications *every year*. This inventory of potential land mines and roadblocks is

massive, and chances are that name you love has already been conceived of by someone else. Anxiety, for me, is that couple of seconds waiting for the return from a search for a name I love on the trademark office web site. Usually, the results are disappointing.

To improve your odds of success, it's helpful to know how trademark law actually works. With a few exceptions, rights to a mark are specific to a predefined class of goods. For example, the mark "Acme" may be in use in beverages but available in laundry detergent. Where things can get tricky is the standard of "confusingly similar," which is ultimately a matter of judgment. If there is a valid Acme trademark for beverages and you file for Acme-1 in the same category, the U.S. Patent and Trademark Office examiner might argue that your mark would be confusingly similar and refuse it. Even if you did get your application through, the Acme brand owner could still litigate if you persist. In this instance, the plaintiff would probably win.

At their essence, trademarks are indications of source—the roots of this idea go back to the mark or "brand" used to identify cattle. I would argue that, indeed, Acme-1 might confuse consumers into thinking that the product is related to the original Acme. However, you can certainly try altering your trademark through unusual spellings or other forms of modification. For example, Yoplait named its latest yogurt "Plenti," not the more common "Plenty," and passed the trademark test.

The strongest rights to a trademark that you can have still come from actually using it. In trademarks, use reigns. A trademark owner can even lose rights to a brand if usage stops; in trademark parlance we often say, "use it or lose it." If you desire a trademark in a particular category, and you think that a trademark that is blocking you has not been in bona fide use within the past three years, you can actually move to cancel that mark and take it as your own. This happens all the time.

Indeed, much of trademark management is an art, not a science. With a few extreme and obvious exceptions (I would *not* recommend that you file a trademark application for "Coca-Cola"), practically everything lives in a gray area. You have to be smart and try to find creative work-arounds to problems. Experience and judgment are key (and so is a good trademark lawyer).

Step 4: Say It with Pictures: Developing Brand Design

Once you have your name, you still need to take the final step toward creating your great new brand. You have to animate it—bring life to it—through great design. If done well, design has nearly magical qualities. Design can work at a

very powerful psychological level and provide incredible depth and breadth of meaning to an otherwise lifeless word.

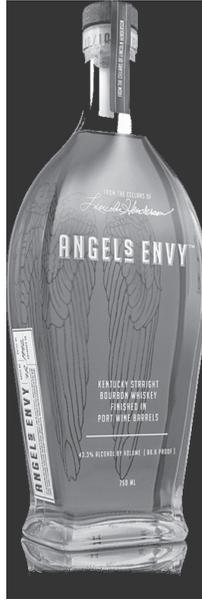
Design can be as simple as a logo and preliminary color scheme, or it can be as complex as full packaging concepts. When he was first starting out, my friend Craig Dubitsky was able to generate substantial interest in his Hello oral-care brand with many sophisticated retail buyers simply by using the name and its backstory along with beautifully designed packaging: while he had a smart point of view on formulation, he didn't even have a finished product yet! (See Figure 24.3.) This interest helped him raise capital and sign up retailers—and the rest is history. When combined with design, names make for very valuable brands, right from the beginning. Design can also be a real asset financially (it is categorized most often under copyrights, one of the four pillars of intellectual property assets).

As an example, the Angel's Envy design was instantly one of the enterprise's most important elements (see Figure 24.4). The angel's wings painted on the back of the bottle took on the illusion of glowing and nearly taking flight when backlit on a bar shelf. This design treatment instantly made the new brand intriguing and engaging. It also helped with investor and customer pitches, long before the first case of bourbon was finished. A well-developed brand design is a great selling tool.

Figure 24.3
Toothpaste Brand Hello



Figure 24.4
Bourbon Brand Angel's Envy



SUMMARY

Creating a new brand is an incredibly challenging process. It can also be thrilling, should you go all the way from a blank piece of paper to a gleaming, purposeful, beautiful new brand that is out in the world.

It's a contact sport, for sure. But if you follow the guidance here, you might just find yourself still standing when the whistle blows at the end . . . a winner.

Paul Earle is principal of Earle & Company, an innovation, branding, and design collective, an adjunct lecturer of innovation and entrepreneurship at Northwestern University's Kellogg School of Management, and a monthly contributor to Forbes. He previously served as founder and president of the brand acquirer River West Brands, and executive director of Farmhouse, the innovation center at the global creative agency Leo Burnett. He received his BA from Hamilton College and his MBA from Kellogg.