



BOOKS

Living Brands

How a passion for understanding consumers' lives and their existing needs can help brands create a more culturally evolved, emotionally engaged, holistic connection to consumers.

Raymond A. Nadeau, author of *Living Brands: Collaboration + Innovation = Customer Satisfaction*, speaks to *Package Design* about his observations on the marketing principle since his book's launch and why now more than ever the strategy makes sense. Here's an excerpt from the interview, which will be posted on PackagedDesignMag.com on Sept. 8 at www.packagedesignmag.com/livingbrands

What are living brands as a marketing process, gaining such a wide spread appeal now?

Nadeau: Frankly, we came from an environment where people were in the business of creating demand, rather than satisfying it. The reason is that we used to try to second guess consumers. Now, more than ever before, it's not for us to decide. For example, I have done a lot of women's products and a designer can't decide today to, just randomly, inflict their vision of what a consumer needs on them, because it's going to be evaluated almost immediately in the court of public opinion. So the thing that's accelerating living brands is social media.

Marketing, before the concept of living brands, was about creating demand, and what living brands is about is really satisfying demand better.

The book has been out a while now, and I've had the chance to travel extensively and give lectures on the topic. And what I've seen in China is an interesting example of how consumers are using social media to change brands. Chinese consumers use social media almost as a court of public opinion when it comes to many brands. They're very, very critical of what brands produce.

And I think that's interesting because Chinese products often get a bad rap in terms of

quality. But the Chinese themselves are waking up and demanding superior products.

And social media can help brands, especially startups, compete faster and better with more established names in their categories.

Nadeau: It's true. And you know that means that larger companies need to be a lot more dynamic and their people have to watch customers more closely than ever before. But it's important to realize that culture owns brands, brands don't own culture.

Another trend that's impacting brands is this whole notion of mass customization. In the past, you have this term 'mass market' and that whole definition is changing because there really is no 'mass market' anymore, you're really creating more and more products meant for one.

And that will help brands to more dynamic than in the past and less arrogant. As marketers, we used to decide what people needed to have and that sometimes was the cheapest version of something or a car that could go 200 miles an hour, when there's no place in the world you can legally drive 200 miles an hour.

I think the approach now is more about observing culture and where it has headed. We anticipate what people really want. The role of the marketer or designer, then, is to make that creative leap in creating something that satisfies that unmet need rather than creating need because the world has enough need.

Sometimes that need can be met by something that already exists. Us, Americans, we do entertainment, advertising and marketing, and I shouldn't say this, better than anyone. But the problem is, when we use the same kind of thinking that comes straight out of Hollywood, we might not be making better brands.

This is quite controversial, but Americans

invented this notion of a brand lifecycle. In Europe, I saw brands that are hundreds of years old because they don't treat profitable, older brands like cash cows. Because a cash cow is a product or brand that has a high profit margin because you don't have to invest as much into it.

So many companies, because they don't believe in this living brand philosophy, they don't realize that they can revive life into existing brands. I don't want to pick on anyone, but you have companies like Heinz, even Procter & Gamble, that are divesting things. You have these companies that are eliminating older products that still have an audience, and it's a self-fulfilling prophecy because they won't keep the brands vital by doing things like new media, events—all the things that could keep the brand alive and on life support indefinitely.

The American way to do business is to just pull the plug and to launch new brands that inherently, by the virtue of the fact that they're new and have a lower profit margin. A living brand doesn't mean young necessarily.

Look at Olay, I mean that's probably almost cliché now, but it's an example of how to reinvigorate a brand by making it relevant to modern lifestyles. But don't mistake the living brands approach with brand values.

I believe that brands have value, and human beings have values. When people tell me, Cheerios' brand values are ..., I respond that Cheerios isn't a person but it has value because the person with values wants a heart friendly cereal. Cheerios recognized that and you can see it reflected in the product advertising.

