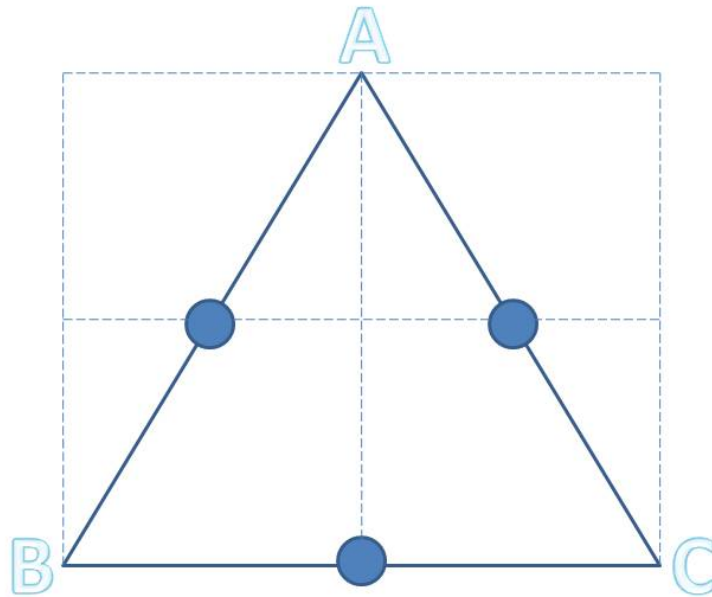


Brand Triad



*Toolbox for Strategic Brand Assessment and
Repositioning*

Bill Nissim

Chapter Two

Brand Triad Concept

Great brands, in my estimation, encompass three characteristics that possess a winning combination when executed correctly. The journey to successful branding starts with a unique discernment of the value proposition being offered followed by vision, patience, and perseverance. By combining the latter mentioned acumens with a method of execution, organizations (i.e. Brands) can emerge from the landscape of mediocrity.

The voyage from obscurity to trusted product or service occurs when assessing the three elements of the Brand Triad: Strategic Positioning of ATTRIBUTES, BEHAVIOR, and CIRCUMSTANCES. What significance do these elements have with great brands?

For starters, the lack of a solid foundation for a brand will ultimately undermine its future success. This foundation goes beyond the logo and brand fascia and provides the underpinnings of legitimacy and ability to deliver real value. Thus, the foundation or “attributes” are the mechanisms that enable a brand to function and carry out its purpose in commerce. An example might be the local video rental store – if they are constantly out of the newly released DVD titles, then a major attribute (rentals) of their existence diminishes in the consumer’s mind and they become less relevant as a future provider of entertainment. Any product or service that we interact with on a daily basis must continuously pass this litmus test.

The type of reasoning that both buyer and seller share, which enables the basis or origin of a relationship, is the second characteristic. Our behavior as consumers is fickle at best and is in constant motion. How we behave on any given day may not ring true on another. As a provider of goods and services, the brand’s owner must constantly understand the changing tides of tastes, desires, and preferences.

Finally, the setting by which attributes and behavior can be acted on must be appropriate in many respects. The circumstances by which we consume are also in constant flux and subject to a myriad of conditional predispositions. The challenge for the brand in this regard is to identify patterns by which to insert your offering.

Shift in Attributes, Behaviors, and Circumstances

Consider mobile music devices – Sony Walkman was the main staple by which we consumed music in the 1990's. The benefit was choice; listening to either store bought or home-spun CD's while on the move. When a new offering (file-swapping of digital music on the Internet) was coupled with a device that was small, configurable, and stored thousands of songs appeared on the scene, a paradigm shift occurred in behavior. The rather cumbersome CD player and carrying case that held an assortment of plastic disks was now viewed as awkward and passé. The simplicity of a music hard drive allowed random access and sorting capabilities by music genre.

Thus, offering both the device and ability to acquire (inexpensively) music on-demand became a compelling consumable. Even the CEO of Sony, during a 60 Minutes interview in 2006, admits missing this shift when considering the success of iTunes (digital music) and the iPod (device). In addition, the iPod was not the first mobile music device. A variety of other compact hard-drive players (disruptive technology) came on the scene, but each possessed a different platform (software & hardware) for MPEG downloads. It wasn't until the iPod bridged that gap by marrying desktop music management, access to online titles, "hip" design, and cool marketing to converge these elements into a Great Brand. It's not an easy undertaking, but studying the behavior of your core constituents provides insights into future consumption patterns.

Understanding Consumer's Problems

A fairly recent article in Harvard Business Review discussed this very point (HBR, Dec '05). The example noted was consumption patterns of early morning commuters and milkshakes. The question posed in the article was – how and why do consumers use milkshakes? On the surface, the fast-food retailer possessed basic information on top-line sales and traffic patterns. It was later revealed through qualitative research (interfacing with consumers) that the circumstances in which they consumed was based upon convenience, hunger abatement, and handling of the product. When the consumers were asked to compare milkshakes to other offerings (bagels, donuts, etc.), the attributes of a thick substance, contained in a cup (ease of use), and hunger satisfying affect was the compelling reasons for their selection. In this case, the circumstance (nourishment while you drive) was a powerful component to a brand selection and should alert marketing practitioners to better understand how consumers utilize their offerings.

Altogether, this concept suggests that a well-designed and executed "Brand Triad" may provide the basis for a well positioned brand. This practical tool can assist the marketing/branding practitioner analyze their current position for each characteristic. Next, they can assess their desired position and the necessary steps to move in a more desirable direction. The outcome of this exercise can yield a set of tactical moves that will feed the overall brand strategy. The details of each "leg" of the triad will be covered in depth in the next section.

Brand Triad Constructs:

Now that a cursory overview of the triad concept has been provided, our next step delves into the building blocks and catalysts that make up this tool. This section attempts to bring definition to these terms and create tangibles via a case study. To draw together all three characteristics at the end of this chapter, we'll use Southwest Airlines as an archetype to exemplify and support this concept.

Attributes

Whether you are discussing people, places, or things, attributes are the basis by which you compare, contrast, and distinguish levels of acceptance for use and/or consumption. Everything we do on a daily basis draws upon attributes to discern and validate who we are and our place on this earth. Do you believe that? Why do you buy a certain car, brand of clothing, or a cup of coffee? Additionally, why do you connect with certain associates, friends, neighbors, etc? Conversely, why do you reproof, reject, and distance yourself from other products or services? Whether we want to admit it or not (intellectual verses emotional), we *rely on associations* (a.k.a. brands) that surround the attributes of people, places, and things.

I recently queried a highly educated associate of mine and asked why he drove a certain brand of automobile. Being an engineer, his response was both highly analytical and quantifiable; he supported his logic with facts such as miles-per-gallon, weight-to-horsepower, and the practical use to get him from point A to point B. When he was asked why he didn't buy a smaller, less expensive brand that could do the same job, his response was- "I wouldn't be caught DEAD in that car!" Touché.

Let's explore attributes on a slightly deeper level. The word attribute, according to Merriam-Webster Dictionary³, is defined as:

1: an inherent characteristic; *also:* an accidental quality

2: an object closely associated with or belonging to a specific person, thing, or office <a scepter is the *attribute* of power>; *especially:* such an object used for identification in painting or sculpture

3: a word ascribing a quality; *especially*

Starting with Merriam-Webster's definition, the key word "inherent" coupled with "an object closely associated with...a specific person, thing, or office" has great significance (As you can see, these terms closely resemble my definition of attributes). Two concepts have been raised here that are worthy of discussion.

A research paper written by Michael Gassar in conjunction with Indiana University explores this concept of "attributes." Gassar states that "nouns by themselves are limited in what things they allow to us to distinguish." He suggests that "things" in our world have a value on a set of dimensions that describe shapes, colors, smells, tastes, etc. To exemplify his point, he illustrates by use of a simple example – the apple. The category apple contains a "whole cluster of co-occurring features," asserts Gassar, and requires coherent categories for further definition.

Gassar goes on to state "the members of a category as having particular properties that he calls attributes. Each attribute is really a value on some dimension such as size, color, or consistency." He suggests that people have the ability to separate attributes from a category. He concludes this thought by stating "A small, sour apple isn't just an undifferentiated object for us. It's apple, it's small, and it's sour."

In short, attributes are indeed imperatives in our daily discrimination process and forms the basis by which we make choices. Attributes alone will not satisfy anyone. There must be a foundation and process by which these attributes are executed and delivered to form such perceptions. In the following aspect of the brand triad, we will examine the foundations that create a strong bond between perception and reality. The old adage seems to hold true – we shop intellectually but we purchase emotionally! Next, we will consider behavior in response to attributes and what that means to us as consumers.

Behavior:

Would you consider yourself a rational consumer? Most of us would answer yes. Interestingly, what we do and how we do it often defies reasonable thought despite our best intentions.

Several years ago, I attended a speaking engagement hosted by Tom Peters. During his presentation, he broached the topic of human behavior and mentioned a personal experience he had at the grocery store. Despite his high level of education (two Master Degrees and a PhD.) and logical thought process, when he attempted to buy generic table salt at the store, he ended up purchasing the Morton Salt Brand (Blue label, little girl and umbrella). He admittedly couldn't bring himself to buy the white labeled, store brand (emotional) even though he (intellectually) believes that salt is salt, regardless of the package it comes in.

Don't we all behave the same way? You walk into a store to buy a can of soup. You see two products on the shelf: one has a no-name white label, another red with the brand name Campbell'sTM written on it. Which one would you buy? Remember, the type of reasoning that both buyer and seller share enables the basis of a relationship. As a consumer, you are buying more than a can of soup and this purchase reflects who you are (at the cash register), the perceived quality you provide your family (brand trust), and what you deem as acceptable in your world (values). This synergy between behavior and attributes, however contrived, becomes the paradigm by which we consume. Let's once again turn to noted research in an attempt to understand human behavior.

One such concept which analyzes how individuals interpret events and relates to their thinking and behavior is called Attribution Theory⁴. The groundbreaking work was developed by

Heider in 1958 (psychological theory of attribution) and further developed by both Jones and Weiner in the late 70's and 80's and became a bedrock of social psychology.

The essence of Heider's concept lies in what he calls "surface events."⁵ These are facets of social life that are intuitive and seemingly obvious to all. The importance here is to understand how someone behaves and what attributed (one or more causes) to that behavior. Three key points here are:

- 1) Perceived or observed behavior
- 2) Intentional behavior
- 3) Define if a "cause" drove the behavior

Marketers could gain greater insight into attributes/behavior relationship by observing HOW people actually behave verses WHAT people say they do (i.e. surveys). If you ask owners of CD players how to improve this product offering, they probably wouldn't have come up with the iPod™ concept. If you observe HOW they use CD Players, their behavior would speak volumes about the gap that exists between the current offering and a desired solution (i.e. runners use for mobile music devices). Now that we discussed two aspects of this Brand Triad, let's see how they relate to circumstances.

Circumstances

The circumstances surrounding how we make purchasing decisions are situational at best! As a marketer, you may have the right attributes and behavior in place, but if the setting isn't appropriate, the whole concept falls apart. For example, let's discuss the auto industry.

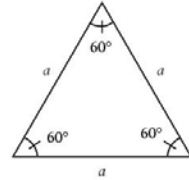
Buyers were seeking the next generation consumer vehicle and being "Green" was the latest rage! Automobile companies possessed the same relative resources, processes, and values to compete fairly for this emerging market. The attributes of design, functionality, and capability pre-existed along with the behavior of consumers to continuously improve their driving experience while being environmentally friendly.

However, the problem for one Auto Company came into play with circumstances: the general public wasn't prepared to give up their gas-guzzling cars for a sub-compact, range-limited electric vehicle (EV) that this company had so heavily invested in (this same company then invested in hydrogen-powered vehicles, only to switch to hybrid in the end). As noted on Wikipedia's site, "In late 2003, GM officially canceled the EV1 program. Despite unfulfilled waiting lists and positive feedback from the lessees, GM stated that it could not sell enough of the cars to make the EV1 profitable. In fact, during the later stages of development for the car, GM officials claimed that they stood no chance of ever making a profit on the EV1 itself."

The technology of EV's under the current circumstances was not a good fit at that particular time, and as a result, the electric vehicle product offering died a timely death. Conversely, Japanese automakers like Toyota and Honda took the next, logical step and created a hybrid (gas/electric) vehicle that was closer to a standard car but with all the benefits of high mileage and environmentally friendly. Also, this hybrid technology didn't require the consumer to change their buying habits (use of gasoline).

What valuable lesson was learned? Although people desire higher mileage vehicles (attributes/behavior), the idea of a car that relies solely on battery technology (charge each night,

limited range, and very small size) defies the circumstances of main-stream consumers. This was further compounded by the lack of accessible charging stations throughout the nation. Even Henry Ford dealt with the same issue regarding his mass-produced Model T – a network of paved roads nor proliferation of gas stations didn't existed in that day to support his technology.



Brand Triad Model – How it Functions

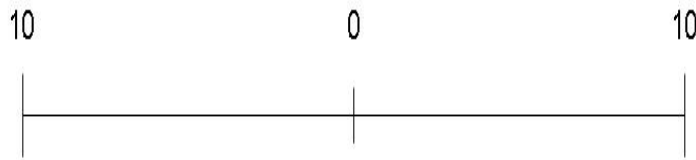
The purpose of this section is to discuss the functional components of this triangular-shaped brand model. We will start with a foundational understanding of this concept and then examine each of the three triangular components (legs) separately. Next, we will insert two variables (of the three available) on either end of each leg to examine how they interact with one another. Finally, we will combine the three legs into an equal-sided triangle (equilateral) and view the entire design. We are not attempting to create a new mathematical or scientific equation, but merely develop a functioning business model (visual) to conduct a brand assessment. This process (situational analysis) will then be used as input on the application of our brand model in chapter three.

A reasonable starting point for our discussion begins with the basis of an individual's preferences in a given situation. Let's say you enjoy eating chocolate as a snack while at work (preferences/experience). More than just any chocolate bar, you have a strong brand preference for Hershey's plain chocolate candy bar. In your mind's-eye, nothing else will do. In this situation, we begin the process with a desire/preference and seek solutions to satisfy them. As discussed in "Constructs Section," we defined this process based on attributes, behaviors, and circumstances.

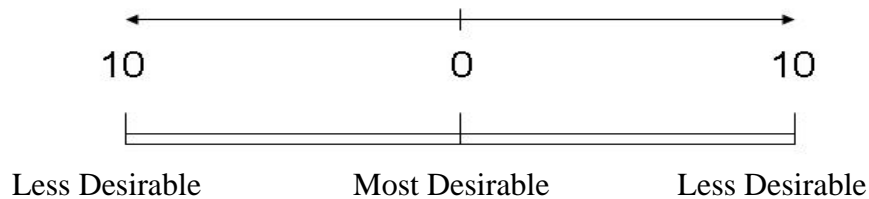
A basic construct of this Brand Triad Model pertains to "levels of acceptability." In any given situation, we face choices (behavior) based on the availability (circumstances) of consumables (attributes). One way to articulate this is to use a measurement tool of some type. As consumers, we all convey our preferences/experiences in terms of "good" versus "bad" or apply some self-appointed scale like ONE to TEN (a "TEN" is perfection). Whatever metric you use to express your level of acceptance, we do "rate" everything we consume in one way or another.

Basic Triad Scale

For purposes of standardizing on a single metric, let's use a scale that reflects both good and bad experiences. In college, most of us were exposed to something called "standard deviation." This bell-curve graph illustrated a distribution of data from the mean or center. We are, by no means, attempting to apply standard deviation to this discussion. In fact, the only resemblance is to borrow this scale which represents variance from the mean (middle). Please refer to our scale below:

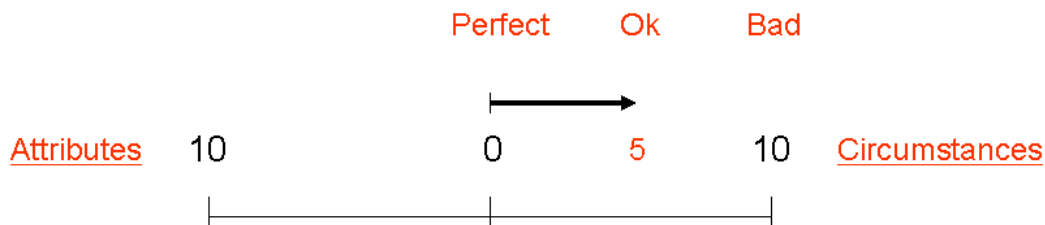


One way to apply our scale is any point away from “0” is viewed as less desirable. The standard deviation model works much in the same manner. The center position would be the most preferred choice. As you move away from the center, the experience becomes less positive. This scale merely graphs a range of positive and negative experiences. Also, there are two sides to this scale for purposes of comparing/contrasting two variables.



Let’s further define how this model operates by comparing Attributes to Circumstances using a widely known measurement device. The best analogy I can think of to demonstrate this concept would be a simple weight scale. At one end of our scale, a consumer would assign a weight or value to a product/service (attributes). On the other end, our consumer would assign a weight or value to the way in which they consume (circumstances). Our continual goal as consumers is to achieve a balance between attributes and circumstances in any given situation. Should the weight on either side of the scale change, the scale will shift direction (up or down) and will be out of balance. The Brand Triad Scale, on the other hand, is a linear tool that shifts from the center in one direction or the other. Once this occurs, our linear scale is out of balance.

Let’s try an example to see how this scale functions. You go to your favorite restaurant to eat dinner. We’ve anchored one side of our scale with “attributes” and the other end with “circumstances.” A perfect meal would be position 0. Anything less than perfect would move away from the “0” position (less desirable experience, although still positive). You may say you had an “ok” meal, but would probably return at a later date with the anticipation of experiencing perfection. In your minds-eye, 0 is perfect, 5 = ok, and 10 is definitely bad.



What's happening here? The attributes of our restaurant includes ambiance, taste, service, selection, and other product/service values. If our starting position is "0" or perfection, cold food, a rude waiter, or a long wait in line (despite our reservation) would MOVE US AWAY from these desired attributes of this restaurant and thus generate a negative experience. The degree of negativity (how far we move from center) depends on how bad the experience was.

You are probably wondering why create another complex scale for measuring consumer behavior? The short answer is to compare and contrast two variables. Since there are three constituents (legs), an equilateral triangle worked well to connect any point to the other two. In this manner, you can compare attributes to both circumstances and behavior. The following examples apply this scale and illustrate its intended use.