

Denise Lee Yohn Reveals “What Great Brands Do”

Hannah Litman

In this age of Internet and social media, has branding lost its appeal and effectiveness? In “*Breakthrough Branding*,” Katherine Kaputa demonstrates that this is clearly not the case. More than ever, entrepreneurs rely on branding to transform their ideas into big brands. However, she notes that the rules of branding have changed. Denise Lee Yohn, who has been extensively researching “*What Great Brands Do*” explains that a strong brand does not simply stem from visual identity and brand books, but instead comes from the company’s entire ethos—from its corporate culture right down to the customer experience it provides. Surprisingly, these things have less to do with advertising and communications, and more to do with how a company runs its business and cultivates its brand. We recently sat down with her to learn more.



In *What Great Brands Do*, you identify seven guiding principles for successful branding. How did you narrow it down to these key components for building a terrific brand?

Well, I started with the brands themselves and really tried to qualify what is a great brand, because I think there’s quite a bit of subjectivity. You may love a brand but I have absolutely no idea what their deal is. So, I tried to be objective by looking at things like profitability, market, consumer esteem and preference. Then, once I kind of came up with this list of, let’s say 100 brands I started looking for the strategies that worked behind them and uncover the central, common and defining principles.

The brand examples that you chose—like Ikea, Starbucks, Google, Chipotle, and even Lululemon—are great demonstration of strong branding at work.

Right. For some of those companies there’s a lot of available information but for others I really wanted to talk to somebody at the company who would help me understand what they were doing. So, in the case of Lululemon, I actually was able to interview the head of marketing and branding to learn from perspective as to what made Lululemon so successful so quickly. It was great to kind of get some behind the scenes looks at several brands like

that.

And, what did they attribute their quick success to?

unfortunately, in the last year or so, they've run into some problems. So, it's a really interesting study. People ask me now, "Do you regret including Lululemon in there?" No, because you can look at how quickly they grew. And I still like their future prospects. But, the two things that their head of brand and marketing pointed to, were, one, that they are very innovative and always looking for what's fresh, and bringing those ideas to their customers. So there's this constant drumbeat towards innovation, not only in style and design, but also in fabric and finishes. Then, the other thing she pointed out, and what I ended up talking about in my book, is that they are very clear about who they're for as a customer. They're not trying to appeal to everyone. Granted, a lot of different kinds of people buy their products, and the brand is committed to serving everyone well, but they're very much focused on their target customer that wants to live, these are my words, a yoga-inspired or yoga-centered lifestyle and really focusing on what does that woman want? They demonstrate the principle that great brands don't chase customers.

But, then, how does a company like that grow? Or, do they choose not to grow and just to focus on their niche?

What they do is introduce other products targeted to that group, which is what we see Lululemon doing now with introducing leisurewear and casual attire to their existing active wear capsule collection because they saw that their customers were already wearing Lululemon out in their daily lives, not just to work out in.

You also refer to The Body Shop in the book's introduction, which is interesting as they are a retail brand that really had its heyday in the '80s and '90s and do not have such a strong presence anymore.

To your point, they were a great brand back in the 80's, and they really were, I think, one of the first companies to be very principled about their products and the way their products were developed. Then, they were also one of the first popular brands that didn't do any advertising.

Your mentioning of being principled gives me a great moment to bring in movement marketing and where that lies in brand development as it was actually Scott Goodson who first brought you to our attention when we spoke with him a couple of months ago.

One of the principles that I discuss in my book is that great brands ignore trends. That's always a little bit surprising to people, because I think that most people think that following trends is a great way to develop and get inserted into the social conversation. But, looking at great brands, I discovered that they are more likely to challenge a trend than to borrow it and, in many cases, they're the ones who are advancing their own movement, which ultimately then gives birth to a trend that everybody else follows. So, I think there's a tie-in with movement marketing in the sense that great brands identify ideas that have relevance to their brand's condition and values, and will appeal to their customers; they then look for ways to really advance them and create a cultural movement from them. So, rather than sitting in reactive mode, waiting to see what everybody else is doing, strong brands actually lead the charge and make an even bigger impact than any kind of trend-following would.

From a brand perspective, how do you explain the different associations made by consumers between parallel brands, such as Target and Walmart? They are basically the same type of store but they have very different consumer perceptions.

I think that Target has been much more focused on a sustainable brand condition, and, by sustainable, I mean they're whole brand positioning is about accessible design; in other words—just because you want something that's affordable, doesn't mean that it can't be well designed. This is something that they've been able to execute on lots of different levels, from bringing in designers, to developing their own products for private labels so that, across the board—from gift cards to fashion, and from home wares to cosmetics—Target focuses on bringing great product and design to people in a mainstream market. Walmart, on the other hand, focuses their branding on low prices—their tagline is “Save More. Live Better” —which is a much harder brand platform to sustain, since, in reality, it's going to be hard to always be the low price leader. So, I think Walmart needs to focus more on the “live better” side of the equation. I think that they can still very much lead with value and talk about great prices, because that's very relevant and very important to their target customers, but they need to make sure that they're providing something of value beyond that in order to really sustain for the times when they don't have the lowest price out there. So, to me, that's really the difference between the two, is just how they've chosen to position their brand and I think one has been much more sustainable than the other.

In your book, you also discuss how people are brands, citing Lady Gaga as an example.

I think that celebrities are becoming much more aware of how they're perceived and what it takes to manage that perception. Lady Gaga does a couple of things that other great brands do. One is, again, she doesn't chase customers—she's very clear about what she stands for, i.e. her values, attitude, and personality, and, as a consequence, she attracts like-minded fans. She knows she also repels a lot of people and that's completely fine with her. For example, while touring a couple years ago she received pressure from conservative groups in some countries to change her show because they deemed it too risqué. Her response was that she would rather cancel the show than try to appeal to an audience who doesn't appreciate what she is genuinely about. In addition, Lady Gaga actively advances her movement—she was one of the first celebrities to really pick up on the opportunity that was emerging as social media democratized the entertainment industry and stood out at the forefront of personal celebrity engagement, which is now so common, by starting direct relationships with her fans through Twitter and other social media, to build up this community of “little monsters.” So that's also an example of her ignoring a trend or challenging a trend, or advancing her own trend, really. And, that's why she reminds me of other great brands.

It is a great example, especially because you also talk about the emotional connection and the sense of identity we attach to our favorite brands, and how those tend to be consistent with the social and cultural consciousness. Lady Gaga is a great demonstration of that.

Do you know, I didn't even think about it that way until you mentioned it but you're absolutely right. I think the reason why people love Lady Gaga doesn't have so much to do with her music as it does with her embracing people as they are and really celebrating individuality and identity, and being, I think, an advocate for those who have been marginalized. That kind of emotional identification that her fans have with her makes her that much more appealing and real.

These concepts also resonated with a recent article in Inc. magazine, which showcased Partners and Spade and how they reimagined branding for, obviously, Kate Spade, but then also J Crew and Target. In the piece they touch on that fact that in order to rethink branding for today, they needed to create emotional connections and timely senses of identity that identified with the current social consciousness.

Yes, the article definitely aligns with the brand-building principles in What Great Brands Do. I think the most important point the piece makes is “having a clear brand concept is one of the most important preconditions for a company to be

able to pull off an experiential campaign; otherwise, the brand behavior is just a stunt.” The piece speaks to the prioritization of getting the brand strategy right before moving into execution and the emphasis on brand experience over brand messaging.

In *What Great Brands Do*, you also discuss that one of the principles is to avoid selling products from a brand perspective. This got us thinking about new online retail brands, like Rue La La and Gilt, whose guiding principle seems to be selling but yet they’ve managed to create an almost luxury brand from selling top-priced products at discounted prices. These two concepts—discounted retail and luxury—should be incongruous. How do you, as a branding expert, explain that new modern phenomenon?

I think that those brands are excellent examples of consumer empowerment—they make people feel like they are in the know and very savvy, which enables people to experience a different identity when they’re shopping in that way. Obviously, they have really great products—and to your point, very high-end, designer products that are very much in demand—but it’s also about the perception of being on the cutting edge, getting something that not everyone else can have, and a sense of being savvy about knowing where, when, and how to jump on the deal. Together, these three triggers feed peoples’ emotional identification and desire to feel special and unique. So, I think that while it’s about shopping, it’s still about so much more than that. It’s kind of like, you know, the same thing where some people love to do thrift-store shopping, and are really into the products that are available at these places, but it’s also the thrill of the hunt—it’s the discovery of something that they can feel proud of that they got at just the right time that was perfect for them. All of those emotions come out when people use an outlet like Gilt.

Another principle you discuss in *What Great Brands Do* is that great brands never have to give back. How does philanthropy become a seamless part of the brand identity and not part of a “we’re giving back” campaign?

I think it’s really about considering the value you are creating for people and the type of impact you are trying to create. If you’re just about selling stuff and making a profit, then I’m not sure there’s a real future for you, because I think that over time, people will come to know that about you and not want to do business with you. When companies are very thoughtful about how they can really make peoples’ lives better—not just by supporting a charity or participating in a charitable event—they will ultimately succeed. The example I always point to is Apple, who don’t visibly participate in philanthropic activities but have ushered in such positive changes to so many aspects of our lives—the way we communicate, the way we enjoy music and other content, the way we shop, and so forth—that it’s clear they have created a shared value in so many ways. In other words, companies should design their businesses to make a positive social impact from the start versus designing a business to make money and then going back later and trying to make up for the toll the company has taken on society or the environment. If your business already exists, then think deeply about your brand and identify the value you create that all of the stakeholders in your business (customers, employees, investors, community, etc.) can share.

And lastly, how does a successful brand go about creating a successful corporate culture that supports the brand itself?

It starts with ensuring a clear understanding of your brand—your purpose, your values, your unique attributes—and sharing that among all stakeholders. Then you keep the focus on your brand by using it as a filter for everything your organization does so that you inspire, equip, and empower your people to interpret and reinforce the brand into their daily decisions and actions.

About

Hannah Litman is an established writer and marketing communications professional living in Miami, Florida. She has written for a number of media outlets in both the US and UK, such as The Daily Telegraph, BBC, and WGSN.



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