

LIPPINCOTT

Brand Management for The Next Millennium

By James Bell

When the big ball comes down in Times Square on January 1, a lot of seemingly far-sighted company and product names, like 20th Century Fox, 20th Century Funds, and Gateway 2000, will become anachronisms.

Aside from that, what will a new millennium mean in the world of branding? While we all secretly hope for a clean slate to

More and more, larger organizations are managing and promoting their existing brand assets, rather than undertaking wholesale branding change and overhaul.

begin a new century, probably very little—except for a three-month media frenzy and a lot of expensive parties—will be different. In fact, some of the trends now emerging will take hold, especially in the area of brand management, naming, and graphic design. Here are some of our predictions.

Brand Management: stay the course, matey

More and more, larger organizations are managing and promoting their existing brand assets, rather than undertaking wholesale branding change and overhaul. Companies that reengineered, downsized and globalized in the late 1980s have begun to see the fruits of their labors: rapid international growth and soaring stock prices. Most of these companies have fairly well-established names, logotypes, and brand images—at least in their home market—that require at most minimal tinkering.

But growth and expansion can come with two bad side effects: brand fragmentation and dilution. Wider geographies, decentralized reporting structures, and acquisitions have put tremendous pressure on organizations trying to project a consistent and coherent image and identity around the world. With the proliferation of media channels, there are more and more "reinterpretations" of the brand, many of which are based on a fundamental misunderstanding of the core brand definition and attributes. As a result, the visual elements such as signage, packaging and the overall marketing look and feel—along with naming practices—have begun to vary, then unravel.

Thankfully, farsighted organizations have addressed this problem by establishing brand policies and guidelines, and instituting training and compliance programs. Such programs are not implemented by a dressed-up platoon of logo cops enforcing nuisance laws, but by committed senior management teams helping employees better understand the underlying value of managing a proven business asset. And these programs usually support the communication of the brand's uniqueness and value proposition. Citibank and IBM are good

examples of organizations who have set up the appropriate organizational structures, mechanisms and procedures for managing their brands in the 100 plus countries where they do business.

The explosion in company intranets has been beneficial in establishing and maintaining consistency and coherence in brand management. Many companies can now communicate with their far-flung employees directly, interactively and constructively, providing clear brand definitions and positioning platforms, naming and graphic guidelines, design templates, and other tools for managing their brand on an on-going and global basis. With the brand (vs. pure product) now a widely accepted and proven business asset, this is rarely an exercise of proselytizing to an empty auditorium.

Naming: can't you come up with something better than that?

In corporate and product name development, there are less revolutionary changes on the horizon, largely because of the twin straightjackets of global legal trademark securement and global meaning and comprehension.

The task of naming a product, service, or company has become increasingly daunting. What most clients rightfully ask for is a simple descriptive name that captures their company's business and doesn't sound "too fabricated." But with more than 100,000 trademarks filed for each year, it is rarely possible to grant this simple request. Unfortunately, it has become almost impossible to secure an appropriate, comprehensible dictionary word. Because the name must be legally available and understandable in 15 countries, without pejorative associations in Indonesia, the client is left with something far different than what was originally envisioned.

Less Is More. The shrinking availability of good corporate and product names, coupled with the exorbitant cost of establishing, promoting, and supporting a new name, has led many corporations to adopt master or single brand models, in which all or most of the company's units and offerings share the same singular brand name. In the old world of mass-targeted, consumer goods marketing—where media was relatively cheap—such companies as Procter & Gamble, General Foods, and General Motors were able to create numerous separately named products and services, allowing the companies to compete in different product segments at different price points with different consumers.

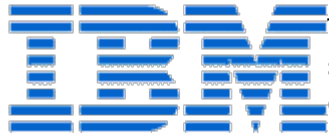
Beginning in the 1980s, however, companies increasingly turned to using a monolithic identity across all their products. A dollar spent on one product reinforced the name used on other products. Japanese companies such as Mitsubishi and U.S. giant GE aggressively led the way by putting their familiar names and symbols on all their products, generally regardless of category. GE applied its identity to low-tech light bulbs and high-tech medical systems and most everything in between (NBC being the exception).

Now, with the increasing number of mergers in the financial services industry, where the people and the institution behind the product are critical to a brand's value, a single or closely related name tends also to be the convention across all product lines.

Certainly, there are limits to a brand's elasticity, but today a name can and does stand for multiple products in multiple categories. Richard Branson has taken this belief to the edge

with his Virgin brand, by putting the Virgin name on everything he sells from soft drinks, vodka, and records to airlines, financial services, and even condoms. Talk about elasticity!

Initials, Abstract Names, and Other Passports to Anonymity. During the 1960s and 1970s, many long-existing, generically named organizations—International Business Machines, Minnesota Mining & Manufacturing, General Motors, International Telephone and Telegraph—truncated their names into familiar shorthand that were easy to recognize and quick to pronounce and didn't reinforce the company's core capability (which in many cases didn't exist any longer). These initial-named companies—IBM, 3M, AT&T, GM—also tended to be big enough, with enough marketing muscle, to reinforce these sets of initials over and over again. They became household brands with meaning, even though the initials themselves didn't designate what the companies did anymore.



Today this route is very different, far more complex, and nearly impossible to pull off without significant and sustained communications spending. Does anyone besides a few informed people know what EMC, QVC, ADT, or TRW do? Initials have a habit of becoming meaningless alphabet soup—and a passport to anonymity—unless the corporation is willing to spend a lot to continually educate consumers.

Another naming trend that seems to be in remission is the development of painfully coined names. Despite being appealing because of legal securability, clients had grown to hate these types of names such as Aon, Sequa, Permea. As a result, more comfortable compound names typically composed of Latin/English rooted parts—Microsoft, Netscape, Internet, Trustmark, Flagstar—have become a safe, if somewhat overused, naming convention. They are distinctive enough to be legally registered, but clear enough in meaning to be understandable to corporate and consumer audiences.



There are also likely to be a growing number of alphanumeric identities such as 360° Communications and 3Com. These, by way of their uniqueness, are likely to be legally securable and will not suffer the limits of international languages.

Recycling and Staying Within the Envelope. So where does naming go in the future? Global comprehension and global legal securement make this a difficult exercise for an organization starting out. First, English- or Latin-rooted names, while not always effective in all international consumer markets, will continue to be the solution to the majority of naming solutions, given that English is established as the single international language, and Latin is the root of most European languages.

Legal securability and ownership will continue to be the primary bugaboo for marketers. As a result, there likely will be an increase in seemingly arbitrary but real names paired with industry terms—Apple Computer, Shell Oil—in order to align a familiar dictionary word with an unexpected category.

Also there will be increased recycling of existing identities when companies merge, especially in financial services, where tradition, trust and stability is important (although

one hopes that Morgan Stanley Dean Witter Discover & Co. condenses its name somewhere along the line).

There will also be increased use of proper names and historical names that reflect the heritage of the founders or original organization. As long as there is a Wendy, Sara Lee, or even Donald Trump around, why invent a name that doesn't instantly imbue the company with personality? In situations where existing names are not appropriate, there seems to be increasing and accepted use of more end benefit-oriented identities, even if they are coined: Lucent (clear, illuminating) Technologies; Guidant (a precision medical technology company), Humana (a care management company focused on patients) and FINOVA (financial innovators in commercial finance).

Graphic Design: ransom note chic is out

It seems the most prevalent image or motif in early-mid 1990s communications has been "information overload." We are all being exhorted to react faster, to work smarter, to process more, and to be more efficient—as if our brains and eyes were Pentium microchips. (Unfortunately, Intel, our brain memory doesn't double every 18 months.) This theme has been beaten into us by everything from movies to television advertising and including the historically static medium of print.

Today, the Web has begun to complicate the world of commerce. Largely because of the influence of this medium,

The ability to own a color or combination of colors... will be critical in the future, especially in retail or consumer goods markets, where the limits of words and language may not extend.

there appears to have been a concerted effort to assault the eyes with as many different images, typefaces, and font sizes as can be assembled on a page. Uppercase letters are compressed against lowercase letters in different styles, with serifs and without. Print text is too small to read without a microscope, words are boxed, and multiple colors abound. Instead of clarity, we have more cacophony and clutter.

As with most trends, the next is apt to be a backlash against this "ransom note chic" look and staccato feel. Communications over the next few years will be simpler, quieter, slower paced, and calmer. There will be far fewer images, less variety in type styles, and overall, a "kinder and gentler" graphic design ethic.

It Will Come In All Shapes and Colors. The bewildering technological advances in printing, media, and communications in general will increasingly drive the use of symbols, stand-alone icons, and color ownership in branding and marketing efforts. The confluence of global communications—where pictures are more potent than words—and full-color printing capabilities (even the venerable Gray Old Lady, a.k.a. The New York Times, capitulated to color) will put a premium on the use of symbols and colors. The proliferation of largely electronic, icon-based interactive media channels, paired with the spellbinding success of that Holy Grail of symbols, the Nike Swoosh (now being used without the Nike name), is testament to this increasing trend.

While English will still be the language of business and marketing, there will be a vast number of consumers of mass market products who don't read or comprehend English—or French, Cantonese, or Hindi, for that matter. These consumers will need a familiar graphic device to make the connection to a company, product, or service. The list of proven global brands—Coca-Cola, Disney, Shell, McDonalds, Mitsubishi—have at least one thing in common: a strong iconographic element, where any series of letters or characters can be inserted and the brand will still be recognized.



Color ownership has also long been an advantage in brand marketing. We recognize John Deere tractors and can quickly differentiate them from Caterpillar tractors because of color. The dull brown of the UPS trucks and employee uniforms continues to be a stable, reassuring, and predictable component on our city streets and highways. "Big Blue" is back, while the multi-colored Apple is still in limbo.

The ability to own a color or combination of colors (such as FedEx's ownership of purple and orange) will be critical in the future, especially in retail or consumer goods markets, where the limits of words and language may not extend. If you don't think color is that important, ask Pepsi. They have built a billion-dollar repositioning effort around changing their packages from red, white, and blue to blue, seemingly in an effort to stand out from the sea of red and white Coke cans surrounding it. The combination of strong iconology and consistent color is extremely powerful.

Will the Circle Be Unbroken? One of the most used graphic devices in logotype design over the last five years has been the circle and varying iterations of it. We've seen more globes, arcs (upside down and rightside up), orbits, and horizon lines than even the most ardent heavens-watcher could keep track of.

In retrospect, it made a great deal of sense over the past decade, as companies began to develop their international capabilities and were bound and determined to communicate that through their logotypes. Now with "globalness" the price of entry for large companies, use of this popular design device is likely to ebb.

Instead, in the inevitable pendulum swing, the next five years will see a surge in two types of graphic design. First, logotype design will increasingly focus on recognizable forms, whether objects or human or animal forms. The price of going global and becoming increasingly reliant on technology has been a loss of personal service in business practices and behavior. Marketers keep saying "personal service," but anyone who has navigated the maze of prompts to reach a responsive human voice on the phone knows this is a comical and hollow promise. A human voice, a human touch, a face, something that connects us as individuals, will be back in vogue in messages and symbols.

Our desire to grab onto something familiar and human will lead to a second trend in graphic design—the reinterpretation of historical icons, symbols, and classic graphic design.



This may sometimes take the form of campy retro-design (as seems to be the tendency with anything out of the 1950s) or may allude to more neo-classical themes and elements. Chrysler Corporation's recent reintroduction of its classic hood ornament as the corporate symbol and Sonic Drive-In's new retail identity

program—intended to harken back to the era of tailfins and carhops—certainly evoke the romantic, golden era of automobiles. In addition, a number of well-known organizations have turned to classical mythology for highly visible symbols like Mobil's winged horse Pegasus and Humana's winged human form.

The work of brand marketers will become far more difficult and the tools they use—names, logotypes, slogans—will be forced to be more effective. The new century will bring both new and old challenges. The penetration and acceptance of electronic communications with all of its possibilities, both good and bad, will obviously determine a lot. How will we purchase things? How will messages reach us? How will the yin (communications) and yang (actual experience) affect our perceptions of brands bought and used in a virtual world? The role of "brand" will continue to take on added importance, and the selection and usage of its basic components—names, logotypes—within an orderly system of brand management will be essential to competitive differentiation and success.