



Thoughts on Branding and Globalization peter dixon

Good morning and thanks to the Association for having me here. It's always a pleasure to be in this beautiful city. This is not going to be the usual design presentation where somebody will get up here and talk about good design for an hour and show you a lot of slides. I usually have a hard time putting together 10 minutes worth of slides that are any good, but even then they're usually not my work. My wife would see me putting together presentations. I'd be putting slides in a carousel and she'd say, oh god I can't imagine the audience having to sit through this. She came up with a little poem for me to say to myself whenever I was preparing for one of these things. It goes like this: Beware the pox, the curse and the Ides, and a man with a box of coloured slides.

My presentation is not about design particularly, although it is about designers. It's about our response to some big issues that we have to face today. Some things that I've been thinking about and what my partners at the firm have been grappling with. It's about issues that any of us who sell our talents to companies should think about and form an opinion about and understand. Namely it's about the impact of what we do on the world and the value of what we do for the world. I want to ask the audience a question first. Who here actually sells your talent to companies? OK, good. And for the students, this is for you too because you have to make decisions about these issues and figure out which side you're on. Not that there are only two sides to this. There are many points of view. But you should start thinking about them all right now.

Here's a slide of some French farmers ransacking a McDonald's last year in Toulouse, France. This is Prague a few weeks ago. Some anarchists ransacking MacDonald's in that city. This is Jose Bouvier. He's the French farmer who led a ransacking of a McDonald's two years ago. Switching companies. This is the protest against the World Trade Organization and the International Monetary Fund meeting that was being held in Seattle in November last year and this is a Starbucks being vandalized. The Gap was also attacked at that meeting. A little further afield. This is Nigeria where protesters are in violent resistance to the environmental practices of Shell Oil in the Niger River valley.



All over the world there is a growing backlash against brands and the companies that put brands out into the world. Why? Why are coffee shops and shoe companies and fast food businesses and Mickey Mouse under this kind of political attack? If you really want to know, read *No Logo* by Naomi Klein. It's well researched and highly potent. It's an anti-corporate rant against globalization and the unethical behaviour of big companies. And, it's a pretty scathing condemnation of branding. I really recommend it. It's a book that describes the evils of marketing. It's particularly damning of the manipulative marketing techniques that brands use to enter the marketplace and manipulate our behaviour.

NO **LOGO**



TAKING AIM AT THE BRAND BULLIES NAOMI KLEIN

I think it has a Bruce Mau design on cover. I'm not positive. It's a pretty nice logo, a very confident use of white space. There's a little bit of irony too. They're playing off the Gap ad. I guess she calls it adbusting. I've never seen a more earnest two year old. And a very strong tagline, "Taking aim at the brand bullies." It's a fantastic book, well put together, and I think she understands branding better than most branding experts that I know.

Lippincott & Margulies has been around a long time. While Ms Klein gives a short history of branding saying that it began in the early 80s, we've actually been helping to create brands for



well over 50 years. Over that time, we've created some of the icons of culture: the Betty Crocker spoon, the Coca Cola red system, the Swoosh and the blue chip for American Express. This is what we do. Branding is a nice business to be in. Companies value it; they pay a lot for it. We are part of a global branding system.

It's been an interesting profession too. We get to learn a lot about companies. We learn about the people who are those companies. We learn about their customers. Klein's book caused quite a stir at our shop. We're very interested in her discussion of branding theory. We understand that there are problems with globalization and we know that companies do bad things. But the basic idea, that branding is evil, strikes us as an odd notion. It reminds me of a story. In 1929 Joseph Kennedy, the father of the Kennedy clan, got a stock tip from a shoeshine boy and immediately knew it was time to get out of the market. Now we have lefty journalists writing about branding. I think we have a problem with the term. I think we have a problem with the word branding.

Branding is very important and I'm going to talk about it, but it's tiring when you companies talk about brands with their customers. We talk about it in the shop. It's natural. It's our job. It's a tool that we use. But when it starts showing up in advertising I get worried. If you have to say you have a brand, you can bet you don't have one. So I sometimes think, branding is over. That's it. But you know what, it's not. We do, however, have to be careful that we don't confuse branding with other aspects of corporate behaviour that should be over.

The main premise of Ms. Klein's book is that global corporations have used branding to advance utopian aspirations and by selling ideas instead of products, companies have directed their

investments into marketing instead of production. In so doing they have visited untold damage on the world's labour force, culture and environment. A lot of the book focuses on this last point and she's right. There is indefensible corporate behaviour out there and it goes right along with those brands we've created and there's a big inconsistency between what companies say about themselves and how they act. As just human beings we must be aware of this and take every step we can to condemn it. But it's the first two points that I would like to address today.

Why do companies brand? Companies brand because it's a powerful way to differentiate between competitors and increase preference. It is not to advance utopian aspirations, I can assure you. The only utopian aspirations that my clients have are that they beat analyst estimates by three cents per share. That's their utopia. The people in these companies do not have a grand plan for destroying tribal lives in Nigeria. They don't have a grand plan for co-opting citizenship. They're people just like you and I and they're trying to do the best they can to make their companies successful.

How powerful is branding? Does it work? Let me do a little demonstration for you. See that: The substance, the raw material that this comes from is incredibly hard to find. It's under the ocean under miles of water. It's in the jungle or in the desert or in the Arctic Circle. When you



finally do find it, extraordinary efforts have to be made to get it out of the ground. There is an unbelievable industry around getting this raw material to the processing plant. Once it's there, incredible technology turns it into a product. Then an incredible distribution system gets it to our towns and cities so we can buy it and put it in our cars. It's toxic. It's dangerous. It is an unbelievably complex material to find, manufacture, distribute and market. Down south you can still buy this material for about \$1.50 a gallon. Everybody knows, of course, I'm talking about gasoline.

The raw material for this product makes up three quarters of the planet's surface. It is absolutely benign. Easy to get, easy to ship, very little processing. Put it in a bottle and it's great. It sells for about \$1.50 a pint. Branding makes this more valuable than that amazing commodity

gasoline. Branding is power. It's commercial power: the ability to turn things of little value into great value. It's a kind of magic. It's alchemy. You are making something out of nothing.

So why does branding work? On the one hand brands work because they stand for something. They telegraph expectations. They telegraph attributes, specialness. Clients always want their product or brand to be about specialness. But the real power of branding actually comes



from something else. And this is something that contradicts one of *No Logo's* basic premises. In Klein's book there is the notion that branding and its ramifications isolate us from each other. That branding and its set of values and behaviours are anti-social and anti-citizenship. But converse is true. Brands are about association and the power that association has in the human trial. There is this basic human tendency to aggregate, to socialize, to be part of something. It's the same drive that is responsible for nations, religions and rugged individual sports teams.

Contrary to what *No Logo* implies—that brand loyalty is replacing citizenship—branding is a more casual association than citizenship, nationalism, religion or being a Mets fan. Even brands that are about rugged individualism are about our association with others that we respect, we admire or just emulate. Even the individualistic branding is about association and how it makes us feel. Even something like the classic free spirit, snowboarders let's say, wear a uniform. In a sense, they make their own brand.

The important thing is how brands make us feel. That's really the key of it. I've been through thousands of hours of focus groups. The only thing that matters when you're talking to people about branding and identity and design issues, is how it makes them feel. This is a point that *No Logo* misses. There is an assumption in the book that brands are successful because they're ubiquitous. Because companies spend huge amounts of marketing money on branding, it's successful. But it's just the opposite. Brands are ubiquitous because they're successful, because they have made people feel a certain way. And it's real. Sure, it's manufactured, but it's still real.

“Not unique.” “Cutting edge.” Nothing more fleeting than that. “Sexy.” “Like a good mom.” “A good provider.” This is the real power of branding and why we need to understand it. But *No Logo* says that the use of ideas or the branding of ideas has somehow diminished our humanity. When companies stopped selling products they got into all the trouble that they’re



This makes me feel successful.

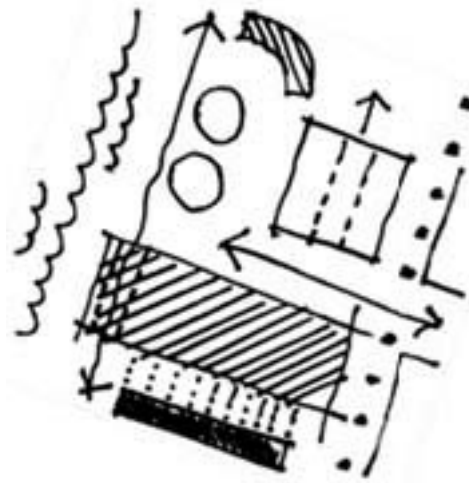


This makes me feel unique.

causing now. That’s ridiculous. In fact very few companies sell ideas. We do. Jean-Pierre’s company does. A lot of you do. We are the companies that sell ideas. Most companies sell products. There’s an idea that Coca Cola sells occasion enhancement. Starbucks sells community. Nike sells empowerment. You’ve heard it. It’s a marketing thing. It’s a little fiction that we create to be able to know what we want to say about brands. But nobody really believes that. People know they’re

going to buy coffee at a Starbucks. This is a way of marshalling our efforts around brands to communicate about them.

To me it's similar to this. It's the start of an architectural project. It's a sketch on a napkin. It's something that's going to guide you to what happens later on. This is what that idea thing is about. It's not about anybody knowing that we're selling community if you're opening a coffee shop. It's a way for us as professionals and communicators to get a road map to where we're going. That's all it is. And when I read a book like *No Logo* with the premise that somehow the



selling of these ideas is evil, I think, "Oh man you are way too close to this." This is a blueprint, a way for us to work with our clients in ways that will help them understand the things we are proposing to them. It is nothing more than that.

That leads us to the real tools that we use in branding, the real way things get done. Positioning is a way of defining a company, saying what's different and what the company does. Framing a company as an idea helps us position it. A positioning statement provides the underlying platform for communication. It distinguishes the company's offerings/brand offerings from those of the competition by articulating the company's/brand's unique strengths. Definition. How does the company define its business? Differentiation. What makes the company/brand special? Deliverable. What benefit does the company/brand deliver to its customers? Effective positioning is: Credible. People can believe it. Relevant. People care about the premise. Unique. No one else can believably claim it. Durable. It can last.

Then we develop other things like image attributes to get us to design criteria. Image attributes describe the personality of the brand and provide guidance for the tone and manner of the organization's communications, verbal expression and visual imager. Different companies in the same business have different positioning. They have this different idea of what they're doing.

This idea allows us to find image attributes that we can rationalize to them why something looks like it does. It's the process of extracting an idea of a company and making it be something that we can use in design criteria to develop graphic design and logos and stores and all the things that make up brand strategy. We are translating a company's product, manufacturing, service and delivery into an idea that we can then make design criteria for. Whether it's for communications or science or graphics or behaviour, the idea is key.

But let's not lose sight of what these companies do. They're selling products. They're selling things. You can still take the stance that somehow that's wrong. But, the kind of world view that believes companies making money is a problem is one that is pretty much indefensible.

What about branding's role in globalization? Let's talk about this. First of all globalization is not the same as global branding. Global branding is about communications. It's about helping companies communicate. People communicating; cities communicating; countries com-



Positioning Statement	IBM creates and delivers innovative technology and the know-how to enable you to win in a world continually being transformed by information.	Apple is the brand of information technology that helps ordinary people accomplish their goals.	By fundamentally improving and driving the innovation in the software industry, Microsoft is the brand that helps people leverage the power of computing to achieve their aspirations.
Image Attributes	Reliable Global Experienced	Creative Irreverent Passionate	Contemporary Human Direct
Tagline	Solutions for a Small Planet	Think Different	Where Do You Want To Go Today?

municating. Even countries are branding now. But globalization is about capital. Globalization is about knocking down trade barriers. Globalization is about investing in countries to improve your manufacturing supply chain. It's about fighting poverty. It's a complex, difficult issue and it's something that we need to think about in terms of what we believe and what we think is right and what we think works. The world is getting smaller. Globalization is a way of describing what's happened. It's not a thing itself. There's nobody in charge of globalization. It's not the In-

ternational Monetary Fund. It's not the World Trade Organization. It's a natural evolution of free market capitalism, but it's also people wanting a better life and being allowed to go after it. The best book on this subject that I can recommend to you is *The Lexus and the Olive Tree* by Thomas Friedman. If you want to get the opposite side of the story, I highly recommend this book.

Ideas over Ideology. The tone of *No Logo* has an ideological air about it that hopes the reader buys hook, line and sinker the ideas that corporations should not make money. Ours should be a more wealth-distributed world. And that's great. Theoretically that is absolutely right. However an idea-based assessment of those things, an empirical assessment of the world, leads us to some pretty horrible consequences. There has to be a middle ground.

Development as freedom. The brands we see out there today are targets for many different complaints. All of these complaints are valid. There's not a complaint that's not valid. Brands do us a service by being the touchpoints for protest against environmental destruction, against child labour, against cultural malfeasance. And, you know what, they're big enough to take it. If knocking the glass out of a Starbucks window informs us that there are some bad things going on in Indonesia, it's probably worth it. I wouldn't encourage it particularly, but it's definitely accomplishing something important.

Consumerism and Democracy. Yes, there are a lot of things going wrong, a lot of problems to be solved, but at the end of the day consumerism and democracy go hand in hand. There's a conditioning around being able to have consumer choice that leads directly to political choice. People who get used to having choices for things will eventually get around to wanting to have choices for their government. I don't think it works the other way around. The power of the consumer is definitely more attractive than the power to make political choices. In the developing world, consumer choice introduces the idea that we have choices in a very attractive way. Freedom is actually going to affect my life. It's not an intangible concept. It's not an ideology. It's really affecting the way I live. I can choose things. I can make decisions about my life. That's empowering.

But companies do bad stuff. They really do. That's probably the most valuable part of *No Logo*. It's a great argument against corporate misbehaviour. We know that the CEOs that we work with aren't doing this bad stuff on purpose, but their lack of thought can result in bad things. And I think we can be a part of reminding them about that. We can be part of the voice of people saying you can do better. You can do better than this.

My best practices example about global branding is the Roman empire. The Roman empire was around for over 1,000 years. A branding dream. Now it was a primitive, brutal, dictatorial society for the most part, but it conquered the known world. It had great distribution. Great branding. A lot of good marketing. But the good thing about the Roman empire was that as it expanded into other markets. Everytime it acquired a new marketplace, it absorbed something positive. When the Roman empire took over the Greek world, it got philosophy. When it took over northern Africa, it got science, astronomy and medicine. And while it brought Roman rule and Roman order to these places, it was also changed by the cultures that were incorporated into

its marketplace. I think this is actually the best practices approach for companies today. You can be out there growing your market, but it's inevitable that you're going to be changed by the markets that you're in.

When brands are in new marketplaces, they have to pay particular attention to what's relevant in those cultures. You can extract great value from local resident knowledge and talent. And do things like mold your products. You're not forcing your idea on that local taste. And companies have been doing this a long time. It's part of the reason why they're successful. Not because they just marketed themselves, but because they've actually responded to local taste.

It's good to see more companies starting to understand this. And I think it's a clue of what's coming. It's a clue to what's going to be important in branding in the future. Companies will be changing business practices to address individual cultural issues, not just sell products. Now Ms Klein will probably recoil in horror about this, but I think that it's one of your best hopes for

Global Branding Issues	<ul style="list-style-type: none"> Product and service features Addressing local tastes Learning from local expertise Business style Language Iconography Local context (colours, materials, forms, architecture)
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companies to respond correctly. You're fortunate that we're not talking about architecture today because I have 30 more slides about how local taste, local cultural and the local environment need to be addressed in the development of a 3D world.

Now, let's go back to the idea of using ideas as the basis for branding. As much as that has been rejected by *No Logo*, I think this next idea will really get Ms. Klein going. We think the next step in branding is value abasement. That means companies are not just associated with ideas such as community or occasion enhancement, but values. The basic brand that you choose will be tied to what's important to you. People will be interested in doing business with businesses that they share values with. What's important to them about the environment, labour practices, cultural development around the world.

In a way, *No Logo* wins. If companies actually base their behaviour around values, everybody wins. They're still doing it to sell products. But if their behaviour responds to the right values, there should be no complaint. This is going to be a very important part of how brands are thought about in the future. We're going to continue to work with branding. We might want to find a new word for it. But we think that, those of you who are thinking about getting into this business, shouldn't be put off by the idea that you're being used. Your talents are not being misused by companies you work for. Remember they're really just people like you and I think that



if we work together as citizens we can address some of the problems, some of the behaviours our clients propagate and actually create a better world. Thank you.

QUESTIONS & ANSWERS

Q: Did Naomi Klein have anything to say about Benetton?

PD: Yes, she did. Benetton, as you probably know, has been quite active in various social causes. Klein finds it horrific that Benetton is using social causes to sell sweaters. Having read a bit about the company and the people who run it, I think they are very serious about their activism and are trying to build people's awareness and sensitivity to issues while they sell sweaters. I find it a disingenuous critique of Benetton. Part of the critique is that companies are not people. They shouldn't operate in the realm of ideas. But then Klein treats the company like a person. I mean a company gets treated like a person when it is criticized for its bad behaviour.

Q: There was an article in *The Globe & Mail* a few of weeks ago about rock stars performing in charity concerts. Everyone is into saving the rain forest but it is actually a marketing tool.

PD: There is a lot of discussion in the book about the co-opting of culture. Molson sponsors a big rock tour and the band is secondary to the Molson branding at a concert. You can believe it if you want to. I don't think anybody goes to a Molson concert. They're going to see the band they know. Klein talks about the co-opting of public space, the way brands are being used in schools. A company is criticized for donating computers to a school because it's a marketing technique to build brand loyalty at a young age. That is part of it, but the fact is there's now 100 new computers in a school. The intention may be one thing, but the effect is what matters.

Q: How do you deal with it on a personal level when you don't even know you're doing something wrong? Do you drop your personal beliefs at the door when working for a company that you don't agree with?

PD: That's a great question. Because we have a big studio, you know we have 50 or 60 people in the company, everybody doesn't believe in the same thing. It was interesting when there was a possibility we were going to be working with a tobacco company on something. There were several people in our studio who said, "I'm not going to work on that project." I think you have to respect that. While business is business, people's beliefs and their integrity should supercede that. If I'm managing a company and the livelihood of the people in the studio depends on that business, I'd probably have to make more of a compromise. I'd probably have to weigh the effect on the lives of the people involved. If we turn down this business, will three people get laid off? I would rather do the work for something that's not illegal than to lay off people. It's a balancing act. Yes, we have sometimes turned down work that we didn't want to be associated with. I think every individual draws a different line around that. It's not clear cut; it's a difficult question.

Q: Is there any connection between the branding of personal choices and not personal choices?

PD: That's exactly the interpretation of *No Logo*. However, the human predilection for change is stronger than the cultural imperialism of any company. We've seen chains come and go and we will continue to see them come and go. And we'll see different distribution laws. Esparto used to be a big brand. Now it's faded. We'll see the evolution of these things over time because we won't allow ourselves to not have choice. You will look for something else. You will create the next great brand to compete with this brands by your choices. You will not recognize the generation of brands 20 or 30 years from now from the ones that you know now. They are constantly changing and renewing. It's why we roll over in bed. We're totally comfortable where we are, sleeping on one side, but, humans like to turn over. We like change, but we also like the comfort that recognition gives us. In the long run human vitality will rule the day.

Q: I don't think there's anything that could be brought into the world that is great but that doesn't have a cost on the other side. I think that's something we have to live with.

PD: That's true. There are a lot of things that can be improved. But there's a lot of good out there too and I think that we can find our way to feel good about what we're doing in this world by making choice clearer. By presenting products in an interesting, intellectually stimulating way. That will be our contribution to make things better.