

Brief History of Branding

and the importance of Brand Experience

Note: this was a presentation given to a group of industrial design students on the topic of branding, with the aim to encourage critical thinking about branding

History? Why should we care?

- It's not math or physics with a 1000+ year history
- With so many “guru's” critical thinking is... critical
- Debunking Brand Gospel*?
- A little history can provide context
- The problems that “branding” was solving early on are not the problems of today

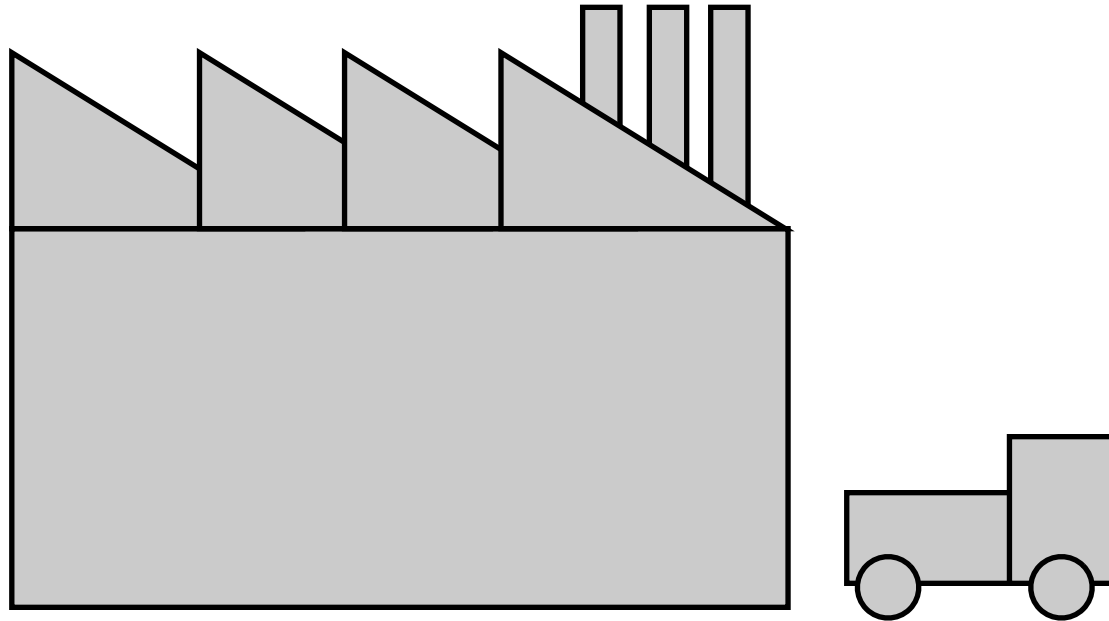
*Gospel actually means “good news

What are we covering?

1. A brief history of “branding”, why was it important, and what problems shaped the discipline
2. The importance of Brand Experience, how does the early focus of branding practitioners relate to today's products and services

So on to the brief history....

Industrial Revolution: Production Capacity up



The ability to mass produce products outstrips latent demand, product choice proliferates.

Late 19th to early 20th century

The Depression: Consumers tighten belts



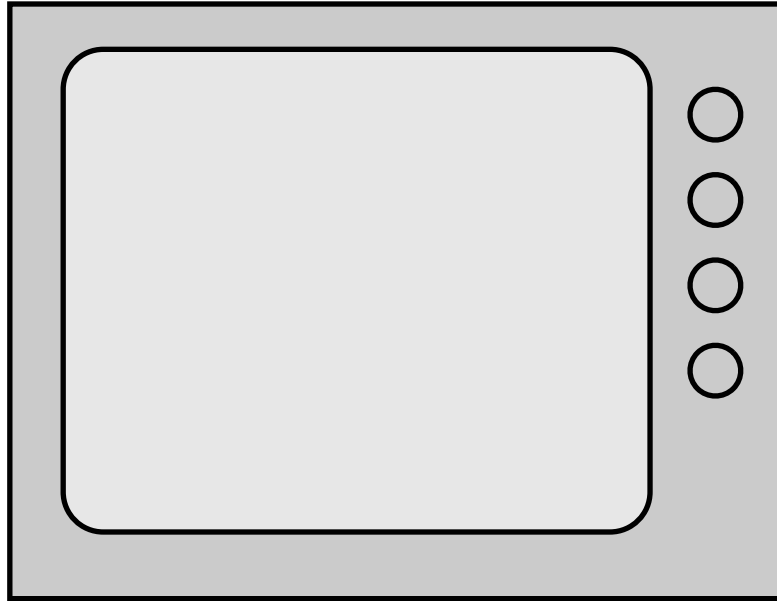
The depression in the 30's puts another dent in the ability and desire of society to consume

War: production capacity Up, more belt tightening



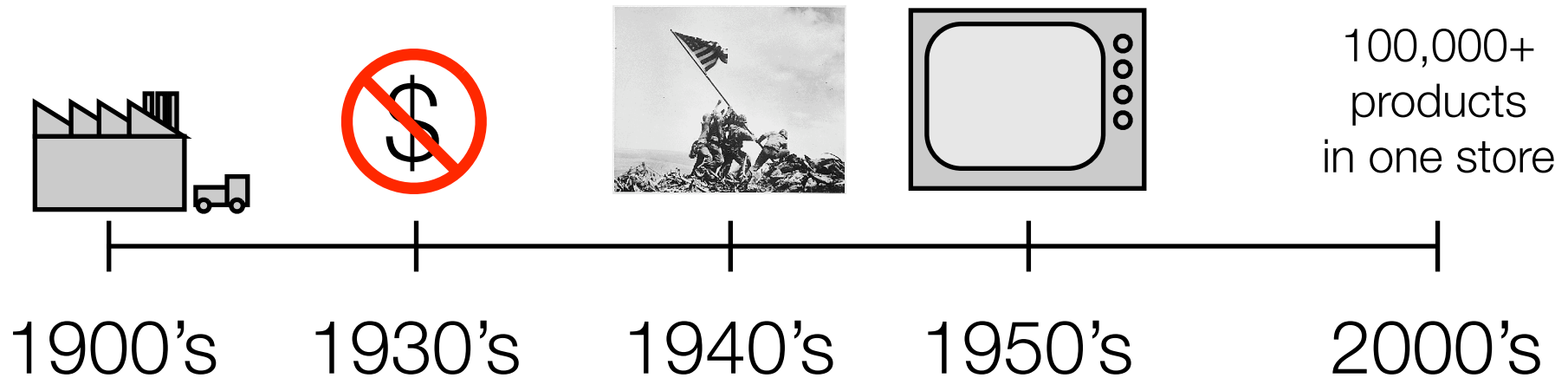
WWII not only increases industrial capacity to produce goods, but drives society to be frugal

The Perfect Storm



With enormous production capacity and a frugal culture, companies latched on to a new communication medium and modern branding & advertising is born

Modern Branding 50+ years



Modern Branding
Really Takes off Here

So What?

- Modern branding is only a 50+ year old discipline, in its infancy, in its “the world is flat mode”
- Modern branding was born of the television and the need drive consumption to a mass market
- Communicating with a mass market required broadcast
- Fast Moving Consumer Goods has driven branding for the first 50 years
- FMCG - not interactive, not relationship based, all about the product and the communication around the product

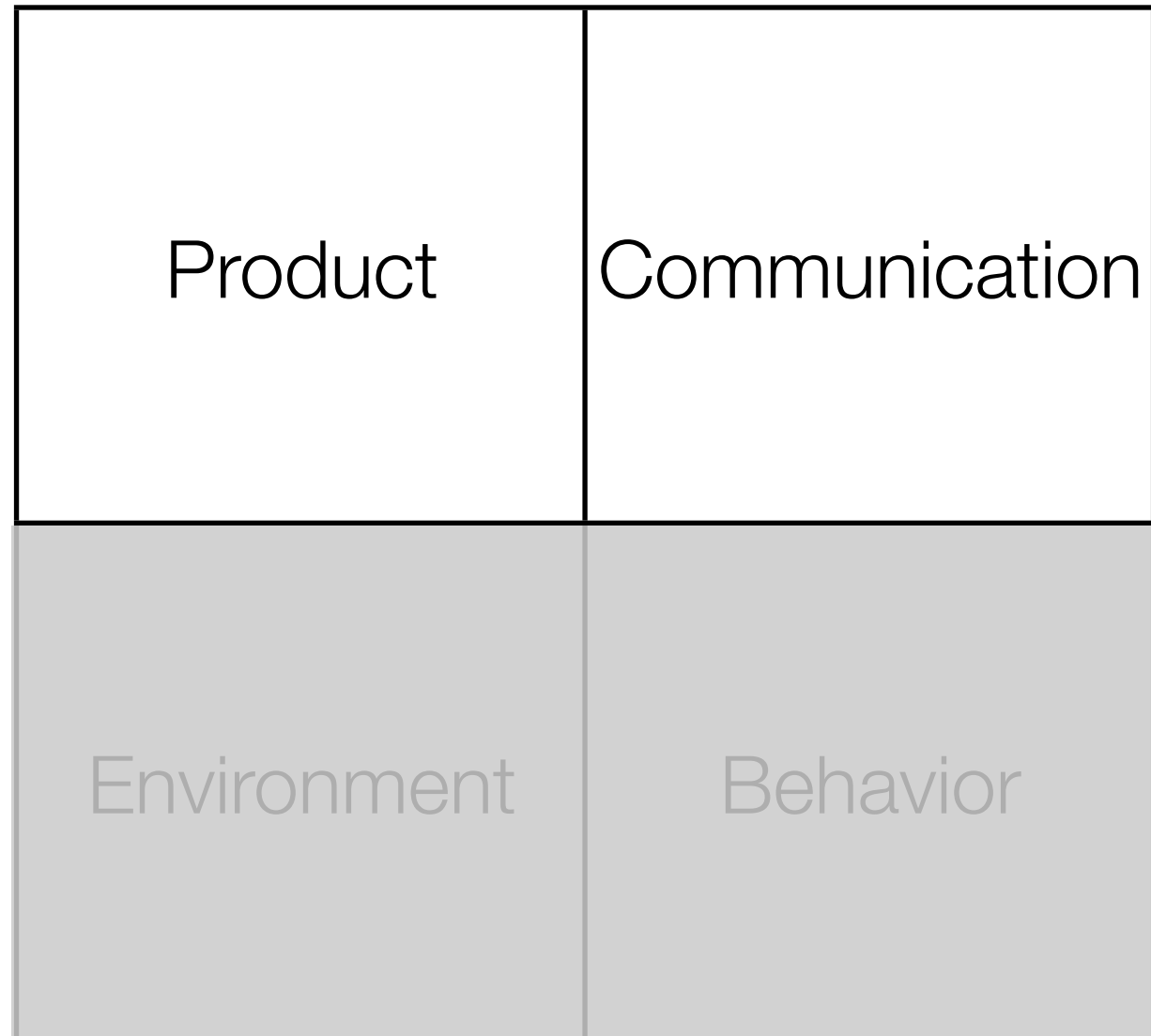
Branding as a theory comes from fast moving consumer goods

- Average number of brands in a super market went from 20,000 in 1990 to over 32,000 in 2002 (Food Institute, 2002)
- Super Centers 100,000 + SKU's
- The drive to differentiate a product on a shelf is a driving force behind “branding” methodologies and the rise of agencies
- All about the packaging, all about the product, all about volume.
- Visual, Visceral, Emotional



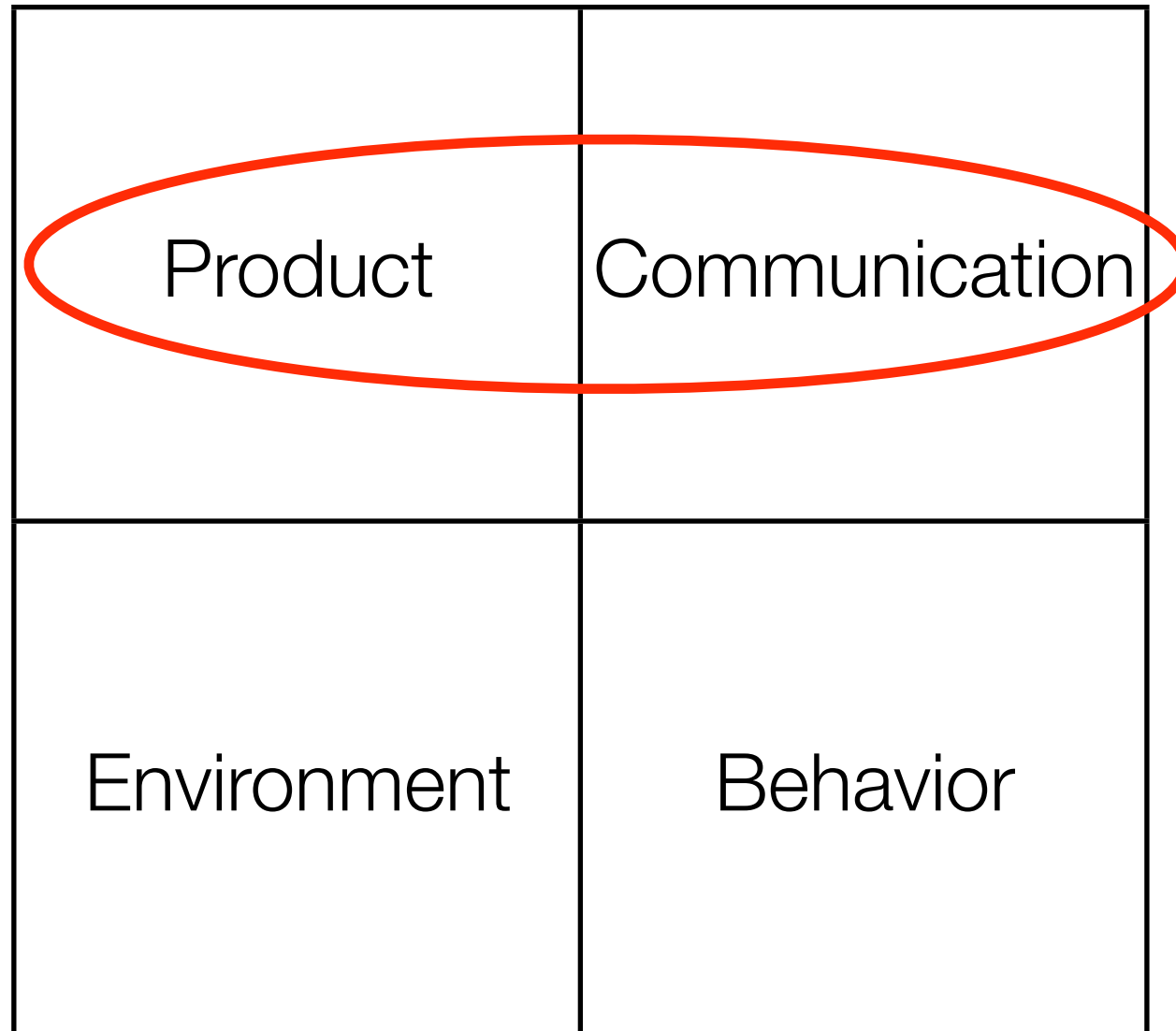
FMCG Brand Experience

For 50 years branding
has been focused here



Aspects of Brand Experience

FMCG
brands
focus here



Aspects of Brand Experience

Coke
focuses
here

Product	Communication
Environment	Behavior

Aspects of Brand Experience

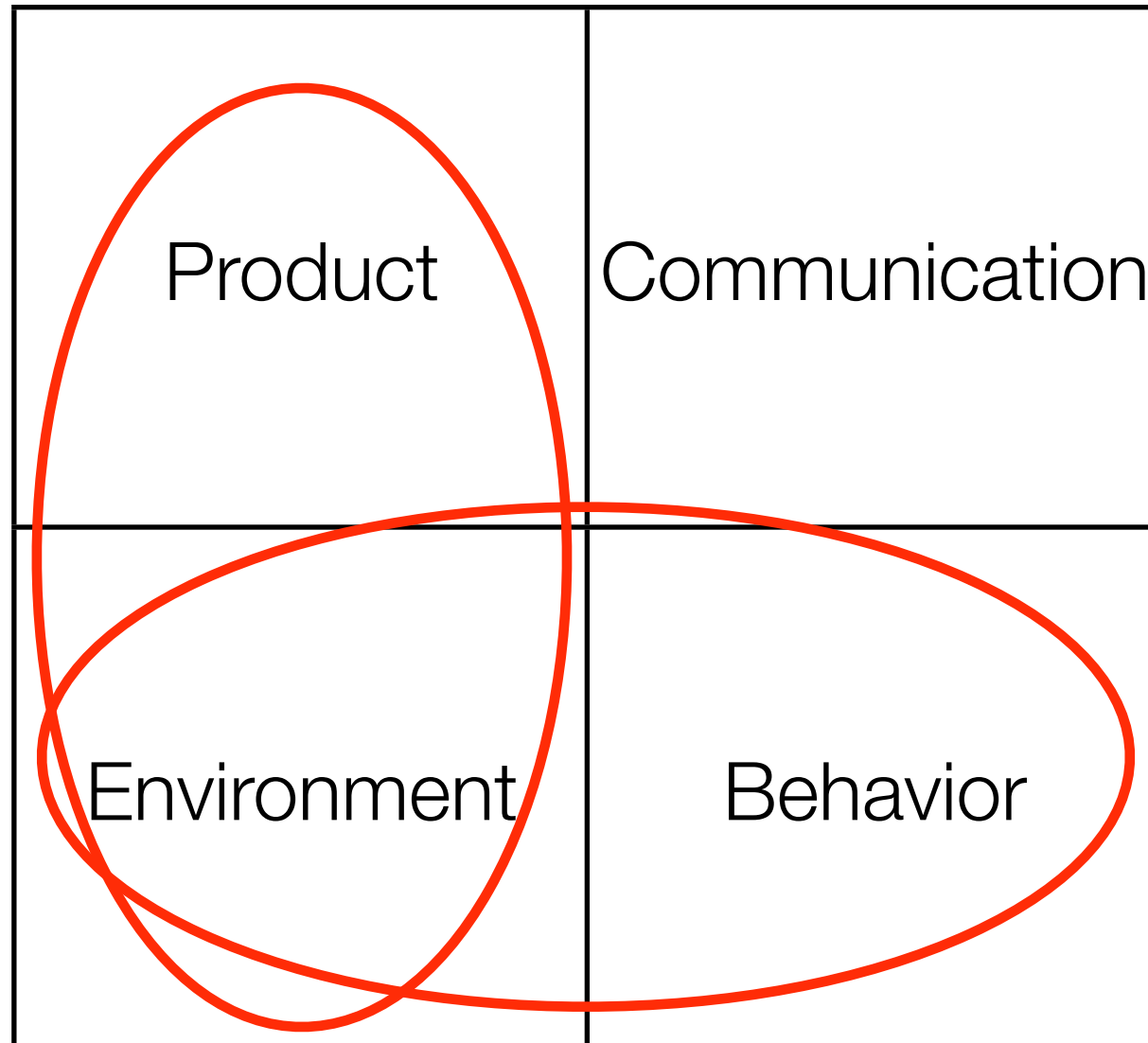


AT&T
focuses here

but should be
focusing here,
seriously guys a
new logo won't
help

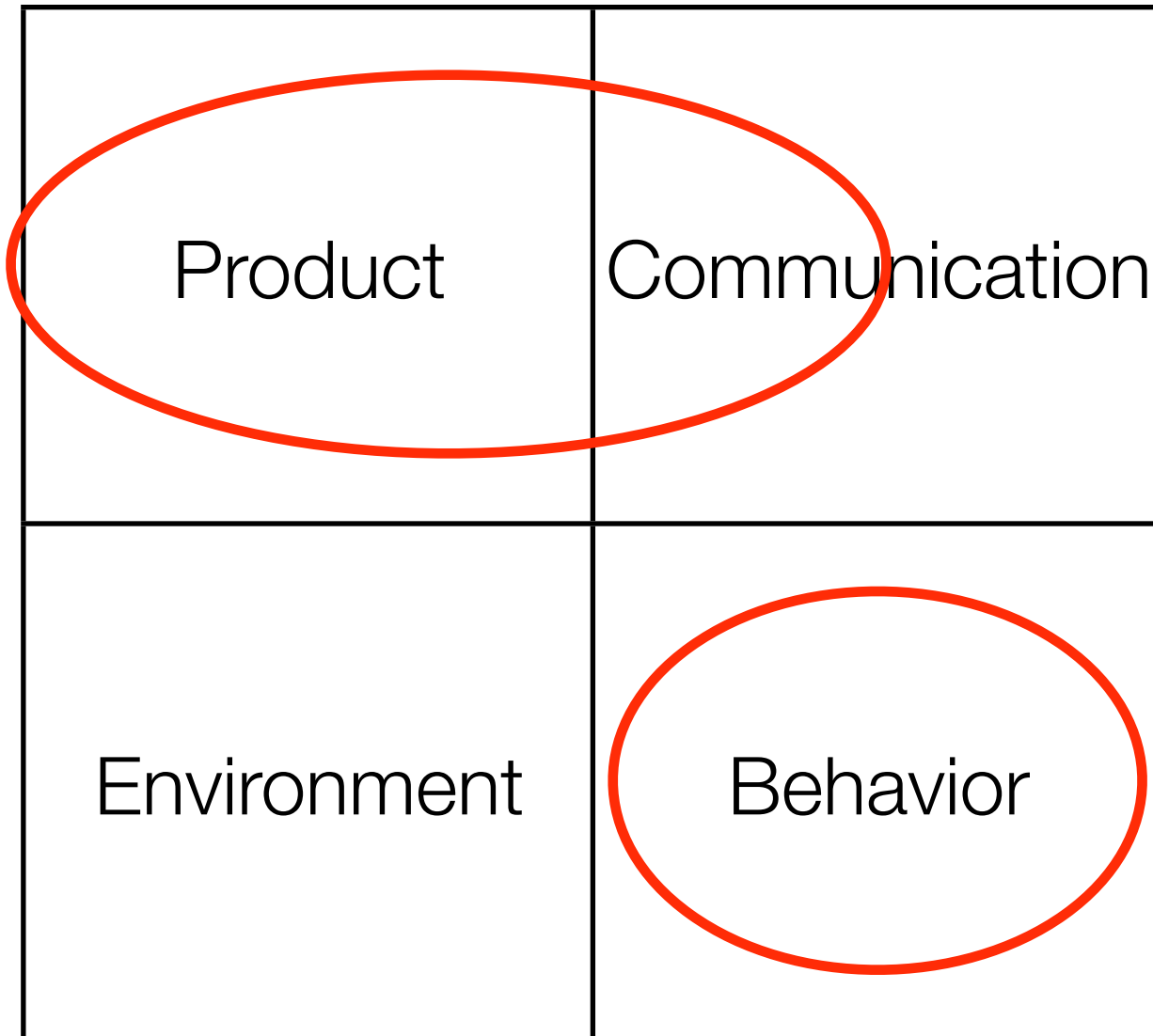
Aspects of Brand Experience

Starbucks
focuses here



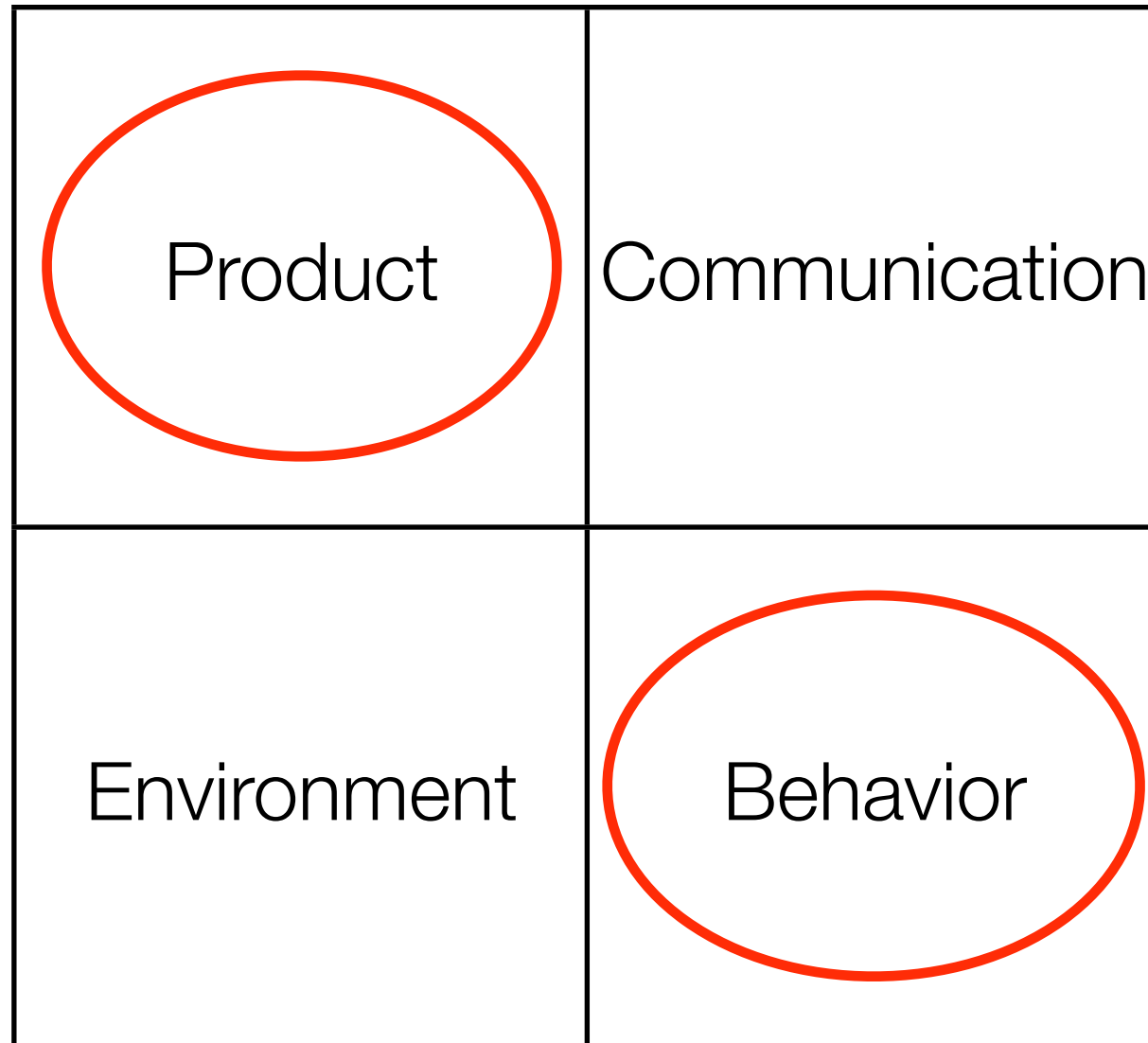
Aspects of Brand Experience

Toyota
focuses here



Aspects of Brand Experience

Flickr
lives here



Not sure if flickr is
an environment

Benefits of Holistic Branding

- In 2005, Scion spent the fewest in media dollars for each new vehicle sold at \$284. Toyota was \$422 and Lexus was \$875. Compare those numbers to some of GM's cars and you see the power of strong branding. Buick was \$751, Saturn was \$1012, Saab \$2,116.
- http://ries.typepad.com/ries_blog/2006/03/the_classic_123.html <http://www.originofbrands.com>

The Brand Monolith is Being Challenged



Google™

The monolithic brand is another FMCG hangover

Some Ideas to Think about

- How does branding a “service” company differ from a “product” company
- How are customers actually shaping brands that used to be in the control of brand managers: Flickr.com Myspace.com Google.com Starbucks
- Branding apple computer vs branding apple retail stores

Couple of recommended books

- The Cluetrain Manifesto
- No Logo by Naomi Klein
- On Brand by Wally Olins
- Life After the 30 Second Spot by Joseph Jaffe

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