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Research Pinpoints CMO Priorities

Top of the list: accountability, flexibility, and integration

By Randall Ringer and Michael Thibodeau

What do marketers really think about branding? The reality is that most marketers believe branding — defining, creating, and managing brands — is broken. And a majority want new, breakthrough methods to replace the traditional brand positioning method for creating and managing brands. Yet few marketers say this publicly. After all, who wants to be the one that says the emperor is without clothes?

We know this because we asked marketing decision makers — chief marketing officers, vice presidents, marketing directors, and managers — at more than 100 corporations. In November 2008, we conducted a survey with JupiterResearch (now Forrester) to collect marketers' opinions about the practice of branding.

A new age calls for new methods. Brand positioning was an innovation when developed in the 1970s, the heyday of network TV. Back then, the name of the game was awareness, or "share of mind." The brand positioning method promised a way to distill everything important about a brand into a single attribute that was ideal for a TV commercial. The past is past. In today's world, marketers are far more concerned about managing their brand across multiple platforms. For that they need a method designed for today's world of integrated new media.

What are CMO priorities for this year?

Two major themes are emerging. First is the need for greater accountability. Second is the need for a better method to manage brands across multiple platforms. Marketers simply do not have effective tools and techniques to integrate brand communications across traditional media and new media.

Has brand positioning outlived its usefulness?

That is certainly the view of most marketers, based on our research. Sixty-three percent of marketers say that brand positioning has lost its effectiveness. It simply is not a robust enough method for creating engaging brand experiences online, in retail environments, at events, and other places of interaction with consumers. Marketers recognize that consumers want more from brands than single-minded, attribute-driven messages. Consumers want a brand that will connect with them on a deeper level.

That is important as companies struggle to remain viable and relevant. For instance, if GM and Dell are to regain their competitiveness, they will have to retool their branding methods, not just their products. Distilling their brands into a simplistic attribute will not pull them out of the ditch. After all, the brand positioning method contributed to their current woes. They need a compelling narrative to engage the hearts and minds of customers.

Fixing branding means recognizing the truth of the situation. It means questioning all of the old assumptions and being brave enough to replace what does not work with more effective methods.

Narrative, a new way to think about branding

Our study reveals among agreement among marketers that a successful brand follows the four principles below.

1. A successful brand tells the most compelling narrative with the strongest metaphors

Sixty-three percent of marketers believe that an engaging narrative is necessary for a brand to be successful. The idea of envisioning the brand as a narrative with rich metaphors is a truly innovative approach to branding. It will require new tools for developing the narrative and for uncovering metaphors that will resonate strongly with customers. Brand positioning emphasizes finding one key differentiating attribute and then repeating it over and over again. The repetition of positioning leads to greater boredom, not greater engagement.

2. A successful brand has the flexibility necessary for today's dynamic business environment

A great company cannot stand still. It needs to evolve, to adapt to the changing needs of customers. That is why 87 percent of marketers say that branding needs to have the flexibility to support a company's business strategy as that company evolves. The brand positioning model is a recipe for maintaining the status quo — it remains static and unresponsive to the dynamic business environment.

3. A successful brand is co-created with the customer



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People create meaning by interpreting the stories we hear through our own experiences, our own narrative. The same is true for brands. That is why three-quarters of marketers agree that successful brands co-create meaning with customers. Co-creation acknowledges the role of customers in developing a rich and robust narrative with many associations. The brand positioning model is a one-way street in which a brand has only one association, one attribute, and the consumer is a passive receiver. Perhaps it was said best by Professor Gerald Zaltman of Harvard Business School in an interview with *Adweek*: "The traditional model of advertising is still the hypodermic model where you inject meaning into customers," he said. "If we say it often enough, we get it across, and that is just wrong."

4. A successful brand is like living theater

Nearly seven in ten marketers believe that successful brands engage all of the relevant senses. In other words, a successful brand is like living theater: it is an immersive experience in which the "fourth wall" between the brand and audience dissolves. That requires experiential elements of the brand being woven into the fabric of the brand from the start. By contrast, there is no mechanism in brand positioning for defining experience at all. The experiential elements are left to be inferred from the attributes.

The new age of branding

Today marketers are still using the old brand positioning method while experimenting with newer approaches. This research shows that CMOs see that the brand positioning emperor is without clothes. They want breakthrough narrative-based methods that will be more effective, flexible, and integrated. The need for this change is urgent because the pressure to be more accountable is growing. An astonishing nine in ten marketers say their efforts are under greater scrutiny than ever before. Never in our lifetimes has the utility of marketing been so questioned.

Marketers themselves identify the pathway to success through new narrative methods for defining, creating and managing brands. The age of brand positioning is over. Welcome to the age of engaging narratives.

Randall Ringer and Michael Thibodeau are founding partners of Verse Group, an independent brand consultancy based in New York.

CMO Priorities for 2009
(Top 3)

