



# whole- being retail branding

AND THE CONCEPT OF A BRAND  
AS A LIVING BEING

John  
Torella

J.C. WILLIAMS GROUP

“The raison d’être of this book is to help marketers build their financial and non-financial assets—their corporate worth.”

The one thought that is the central and ongoing theme of this book is: “the concept of a brand as a living being and as a way to build long term relationships and customers for life.”

“Strategic and operational framework for successful retail brand building.”

“Brands as ideas that enhance people’s lives.”

“The branding process starts at the top or it doesn’t start at all.”

“The eight-step process is both an art and science, both creative and research driven.”

“Bottom line – the Brand Pyramid becomes the base for all your future strategies and a template for ongoing decision making.”

“Manage what matters and measure what counts.”

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**J.C. WILLIAMS GROUP**

Toronto:  
17 Dundonald Street, 3rd Floor  
Toronto, ON M4Y 1K3 Canada

Chicago:  
350 West Hubbard Street, Suite 240  
Chicago, IL 60610 USA

Website: [www.jcwg.com](http://www.jcwg.com)

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## CHAPTER ONE:

# the concept of whole being branding

### 1.1 WHOLE BEING BRANDING: THE BACKGROUND

Twenty years ago, retail brands and the concept of retail branding hardly existed. Of course, there were retailers whose names were well known and respected: **Marks & Spencer, Sears, Macy's, Boots, and Hudson's Bay Company**. However, these companies were rarely concerned with branding and/or the concept of 'a store as a brand.' For them, branding was more about providing the rational qualities of trust, assurance, value, quality, and service.

The second wave of retail brands was more personified by lifestyle retailers: **Bloomingdales, Nordstrom, Victoria's Secret, Gap, Calvin Klein, Nike**. Here the emphasis was on the emotional benefits of status, badge value, and peer group acceptance.

The third wave of branding in the 21<sup>st</sup> century is and will be more about style and substance. More about what the brand says about "who I am" and "what I want others to think about me." The force of this new wave of retailers—**Williams-Sonoma, REI, Mont Blanc, Tesco, and Target**—is awesome.

The first and second waves of branding were to a large degree focused in the narrow and quite superficial sense of corporate graphics, marketing, and advertising. Branding activities were centered around creative, artistic-driven aspects such as the positioning line, logo, and/or symbol design, with a focus on marketing-driven activities such as

advertising campaigns, special events, and sponsorship programs.

Led by corporate identity professionals, advertising agencies, and graphic designers, most of these retail branding activities, no matter how well intended, lacked a real sense and understanding of the holistic nature of retail branding, and specifically, the concept of Whole Being Branding. **As a result, many high profile retail programs have failed miserably: Montgomery Wards, Burger King, Model Café, Westinghouse, Universal Studios; Tip Top Tailors, Consumer's Distributing** in Canada; **NEXT** fashions in the UK and their failed attempts to move into cafés, florists, and hairdressers; **Marks & Spencer's** struggle to develop stand-alone furniture stores.

In the teeth of these highly publicized failures, it is a small wonder that many retail boards and their CEOs questioned the value of branding.

We believe that much of the problem lies in a too-narrow definition of branding—namely, a fundamental misunderstanding of the intrinsic nature of branding and its unique value creating capabilities. By reducing their understanding of branding to a mere logo or graphic exercise, a new advertising campaign or promotional event, retailers and marketers limited the full potential of their brand building activities. To achieve its full potential in helping to build the wealth of the corporation, branding needs much more: namely, to be seen as both a creative-driven and business-building force.

With their enlightened view and understanding of retail branding and the worth-creating capabilities of the process, third-wave retailers like **IKEA, Harley-Davidson, and Hallmark** are among the leaders in this new approach.

These and other like-minded companies see retail branding as a 360° view which includes every touch point

between the brand and its stakeholders. This holistic point of view believes in the power of the branding process as a way to transform the company and become a change-agent for success. Other companies, which have used branding as the driving force for a new direction, include **Gucci, Jaguar, and IBM**. In fact, in his book, Lou Gerstner Jr. considers the **IBM** e-business brand campaign one of the key drivers of the new **IBM's** success.

Retail branding is not about changing graphics and advertising. It is about aligning the way a company works and lives, aligning its basic culture.

The job of this book is to—

- >> push the envelope on the way retailers think about branding
- >> advocate the need to drill deep into the company's bedrock and crack the culture code to unleash its tangible and intangible assets
- >> enlarge that landscape and liberate the brand identity to achieve its full potential

When you take the historical view of retail branding, its progress can be clearly seen as—

- >> *originating* mainly as a way to 'mark' one store over another
- >> *progressing* to adding 'status'
- >> *extending* to cover a portfolio of brands: **Virgin, Loblaws, Disney, Sony**
- >> *developing* into today's concept of whole being branding, which sees brands as helping customers lead a fuller, more rewarding, exciting, and worthwhile life

Read on!

## 1.2 WHOLE BEING BRANDING: THE CONCEPT DEFINED

Think about a company as a living being, a person:

>> How it is born

>> How it grows, develops, and matures

>> How it is refreshed, revitalized, and in some cases, reinvented

>> How it goes from one generation to another

This will help you to gain some of the understanding and insights needed to comprehend the concept of Whole Being Branding.

The average life expectancy of Fortune 500 corporations is between 40 and 50 years. A full one-third of the companies listed in the 1970 Fortune 500 list had vanished by 1983. The average human's life expectancy is now 75 years or more: brands need to think more like humans.

Think about how individuals learn and grow, how they move from a set of basic safety and survival needs to self-actualization, from an outer to an inner-directed focus. Many of Maslow's "Hierarchy of Needs" can be adapted to brands. Think about how people have a past, a present, and a future; how they strive for a distinct, unique personal identity; how they build relationships and friends for life. Many of these human ideals apply equally to brands and the concept of Whole Being Branding. Like every person, every brand is unique; and that is why true and substantive differentiation can be achieved. The challenge is to dig deep, peel back, scrutinize everything, and find the point of difference.

Think about personal questions like, "Who am I?" "What do I stand for?" "How am I special, different, unique?" Again, all of these questions apply equally to branding. Whole Being Branding, like life, is a path of discovery, searching for distinct capabilities that develop into a

discernable identity that makes both the individual and the brand special.

The analogy, or similarity, of brands and humans is central to understanding the concept of Whole Being Branding. People are not static. Their personalities develop as they adapt to new realities. In exactly the same way, brands must reflect the changing consumer and the competitive marketplace, and remain dynamic, or they die.

Developing a brand is not just about “every day in every way, just a little bit better,” but also about taking giant steps, which leapfrog ahead of the competition. The challenge is to grow, within a set of branding guardrails, a brand being that brings certainty and identity. **IKEA**, **Hallmark**, and **Wal-Mart** have a deep-rooted ‘persona’ or identity that adds credibility and consistency to their brand, and is achieved and amplified in everything they do. **Orrefors**, a 103-year-old fine china and glassware retailer, has reinvented itself time and time again into higher and higher levels of integrity and is now ready to open its new flagship store in Stockholm, Sweden.

Few retailers truly understand who they are, what they stand for, and what their innermost substance is. Without this knowledge, they will find it very difficult to deal with the challenges of the new economy.

Brand identity is about individuality, personality, a manner of thinking, and a set of characteristics. It is about being one’s self and no other. It is about vision, beliefs, values, ideas, and ideology.

Many companies have branding manuals that identify the name, logo, symbols, or colors of the brand—a set of do’s and don’ts. However, that is putting the cart before the horse. Without knowing who you are or what you want to say, how can you possibly create effective branding communications? The logical sequence must be first the

brand's identity: the inward, core, intrinsic values and beliefs, and then the graphics, the outward symbols.

Companies interested in developing their brand need to put a great deal more time, effort, and resources against defining their identity in order to stand out in a world of over-saturated markets, parity products, and “me too” concepts. Look at today's world of fashion and department stores, shopping centers, and high-tech brands; what you see everywhere are undifferentiated concepts. What is bizarre is that as marketers' research becomes more sophisticated, their branding concepts become more homogenous.

**Selfridges & Co.** in London is a great example of a department store with a difference. Early in the 1990s, a \$160 million transformation program began to create the lifestyle store of the future: ‘metropolitan, energetic, populist, multi-cultural, daring, and irreverent’. In a period when the UK's sales were down by 4.6%, **Selfridges & Co.'s** were up by 5%, and they experienced profits by over 14%. It is on its way to becoming one of the best department stores in Europe.

**The Body Shop, New Balance, and Ben & Jerry's** are brands that moved from generic brand statements to a positioning with a great deal of heritage, authenticity, and originality. These are brands, which understand the concept of Whole Being Branding, the need to be upstream versus mainstream in their brand personality. These great brands and others like **Apple, Godiva, Saturn, and Williams-Sonoma** work in wondrous ways to build advocacy, demonstrating the domino or ‘tipping point’ effect of word-of-mouth support of their brand.

In a recent piece of research by Interbrands, Generation X'ers indicated that they first look for brand recommendations from friends (69%) rather than from advertising (14%). Acknowledging this principle, Whole

Being Branding works hard at evolving customers into a community of interests for whom special events become happenings that have real meanings:

>> **Best Buy's** entry into a market is a celebration of music and entertainment

>> **Saturn's** 'homecoming' events are all about friends and families

>> **Hugo Boss** and car racing are cult-like in their organized brand rituals

>> At **IKEA**, the customer and store become one. In many cases, the customer does more of the store's work and saves more of their own money

>> Supermarkets like **Tesco** and **Sainsbury's** in the UK, **Superquinn** in Ireland, and **Loblaws** in Canada, are creating 'destinations' where store and customer ideas are exchanged and enhanced

>> **Superquinn** 'Singles Shopping Night' is a great example of how to create a 'simpatico' experience between the brands and the customer

Great retail brands like **Talbots**, **DKNY**, and **Abercrombie & Fitch** create 'communities of interest' that add value beyond the product's or service's attributes, creating a collection of tangible and intangible benefits that are very difficult to compete against. These communities of interest between stakeholders create a circle—in fact, it is more like an infinity loop—in which each link creates a cause-and-effect relationship, and at the same time, additional worth and wealth. Each link is independent unto itself, and at the same time is dependent on the other for value. The brand needs the suppliers, the suppliers need the brand, and both brands and suppliers need the customer who in turn needs both of them to satisfy their wants and their needs.

**Ritz Carlton, Crate & Barrel, and Hermès** recognize that whole being branding has at its roots the need to link company culture to brand strategy by deeply embedding the identity of the brand into everything they do.

A study of great brands that have lost their way will demonstrate some of the lessons of how to not just get to the top but also stay on top. **Levi's** jeans—an icon of their day and one of the greatest of the global brands—has over the last decade lost its way by not keeping pace with their changing customers and competition. Today's 14-19-year-old customers are different and unique, as is the new competitive set such as **Fubu, Diesel, and Calvin Klein**.

Consumers do not embrace a brand just because of a new logo, packaging, advertising, or promotion; they embrace it because they *feel* it. In addition, to feel it they must experience it. It is not easy to transform a consumer into a customer, or to make something new and ethereal into something real and tangible. The beginning is to understand the concepts of Whole Being Branding and to apply them.

Let's now see how it's done.

### 1.3 WHOLE BEING BRANDING: HOW IT'S UNIQUE AND DIFFERENT

Whole Being Branding is unique and different from most retail branding concepts in its holistic view of branding, including everything from the history, culture, values, and beliefs of the corporation to the way it thinks and works, how it creates worth and wealth.

But most important, it is its belief that brands are living beings that are both dynamic and changing in their personalities and consistent and never changing in their brand character. Brands do what people do, they make and sell things, only on a larger scale. Humans are by far the

most efficient value-creating instruments in nature. It only makes sense to think about brands similarly.

Whole Being Branding—

>> looks at total communications both internally and externally

>> examines every touch point between the brand and its total stakeholder group

>> concerns itself with where the corporation has been, where it is now, and where it is going

>> works hard at keeping the brand's personality relevant and current while maintaining a brand character that is right for the times

Another significant difference in Whole Being Branding is that the concept always starts with the customer; not only demographics and psychographics, but more importantly, real customer insights on how people's attitudes, beliefs, and values are changing and how these changes influence how customers feel about the stores they shop and the products they buy.

The unique difference of Whole Being Branding is that its key goal is building relationships—up front and personal relationships—and customers for life. To achieve this goal, companies must make a basic shift from the idea of branding as a mark of ownership to branding as a way of life—a product, service, or place that helps you grow; a branding idea that people live by.

**IKEA** is the epitome of the 21<sup>st</sup> century retail brand. Tapping into basic human needs and providing universal benefits regardless of country or class, age or income, the **IKEA** concept helps people all over the world decide how they want to 'live' their lives.

**IKEA** and other contemporary winning brands are moving from a one-dimensional, narrow projection of their

brands through advertising to a projection that addresses a full set of sensory experiences—from sight and sound to touch, taste, and smell.

To see the concept of the holistic brand being demonstrated in all of its glory, look to contemporary new age brands like **American Girl**, **Central Market**, **J. Jill Fashions**, and **Whole Foods**.

Brands like **Virgin Atlantic**, **Build-a-Bear Workshop**, and the **Hudson Hotel** (New York) recognize that just saying you are unique is not enough. You need to show it and do it with some real proof points that pay off your brand positioning. **Harley-Davidson** works very hard to create and maintain evidence of differentiation with its Harley sound, as does **Starbucks** with taste, the **Dunhill** touch, and the **Prada** look. Study how **Boots' No 7** cosmetics advertising has moved from the traditional way of projecting the beauty benefits of cosmetics through trite lifestyle vignettes to a more romantic, sexy, and intriguing set of fantasy images.

The year 2001 saw **Starbucks Coffee International** open in Switzerland, Israel, and Austria. Overall plans in 2003 and beyond call for more than 1,200 new stores worldwide. There may be small differences in different countries, but all will focus on the key brand essence of taste and experience.

Many of the fundamental ideas of Whole Being Branding are in conflict with packaged goods or corporate brand theories; but none of them are more different and revolutionary than their fundamental beliefs that **retail branding starts with internal focus before it goes external**.

**Hallmark** has a select group of managers who are totally focused on training, ensuring that all managers and staff are totally aware of and understand the brand promise before it goes public. **Holt Renfrew**, **3M**, and **Four Seasons Hotels** all understand that all of the brand's internal aspects must be

in sync before you can hope to support and pay off its external expressions. To tell their brand story, they use the Internet, off-site workshops, direct learning techniques, email, newsletters, and many other opportunities.

Advertising agencies, brand consultants, and graphics and design specialists can help bring your brand to life with words and pictures, but first you have to decide who you are. The Whole Being Branding process can help you do this.

Another fundamental difference with Whole Being Branding is its belief that branding is a means to an end and not an end in itself. Bottom-line branding is about creating wealth, the tangible and intangible assets of the enterprise. Tangible assets include sales and profits, specific metrics like penetration, traffic-to-sales conversion rates, average transaction values, frequency of visits, loyalty, and advocacy, as well as intangible assets such as the intellectual capital of each employee and the social capital of the total stakeholder groups. Again, tactical metrics like employee retention, motivation, and passion are the end goals.

A study of winning brands shows that one of the greatest wealth creators is the ability to gain and retain good people. The brand acts as an editing device to help keep the right people and reject others. This identity match reinforces and adds a depth of commitment. When this match continues to take place over time, the alignment liberates people to be the best they can be, and relentlessly deepens their commitment to the organization.

**IKEA's** very effective and productive internal culture gives them real leverage over their competition. It provides a specific set of guardrails that keeps everyone on the same road, and also teaches each individual how to slow down, speed up, or pass, depending on the specifics of the situation. They hire **IKEA-like** people and then let them do what they believe will work in the moment. The company's policy to

“Think global, act local, and sell personal,” gives **IKEA** the best of all worlds, one in which **IKEA’s** big picture connects with the local and individual picture to provide a collective sense of pride and purpose.

Whole Being Branding is unique—not just for the sake of being different, but because it works better. The more you understand this difference, the better you will be able to apply it for your own benefits.

Read on!