

#5

***THE 5 A'S OF
SUCCESSFUL
BRANDS***

A clear and inspiring model for brand development. Define your promise and ambition through 5 brand dimensions

fronteer

White paper # 5

WHAT DO YOU WANT TO BE FOR WHOM? HOW DO THEY KNOW?

DEAR READER,

This is the first Fs white paper about Brand Development. At Fronteer, we aim to support our clients' growth and innovation ambitions by offering clarity and inspiration. By clarity we mean the reduction of complexity to map a clear way ahead; inspiration refers to momentum, enthusiasm and a compelling vision of what success might look like. The development of (sub)brands and branded propositions is often a part of our scope. Here too we aim for clarity and inspiration: to help our clients develop brand structures that are clear and compelling for themselves and colleagues, but - because of our focus on co-creation - also for other stakeholders like agencies and value chain partners.

This white-paper is for anyone who deals with brands professionally.

Many brand models already exist, nevertheless we felt the need to develop another; incorporating everything we know about brands from experience, what we read and think about what makes sense in terms of theory AND what clicks with clients in our projects & workshops. This model embodies our thinking on successful brands.

This white-paper introduces the Lighthouse Model.

We aimed to develop a model that takes customers and competition as a starting point and a brand's stories as key sources for salience. A good brand model should of course support the development of 'mental availability. Just as importantly, however, is that it inspires and enables marketing teams to confidently articulate 'what they want to be to whom' providing both a starting point for action and a 'reality check' for making choices.

The 5 A's.

The most interesting part of the white-paper deals with 5 dimensions of brand attributes that drive premiumness or distinction. The Lighthouse model takes our 'experience'-driven economy as a starting point, scratching the surface of the hollow phrase 'emotional benefits', providing a sharper perspective and usable framework for what the key dimensions of these benefits are: the 5 A's of Authority, Authenticity, Aspiration, Artisanat and Affinity.

This white-paper was distributed by Fronteer

The Author is James Veenhoff, partner and co-founder of Fronteer. The model was based on Fronteer's brand-related practice and James's previous experience working for the likes of LVMH, Remy Martin, Bacardi, Blue Blood, Cartier, Vogue, Karl Lagerfeld, TEDxAmsterdam, Lipton, Heineken, KLM, Amsterdam Fashion Week, Evisu, Fortis Bank, Achmea, Nike and Puma.

Fronteer works for global leaders in e.g. Communications, FMCG, Financial Services, Consumer Electronics, Internet Services and Consumer Durables. We hope that this white-paper offers you inspiration as well as guidance. We will be publishing more white-papers in the future.

AN ORANGE IS JUST AN ORANGE. UNLESS IF ITS A SUNKIST® ORANGE

INTRODUCING THE LIGHTHOUSE



**"This is an orange.
An orange is an orange.
It's 'just' an orange.
Unless of course, if it's a Sunkist orange"**

This famous quote - attributed to marketing meister David Aaker - says it all: some brands just give their orange more 'juice'. In this white-paper, we share our ideas on what makes brands more compelling than others - and introduce a useful new model to help marketing teams give direction to their efforts.

The Lighthouse model was inspired by our experience in & around teams marketing new and premium-positioned branded products. It has since been applied successfully in categories ranging from beers, sporting goods, baby strollers, foods, utilities, spirits, furniture and financial services.

It is called the Lighthouse because of our belief that successful brands stand out within their category, and are helpful and trusted beacons in the lives of their customers. The model's principles work for any product category and price positioning; premiumness, within the confines of this white paper at least, is not so much to do with price positioning; rather the perception of being of exceptional quality or higher value than competitors. A superior choice, for what ever reason.

THE LIGHTHOUSE MODEL

The Lighthouse Model consists of 3 main parts (figure 1).

First is the landscape in which the brand operates, which is presented as two sides of the Lighthouses landscape: on the left, the Target (the people for whom you create - or with whom you exchange - value) and on the right, the Market (the greater 'Umfelt' of competitors, value chain partners and trends in which the brand operates).

The second part is the Lighthouse itself, in which 5 different dimensions of a brand's value are described. The 5A's; building blocks for mental associations to the brand, essential for creating strong 'mental availability' and stand-out versus the competition.

The third and final part is the 'mantra'; the 'beams' of value that the Lighthouse (or brand) emits, a Promise towards the Target and an Ambition towards the Market.

All good models reduce complexity to provide clarity, but contain essential 'juice' to also offer inspiration. The Lighthouse aims to do exactly this: offer clarity & inspiration on 1 page, answering the elementary question:

**What are we for whom,
and why might they be interested to buy it?**

In essence, the 5A's in the Lighthouse connect elements from the Target (e.g. an ownable customer insight of some kind) with opportunities in the Market (like a competitor's weak spot or market development).

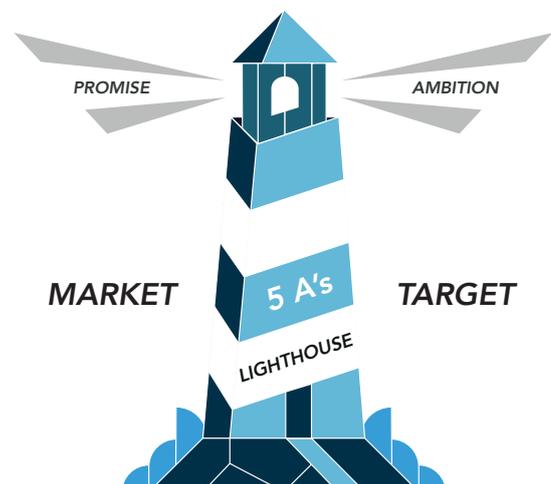


Fig. 1: The Lighthouse model consists of three main parts: Landscape, Lighthouse & Mantra

SOME BRANDS JUST HAVE MORE 'JUICE'. YOURS CAN TOO.

1

LANDSCAPE - TARGET & MARKET

Since our ambition is to create value, let's start with the intended recipients of this value: our customers.

TARGET

Successful customer-centric marketing starts with the identification of 'narrowly defined customer groups'. In our practice, we generally concentrate on 3 to 4. These could be either the largest, most profitable, or include new 'high opportunity' segments. For each, we succinctly describe three C's:

- **Customer:** how do we describe a segment in a useful way,
- **Context:** what do we know about where & when our product or service is bought and consumed, and
- **Challenge:** what's on our customer's mind, what do they need? Which challenge of his or hers do we help to solve; what are they looking for?

No rocket science here, but a refreshing and useful exercise to perform every now and then - and an essential starting point to base your work on. Even the best brand teams we've worked with sometimes lose sight of this simple scope: who is our customer?

MARKET

Now on to the reality of our competitive marketplace and value chain. Extra emphasis here on r-e-a-l-i-t-y: many brands don't actually sell to consumers directly, but through a retail environment that they effectively have no direct control over whatsoever. A clear proposition throughout the value chain is essential: how can we stand out across the cycle of wholesalers, buyers, store managers and shop floor crews ?

Brands that make money understand these practicalities and act on them. The right-hand side of the 'landscape' is built up from:

- **Competition:** who else could solve our client's problem? Again, we usually look at 3 competing brands (who's the biggest, coolest, closest) or alternatives (although it's good to also keep a longer list of less likely competitors, just so that you don't run blind)
- **Value Chain:** which partners or steps exist in the chain between you and your customer? Think about their reality and who influences it? It's good to take a broad view of key stakeholders
- **Changes:** which trends influence our business? Consumer/ lifestyle trends, legislation, technological developments, competition, the retail landscape, etcetera.

The answers to the Target and Market questions form the dynamic field of opportunity within which the brand operates. Now that we've sketched the landscape, let's move on to the brand.

MOST BRANDS EXCELL ON A SINGLE 'A', STRONG BRANDS SCORE ON ALL

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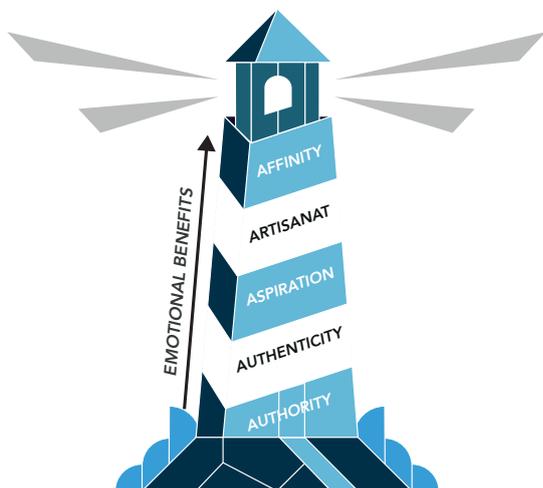
THE LIGHTHOUSE AND THE 5 A'S

The rational, functional components of a proposition are exceptionally important: they form the basis or foundation upon which the entire Lighthouse is built, see figure 2. Nevertheless, I take these as pretty much a given, unless there is something extraordinary about them that is unique. However, reality is that most products & services in the market are quite similar to competitors.

Above this 'functionally' driven foundation come the so-called 'Emotional Benefits' - or the 'world of meaning' and associations that the brand refers to through its symbols. We identify 5 dimensions in this realm, organised in a more-or-less, hierarchical order.

These 5 dimensions of the Lighthouse together build up the proposition beyond its functional or technical benefits: what it MEANS to a customer or partner, which associations and stories come to mind when considering a brand or its category. Why, at the point of purchase, our brand feels like the best option. Think of our Sunkist orange: we don't know about sugar content, protein, soil acidity or care about price, to a certain extent. It just feels like the best orange.

Each of the dimensions starts with an A, hence the name: the 5 A's. Starting with Authority, then Authenticity, Aspiration, Artisanat and finally Affinity. Although most brands will excel on a single specific A, strong brands score on all. Naturally, the 'blue ocean' logic of playing on your own strengths and negating the competition's, works here too.



1 - AUTHORITY

We start out very close to 'functional' benefits; before doing anything else, we have to formulate why or how our offer is superior to others, judging it on a dimension that is generally considered core to the category we're talking about. Whatever the answer may be, Authority answers the question: how is this product or service worth its price and/or can it tell a credible story about why it is better than others?

It doesn't have to be a totally 'red ocean' variable (i.e. it needn't be something the competitor is already good at), but the whole point is to find something you could use to convince your next door neighbour or mother something that's intersubjectively (if not objectively) considered 'the best' about the product's core performance or promise. Attributes that drive authority are contextual: they differ per category. For a fashion brand it's important to be 'famous' and present in prestigious shops & magazines, an airline should be safe, punctual and well-connected, for many other categories, even simply being the biggest or most expensive is a source of authority. How does your brand out-perform the competition? The answer to this question - in customer logic - is your Authority story.



Authority example: Omega Speedmaster, worn on the NASA moon mission. What proves that Omega is the best watch? It was chosen to on the first voyage to the moon. Adventures don't get much bigger or more demanding...

Fig. 2: Building your brand proposition: functional components & emotional benefits

2 - AUTHENTICITY

The most valuable customers are the ones that 'come back for more' - this requires forging relationships rather than processing single transactions. The Authenticity dimension refers to this because it's all about the reputation of the company behind the product. Are we sure we're not being tricked? Is it a fad or hype? Will the company be committed to help me once i've paid? Authenticity is driven by track record, by service, by 'reputation' and hearsay. Crucial for Authenticity in the longer run is the consistency and alignment between touch-points. Since the proof of the pudding is in the eating, frontline touchpoint owners like customer service teams hold the key to actually delivering on promises made by ATL advertising. What makes us authentic? Which stories can we tell to express our sincerity and commitment to quality?



Authenticity example: The Heineken beer-can with gold medals symbolises Heinekens age-old commitment to quality.

3 - ASPIRATION

It's all very well being 'the best' and 'reliable'; strong brands also need the power to excite and seduce. The magical power to obtain a 'hall-pass' from rational consideration and comparison, to stand out. Aspiration is about projecting, activating or connecting to a lifestyle that is attractive to our customer.

What does buying into this brand convey about me? Aspiration connects to deeper layers of desire - it connects to how we want ourselves to be seen.

Who does this brand hang out with? Who is known to buy into it? The aspiration dimension is strongly influenced by imagery, advertising, sponsorships and PR.

Who are our ambassadors? Is it the Kardashians or the Obamas? Are we into F1 racing or Meditation? What does the brand do or say that makes it attractive to our customers. Naturally, this can be totally different per customer group.



Aspiration example: Redbull - a carbonated, caffeinated soft drink sold in a can. Through its sponsorship of speed-related and extreme sports events, Red Bull has obtained an aspirational, story-telling lifestyle value, totally different from, say, Coke Light has through its 'fashion' connection. Assuming their target is 'young males', it is quite likely that this value supports sales.

4 - ARTISANAT

The 4th dimension is a bit of a cheat - Artisanat is a French word meaning 'craftsmanship' (Four A's and 1 C sounded less catchy). It refers to the extent to which a brand has its own 'style', a point of view about or passion for what it is they do. Think of a carpenter, baker or sword-smith - they 'own' their work with pride, make their own tools and if need be, change the recipe.

All in the pursuit of quality, beauty or customer satisfaction. This gives their product a sense of soul that is hard to beat. Not so much by association but intrinsically through their 'craft' and way they design their product, it obtains value. As with all A's, Artisanat only creates value when applied empathically - there's only a niche market for products that are 'hard line' or 'purist' just for the sake of it. Brands that 'innovate because they care' for both their customers and their work are strongest. Think of an insurance company that develops a package especially for 'young families' with extra glass breakage coverage, or a laptop computer that's aesthetically designed AND shock-absorbent.



Artisanat example: Dyson - the vacuum cleaner that changed the industry: the first without a bag. Through stubborn commitment to his ideal of 'better engineering, better products' and after 5127 prototypes, Sir James Dyson has succeeded to add a true innovation to an otherwise pretty much commoditised market. His attitude towards design, illustrated by the choice of bold colours, gives the brand an element of attractiveness that goes well beyond its 'suction' performance.

5 - AFFINITY

This is the highest-tier A, the extent to which human values and personal characteristics are attributed to a brand that customers relate to. Customers connect to 'affinity' brands not because they project an image they want to show to others (badge value) but because they possess traits that they find valuable to themselves.

Beyond Artisanat (which focuses on the way brands see their 'work'), Affinity refers to 'how a brand sees the world at large'. Does it 'stand for' specific values, dreams, a mission? This can refer to CSR-type topics like sustainability or 'fair wages', but also to personal traits and ideas of the company's founder.



Affinity example: Much-loved ice cream brand Ben & Jerry's score strongly on the 'Affinity' dimension for many reasons. Their 'Joy for the belly & soul' mantra is activated strongly through their emphasis on fair & sustainable production, but also through their often politically- or socially themed flavours: 'Yes Pecan' (in support of Obama's presidential campaign) and 'Hubby Hubby' (in celebration of Gay Marriage legislation) go well beyond the traditional realm of Ice cream flavours. This makes them stand out, and more attractive to specific consumers.

A MANTRA PROVIDES A BRAND WITH MEANING & COMPETITIVE STRENGTH

THE FIVE A'S

The five A's offer dimensions on which brands can position themselves versus one another. Moreover, 'Mental Availability' is a function of both the strength of mental connections AND the number of different connections consumers make. Therefore, we argue that creating clear and meaningful connections on multiple dimensions contributes to stronger mental availability. Additionally, in a more 'internal' perspective, the A's support a more story-telling based approach to marketing.

Once we've mapped the landscape, outlining our most important customer groups, competition, trends and partners, we use the A's to identify stories about our product or service that create meaning, competitive strength and 'stand out'

3

THE MANTRA

As argued and illustrated compellingly by TEDx speaker Simon Sinek, brands that have a sense of purpose ('Why') beyond just an idea of process & product (How & What) outperform those that don't. In our experience, however, marketing teams find it challenging (if not daunting) to formulate such a 'why'.

The 'mantra' is the third and final part of the Lighthouse model - the beams; it is an operationalisation of this 'purpose' by asking 2 clear questions that both should be answered in one clear and compelling sentence.

1. **What do we promise our customers** (what is it that you offer, that you want to 'do' for your customer)
2. **What is our ambition in the market place** (what is your own goal; what do you hope to achieve)

Rather than the frustrating word-smithing exercise that many brand models offer, this - in our experience at least - is more a 'gauntlet' thrown at marketing teams: the challenge to formulate what value they offer their clients and what success looks like for themselves.

The Promise should ideally relate to (an implicit or explicit part of) the target customer's 'challenge'.

This concludes our introduction of the Lighthouse Model. Now all you need to do is (a) make something that people want and need and (b) make sure it's for sale when & where your customers are buying.

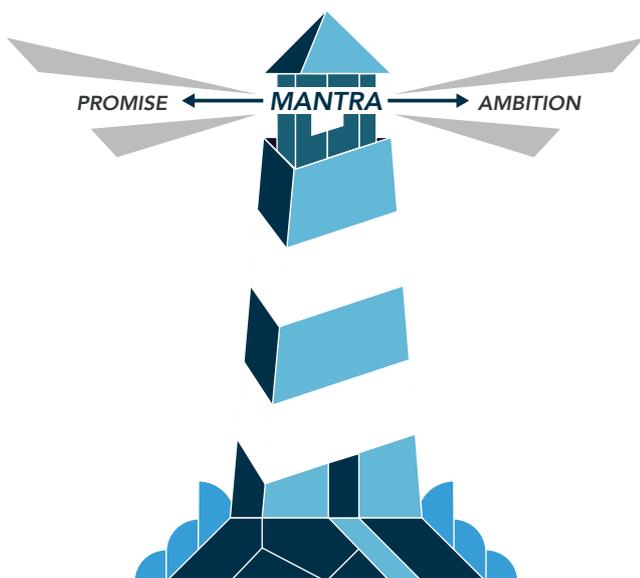


Fig. 3: Defining your mantra: your promise to your consumer and your ambition in the market

'NO MATTER WHO YOU ARE, MOST OF THE SMARTEST PEOPLE WORK FOR SOMEONE ELSE'

ABOUT FRONTEER

Fronteer is an Amsterdam-based consulting firm. We help brands to innovate. Successfully. We are one of the global experts in expert & consumer co-creation with a proven track-record and a list of global clients that work with us on a continuous basis. Our co-creation methodologies are regularly applied for generating breakthrough solutions to complex, urgent and/or strategic matters.

We have diverse backgrounds. Our inquisitive nature is supported by entrepreneurial experience and solid business sense. We believe that co-creation is a long-term engagement between clients and people from outside their company. It's success is expressed in inspiration, enthusiasm and action.

INFORMATION

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