

## The road to brand greatness: A Long Virtual Coffee™ with Denise Lee Yohn



Denise Lee Yohn is one of those people whose been part of my brand conversations for some time. I first encountered her no-nonsense approach to brand when she published [an excerpt from her book What Great Brands Do](#) on Branding Strategy Insider. It was one of the most popular posts of the year.

That book lives up to its title. (Well worth the read if you haven't got to it yet.) Her new book, [Extraordinary Experiences](#), is very much a companion piece; one where she takes the keystone thinking from the previous work and applies it specifically to the restaurant and retail sectors. Intrigued to probe more of her thinking about how brands generate greatness, I reached out to explore some aspects of this new book and her wider thinking in more detail. Here's what happened:

**Mark:** Right at the beginning of your new book, you talk about how people like James Surowiecki and Douglas Rushkoff have painted brands as concepts that are dying. I don't see any signs of that at all, so I'm curious to hear your perspective. Is there something of the Mark Twain syndrome here – that reports of the death of brand and retail have been greatly exaggerated?

**Denise:** I think it depends what you mean by brand. It's such an over-used word today. There's so many different definitions and the effect has been to dilute any singular sense of meaning. My own definition is that brand is what you

do and how you do it, and within that definition, brand is not dead at all. In fact, it's alive and well. However if you are more focused on logos or symbols or even messages, then yes, perhaps brands are less important and influential than they used to be.

**Mark:** And retail? Another part of the economy where some would say the sky is falling in? What's your take?

**Denise:** Retail is absolutely changing. Shopping is not what it used to be. Having said that, I'm confident that bricks and mortar will not be eclipsed as such, because people still want a physical world and they want to go places and do things. The in-person experience is engaging and exciting. We just don't want it all the time. Sometimes we want to visit, sometime we want to buy online. But even if I don't want to go to a store and I make a transaction online there's a sense of delight in that, at how convenient shopping can be. So, both can be experiences, even when the motivations for shopping are different.

**Mark:** Hospitality and retail are renowned as very hard parts of the economy in which to make a living. When people approach me about opening a café or restaurant, I like to tell them that if they want to spend a lot of money they should take up yachting, and if they want to lose even more money they should get into hospitality or retail. Yet you have made these two highly competitive sectors the specific focus of this book. Why?

**Denise:** I think it's very tempting for people to be drawn to these sectors and to fancy themselves making a success of a business in these areas. People look at businesses they like and think they could do that, without realising just how hard it really is. Running a bricks and mortar operation like a restaurant or a retail store or chain puts people under huge pressure. Restaurants and retail never turn off. Owners need to be thinking about them all the time in order to make them succeed. I chose restaurants and retail because they struck me as areas of the economy where brand could make a fundamental difference and yet the whole concept of brand seemed under-utilised. It's perhaps easy to see how brands matter for luxury or fashion or big ticket items, but in the book I wanted to get into these less obvious areas, the parts of the economy where brands are less taken for granted and to look at the experiences there. I also wanted to look at a wide range of brands – from those that were small right up to more familiar names. Some of them you may never have heard of. I felt it was important to look beyond the brands that everyone quotes.

**Mark:** And your key learnings?

**Denise:** My biggest learnings from studying both sectors are the value of leaders and the power of human to human exchange. People who work for great brands do so because they value those exchanges and they believe the work they do makes a difference. Leadership is critical to brand success. Every brand needs a significant leader and management team. Strong leaders really understand brand building.

**Mark:** You tell the fantastic story of how Popeyes Louisiana Kitchen, a fast food restaurant chain, worked its way back to trading health by focusing on leadership, purpose and taking care of its franchisee community. Why does it always seem to take a crisis for companies to start focusing on their brands?

When businesses lose their way, they look to their brands to do the hard work to rescue them.

**Denise:** Brand is the least likely suspect when things are going well and the most likely suspect when things are going badly. Success is so dangerous isn't it? Look at Sony. When I worked there in the late 1990's/early 2000's, the brand had become so powerful and so popular that company leadership seemed to take the brand for granted. When businesses lose their way, they look to their brands to do the hard work to rescue them. But to ensure your brand succeeds and continues to succeed takes hard work. It's about executing well. If you take your brand for granted, you risk losing equity and cachet.

**Mark:** I love your thought that a purchase is rarely just a purchase. It aligns with something I talk about a lot – that a brand is the handbag of the ego. You take it with you and it says things about you. What are your thoughts on the power of signals?

**Denise:** Signals are critical, and they are something that brand strategists need to think about very carefully. We live in an age where products are becoming more and more similar. So the likelihood that you will have, and retain, a unique product is almost nil. Commoditisation of products is now commonplace. So when they are looking to buy, consumers are looking for additional value beyond what a product is. Purchasing is signalling to yourself and to others what you value, the decisions you make, what you associate with your identity. And that's not just true for apparel or luxury, it's equally true for B2B. When you decide to buy from a vendor you send a signal to the organisation and to your colleagues about the sort of person you are. That decision portrays you as savvy or a risk-taker or leading-edge. So decisions actually become ways for people to express themselves. The old phrase that no-one ever got fired for hiring IBM is a reminder of the power of solid decision making, and that your decisions about what you buy send a signal about who you are.

**Mark:** If you're a brand experiencing change wherever you look – you give the example of Buffalo Wild Wings in the era of fast-casual – how do you know what is a fashion and what is a trend? How do you make sure that if you take the road less travelled your decision isn't taking you down a dead end?

**Denise:** There's no way to guarantee that. There's always a risk in ignoring a trend. It certainly feels safer to follow a trend and so much riskier to do something different. On the other hand, while it may feel riskier, you rarely achieve long term advantage by following the pack. Without the risk, you miss out on the stronger pay-out. It's all about testing and learning quickly. Large companies need to find more lean ways of doing that and pivoting faster to evolve. It's a case of try and adapt. But be careful who you test with. Early adopters are good groups with which to try out new ideas. The other reliable group is those who are already loyal to you and who will give you honest feedback based on loyalty. When Buffalo Wild Wings decided to change from charging for chicken wings by the piece to charging by weight, they tested it first. They asked their loyal customers and studied their reactions. If those people get what you are doing and accept it, then you have a solid platform to roll out the idea.

**Mark:** I've always loved the Costco strategy – selective targeting and stocking, and their killer app in my opinion, triggers and treasures. Is Costco the biggest cult brand in retail?

**Denise:** Costco have certainly inspired fantastic loyalty. It's quite an event to go to a Costco. I went there on a Tuesday afternoon at 1pm and the place was packed. The reason they've been so successful I think is because they're strategic in who they target. Because of that they feel to Costco consumers like a company that gets them. Membership makes people part of the in-crowd.

**Mark:** It's interesting too isn't it that this is a shopping experience that is not particularly pampering. We tend to think that customer experiences have to be better in order to be competitive, but the take out from Costco is that is not necessarily the case. They do need to be distinctive ...

**Denise:** I agree. It's neither luxurious or comfortable, but the concept of stumbling on treasures is very addictive. You raise an interesting point about the experience. It's gritty and raw, and that's what makes it so attractive. It feels so authentic.

**Mark:** Can a brand sweat the small stuff too much?

Everyone should interact with customers, even the CEO. It's a powerful reality check.

**Denise:** I think it depends why you're sweating the detail rather than if you are doing so. People can become so obsessed with running an organisation that they are blind to their realities. That's why brands need view-of-customer programmes through regular customer interaction. Everyone should interact with customers, even the CEO. It's a powerful reality check. The nature of the detail is what's important. What's valued? What are people praised and respected for, what are they fired for? You need to sweat the small stuff because the little details can make a far greater impression. Steve Jobs famously obsessed over the look and feel of brushed aluminium for his computers because he understood that getting the feel right was crucial to helping people to bond with the brand. If you take a brand like Ritz Carlton – ladies and gentlemen serving ladies and gentlemen – that's how you achieve excellence

down to the finest detail, consistently. You never lose sight of the customer in everything you do.

**Mark:** But can a brand do too much for its customers? Where should it draw the line?

**Denise:** Brands need to be informed by customers but led by their brand. Businesses need to be attuned to people's lives. We all need to be students of human behaviour and relationships. We need to develop the things that customers need intuitively. We need to be informed by insights but led by instincts, driven by the brand and guided by what people want.

**Mark:** Research won't tell you that.

**Denise:** Research certainly has its place. It's great for refining things like pricing, plans and priorities. But some things can't be researched – and that can't prevent a brand from making decisions. Leaders in touch with their markets and obsessed with satisfying their customers should be inclined to trust their instincts.

**Mark:** I think many people will be surprised by your assertion that no brand if it is doing its work properly should be looking to give back. Talk me through that ...

**Denise:** Giving back is a common phrase these days but if you think about it for a moment it has a number of seriously negative connotations. For a start, it implies that you have taken something in the first place. So you have taken and now you are looking to give back. That's not an act of generosity or philanthropy. CSR seems to be about trying to make up for the bad things you have done. It seems to be the corporate way of saying 'please don't pay any attention to what we've done over here, look at what we're doing over here'. Great brands don't have that disconnect – they look to have a positive social impact consistently. And that's not necessarily about trying to save the world. It can just be about doing things that make people's days better. In'n'Out Burgers are all about the delight of what they offer in the small part of the day that you interact with them. They're not looking to give back because they're not looking to take from their customers in the first place.

**Mark:** One last question. Since this new book is all about experiences, let me return to the point we discussed right at the beginning about whether experiences too are in decline. Will experiences always be a competitive advantage? Or are they a phase of business that will evolve into something else?

**Denise:** We keep talking as though we've come through the experience economy and moved on, to the digital economy or the sharing economy. But in reality we're still very much in an experience focused economy. It will always be that in my view because people want human experiences that entertain and excite them. It's a universal human truth.

## About Denise Lee Yohn

Blending a fresh perspective, twenty-five years of experience working with world-class brands including Sony and Frito-Lay, and a talent for inspiring audiences, [Denise Lee Yohn](#) is a leading authority on building and positioning exceptional brands. Denise is the author of the bestselling book *What Great Brands Do: The Seven Brand-Building Principles That Separate the Best from the Rest* (Jossey-Bass). Her new book *Extraordinary Experiences: What Great Retail and Restaurant Brands Do* is available now through Amazon as an e-book [here](#). (no affiliate link)

## Related

[Rethinking brand reach in a watching world](#) September 1, 2014 In "Competitiveness"

[Blinkpoints](#) March 24, 2014 In "Brand"

[Keeping your brand successful](#) July 13, 2015 In "Brand"