Part I

Brands and branding

1 Introduction: the brand society

Brand cosmogony

The problem with theories is their inherent lack of evidence. In more than 100 years of social science research, the list of laws discovered is embarrassingly short, and that's a polite way of putting it. More critically minded spirits would claim that not a single law has been revealed. Brands pose the opposite problem: there is an indisputable amount of evidence without theory.[1] Think ING. Think iPod. Think Virgin. Think Coke. Think Google.

The problem is, to paraphrase Nassim Taleb, that the minds of the gods cannot be read by witnessing their deeds.[2] The generator of reality is different from this reality itself. What we see on shelves in supermarkets as brands is not what went into the making of them. Similarly, truth does not reside somehow *inside* things but in knowledge we harbour *about* those things. This begs some questions: How do we know about brands? How do we think of brands? What does our cosmogony of brands look like?

The story of Menocchio sheds some light, albeit a strobe light, on these questions. Menocchio was born in the small hill town of Montereale, located in the

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[1] We have taken Rem Koolhaas' Manifesto for Manhattan as inspiration for our argument. He suggests that the fatal weakness of manifestos is their lack of evidence: 'Manhattan's problem is the opposite: it is a mountain range of evidence without a manifesto' (Koolhaas, 1978/1994: 9).
[2] Taleb, 2007: 8.

Friuli region of north-eastern Italy. On 28 September 1583, when Menocchio was 52 years old, he was accused by the Holy Office of heresy. At the heart of the allegation was Menocchio's strange cosmogony. It went like this:

[I]n my opinion, all was chaos … and out of that bulk a mass formed – just as cheese is made out of milk – and worms appeared in it, and these were the angels. The most holy majesty decreed that these should be God and the angels, and among that number of angels, there was also God, he too having been created out of that mass at the same time.[3]

Of course, this was heretical: God being created out of chaos, angels characterized as worms in cheese – this did not align with the strict dogma that the Catholic Church had formulated to counter the Protestant movement spreading across Europe.

It would be easy to dismiss Menocchio's cosmogony as madness, but if we leave the question of its truth aside for one moment, we see a miller from Friuli thinking about the world; he tries to explain things. As he put it to the inquisitor, 'I have an artful mind, and I have wanted to seek out higher things about which I did not know.'[4] Where did Menocchio get his ideas from? How did he construct his map of the world?

Besides some translated chronicles and legends, he read the Bible in the vernacular, possibly the Koran and a travel book by Sir John Mandeville written in the fourteenth century telling fantastical tales about travels to India and China. Through reading, Menocchio's mind was no longer limited by the bounds of geography. With Mandeville, he visited the Orient and learnt about pygmies, men with heads of dogs and sheep growing on trees. Menocchio used this fantasyland as an ideal point from which to distance himself from the present and criticize it. He speculated that different races have 'different laws', where people live 'one way and some the other' and 'some believe in one way, some in another'.[5]

During the interrogations, Menocchio's relativism turned into fatal criticism: 'Yes Sir,' he answered the Inquisitor, 'I do believe that every person considers his faith to be right, and we do not know which is the right one: but because my grandfather, my father, and my people have been Christians, I want to remain Christian, and believe that this is the right one.'

Although there are more than 400 years between Menocchio and us, he is much closer to us and our thinking than we might want to believe (or

[3] Ginzburg, 1976/1992: 53.
[4] Ginzburg, 1976/1992: 12.
[5] Ginzburg, 1976/1992: 45.

admit). He 'learnt' – but not in the sense of adaptation; rather, his learning was a process of appropriation of foreign things, a translation of the unknown into the known and familiar. Halfway between Menocchio's mind and the pages his eyes scanned curiously, a weird and wonderful new world appeared that was more seductive, more powerful and more consequential than its origins.

When we write, when we think, when we try to imagine, we are in the same world as Menocchio: Mandeville-style fable books around us and websites in front of us 'inspire' our imagination and 'spark' our creativity in a quite similar way as Menocchio's books inspired him. We might be led on the same critical adventure as was Menocchio. The *status quo*, the way things are done, may become stretched and distorted, obscured and amplified. When we read a book, study an article, interview a branding expert or surf the web, there is a filter that turns some of the data into valuable information and stories while other bits remain white noise. This filter tells us more about us than about the subject at hand. What we know is a consequence of our time, a function of our culture – not its source.

Brands are the corollary of a particular way of conceptualizing, practising and institutionalizing a theory that has not been articulated yet. We grab what we can find and assemble explanations for what we call, for want of a better term, 'brands'. Indeed, brands are things, they are tools, they are processes; they explain, they seduce, they corrupt; they are used by corporations and those who fight them. Brand knowledge itself comes from sources as colourful as Menocchio's readings: as Douglas Holt put it, branding derives from 'a cultural historian's understanding of ideology as it waxes and wanes, a sociologist's charting of the topography of contradictions the ideology produces, and a literary critic's expedition into the culture that engages these contradictions.'[6]

As a young, fledgling field, it is still in the making, on the move, influenced by agencies and consultancies as much as by scholarship and research. The boundary between truth, half-knowledge, common sense and sales talk is often hard to draw.

Things, including brands, have a weird status in this world – a status that Günther Anders described in his analysis of TV as 'ontological ambiguity'. A TV image is neither real nor imaginary; it defies the definition of either an event or a representation of an event. Anders regards these particularities of the media-world as giving rise to 'ontological ambiguity' because the

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[6] Holt, 2003: 49.

transmitted events are present and absent at the same time, real as well as fictitious – they are phantoms.[7]

Brands resemble these phantom-realities: they are beyond true and false, just as fashion is beyond beauty and ugliness. So what we know about them is precarious: just as Menocchio made his cosmos, we make our world by learning from foreign countries, reading foreign case studies and listening to foreign voices. Our cosmology is not all that different from Menocchio's, where god, worms and angels mingled in cheese; we talk equally confidently about consumer segments, brand values and the four Ps (product, price, place, promotion) that mingle in markets. Menocchio's story is a salutary reminder to take our own knowledge with a pinch of salt, a healthy dose of criticism and an injection of some irony and satire.

Menocchio serves as an important signpost at the beginning of our journey. Brands are phantoms, distinguished by an ontological ambiguity that renders it impossible to measure them like a sack of wet sand sitting on the ground. Rather, our way of thinking, with all its in-built mythologies, convictions and rationalities – in short, our epistemology – is what renders brands visible and knowable in the first place.

Equally importantly, this does not mean that the journey is an egocentric trip through our collective mind. A signpost directs us on a journey but it does not take the journey itself. Similarly, Menocchio makes us aware of what it means to know and theorize, but this does not relieve us of the need to produce our own explanations to allow us to make sense of our world and orient us in our thinking.

'The century of the self': a short genealogy of the past

Branding is at once one of the most artificial and yet most real forces in our society. A look at the past explains its current power. *The Century of the Self*, a BBC 4 documentary made by Adam Curtis and broadcast in 2002, tells the story of the twentieth century and how powerful politicians and corporate leaders used Freud's theory of the unconscious to control the masses. At the centre of the story is Edward Bernays, Freud's nephew. He was the first to link mass-produced goods to the subconscious, arguing that people are driven subconsciously by irrational and emotional forces that can be satisfied with products. Simultaneously, this would render individuals both happy and

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[7] Anders, 1956.

docile. It would give rise to an all-consuming self that seeks development and expression through acts of consumption.

Edward Bernays had worked for the US's propaganda machine during World War I and successfully recast President Woodrow Wilson as a liberator of the world. When Bernays joined Wilson in Versailles for the peace negotiations, he was stunned by the emotional attachment the masses had to the president. From then on, his question would be: How can we use the propaganda of war in peacetime? Because the word 'propaganda' had a dubious reputation, he invented a new term and called his peacetime propaganda 'public relations'. In his famous book from 1928, *Propaganda*, he wrote: 'The conscious and intelligent manipulation of the organized habits and opinions of the masses is an important element in democratic society. Those who manipulate this unseen mechanism of society constitute an invisible government which is the true ruling power of our country.'[8] Reading his uncle's work, Bernays was convinced that hidden inner forces were the true motivators of human decision-making. Of course, this was dangerous since the dark side was lurking under a thin veneer of civilization, ready to break out and wreak havoc. For him, it was clear that democracy was an unsuitable mechanism for governing society. So the masses needed to be controlled through the manipulation of their irrational impulses. People could not be convinced with rational information; rather, they had to be seduced and manipulated into doing what was best for them. Corporate America liked that message.[9]

One of Bernays' first assignments was to get women to smoke cigarettes. After World War I, smoking was still a male prerogative and it was taboo for women to smoke in public. The cigarette manufacturer Hill asked Bernays to come up with a way to get women to smoke cigarettes. After being paid a handsome fee and consulting a leading psychiatrist, Bernays had the solution: the cigarette was a male symbol, representing the phallus. The only way to make women smoke, therefore, was to change the symbolic meaning of the cigarette. And this is exactly what he did. He organized for a group of women at the New York City Easter Day Parade to have cigarettes strapped to their legs; at a signal, they would all light up during the parade as a sign of resistance against a male-dominated society. The cigarette would become

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[8] Bernays, quoted in Danser, 2005: 71.

[9] Back in Vienna, Uncle Sigmund was less pleased with his nephew's entrepreneurial, one-sided application of his *oeuvre*. Freud's notion of the subconscious was far more complex than Bernays' reading admitted. His simplistic idea that organized communication in the form of propaganda could rectify the most tragic yet fundamental fact of mankind must have ranked between naïve and dumb in Freud's mind.

synonymous with an act of rebellion – it would be seen as a 'torch of freedom'. Smoking would be redefined as a powerful, independent and individual act.

Bernays informed the press about the event. By pretending to leak the news to the media, he created the first guerilla campaign in marketing history. The *New York Times* headline of 1 April 1928 thundered: 'Group of Girls Puff at Cigarettes as a Gesture of "Freedom"'. But Bernays did more than that: he redefined a product without changing its functionality or ingredients. He linked the product to emotion and changed the way people related emotionally to it. The object itself had become irrelevant; what counted was the symbolic dimension of the object and the way people related to it emotionally.

In the 1920s, most products were sold on their function, appealing to the need of the buyer. Advertising was information-heavy, hoping to convince potential buyers of the merits of products. Edward Bernays changed this world: it was no longer about the product and its functionality but about the way the product related to people's subconscious desires. A shift occurred, from a focus on needs to the stimulation of desires: while needs can be satisfied through the functionality of a product or service, desire creates and produces an appetite for goods and services that are no longer directly linked to a need. Needs can be fulfilled, desire cannot: as Slavoj Žižek puts it, desire's raison d'être is not to realise its goal or to find full satisfaction, but to reproduce itself endlessly as desire.[10] Whereas products are designed to match needs, brands are created to produce desire.[11] This desire becomes the most powerful force in our society – that is why people relate to society no longer as owners, producers or citizens, but as consumers of brands. Thus brands are the very stuff that dreams (and nightmares) are made of.

But let's return to Bernays. The Freudian philosophy behind his ideas was simple: people are guided by unconscious, deeply irrational forces. They can only be controlled through the enlightened despotism of an invisible government. Social control needs to be built on these emotions. As Bernays put it, 'the engineering of consent' was only possible through manipulation, with the goal of creating 'happiness machines', as President Herbert Hoover put it in a speech he gave to a group of advertising executives. 'You have transformed people into constantly moving happiness machines that have become the key to economic progress,' he said. In this vision, people were not in control of

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[10] Žižek, 1997: 39.

[11] It is important to note that this is confined to the affluent Western world – in their introductory essay, 'The Politics of Necessity', Morgan and Trentmann (2006) draw the distinction between the desire and the political struggle over the provision of basic goods and services such as electricity and water. See also Slater's excellent essay on 'Consumer Culture and the Politics of Need' (1997).

their lives – it was their desires that led them. Big business positioned itself as being able to channel and control this desire for the good of society.

Ernest Dichter, who had an office in Vienna nearby Sigmund Freud's, was in many ways Bernays' successor. He applied the idea of therapy to groups of people talking freely about products. Rather than using relatively arid surveys or questionnaires, it was about understanding the inner self and its barriers to certain actions. The focus group – now a commonplace feature of modern marketing – was born. Dichter's big breakthrough came with a study of Betty Crocker cake mixture. Women were not buying the product, and Dichter's focus groups showed that they felt guilty about using a ready-made cake mix; it was too easy and made them feel as if they were not doing their jobs. Dichter's solution was simple: on the package instructions, tell the woman to add an egg. This worked on two levels. First, it gave the woman the feeling she was actually baking a cake rather than simply buying one ready-made. Second, and more psychoanalytically, Dichter argued, adding an egg was a highly symbolic action, equivalent to a woman giving her eggs to her husband. Sales of Betty Crocker cake mix soared.[12]

What Dichter did was link a mundane product to a hidden desire or fear and use this emotion to sell the product. The product was a mere symbol that could overcome hidden barriers. It became a therapeutic tool – something that made people feel better, more secure, more confident or independent. Shopping became 'retail therapy'. With that, companies stopped looking at action and behaviour and instead focused on values, symbols and culture. They started to produce things that fitted into what was summarized as 'life-style' – a way of thinking and being. Maslow's hierarchy of needs was the intellectual justification for this new movement, with self-actualization as the highest goal of human endeavour.

In this world, brands become a prosthesis, or an extension of the self. They represent value, and value is a statement to others as well as an expression of the inner, true self. To buy a brand means to buy a value. This also creates an unlimited-demand side of the market, an ever-growing inner self that expresses itself with ever-new brands.

This was good news for business – people who self-actualized were the best possible consumers. Brands were the tools used to detach 'things' from the limited functionality of products and make them the engine of an endless desire for self-actualization and lifestyle. With the rise of brands, business

[12] See Packard, 1957: 70.

stopped serving individual needs and began to create, manage and control desire.

ING: a short theory of the present

The concept of branding had an impressive career since its inception. Bernays, and later Dichter, focused on the external effects of the brand. For them, the brand was a mechanism to engineer the relation between organization and its environments. Today, branding is management's weapon of choice to structure the *internal* functioning of organizations. We want to write a theory of that present: understanding what happens while the paint is still fresh, the gun still smoking, the engine still warm. So let us fast forward to the finance giant International Netherlands Group, better known as ING.

'ING Leads the Way in Nationwide Brand Experience and Loyalty Study' announces the headline of a recent study by a US market research firm.[13] ING outperformed other well-known brands – such as Toyota, Volkswagen, Southwest Airlines, Radisson, GM, Hyatt, Google, Wonderful World of Disney and Oprah – in creating a superb customer experience and a sense of community. How does ING, almost a century after Bernays' early experiments, create and use its brand?

ING is not only a well-known brand but also a massive business: its 120,000 employees look after 85 million clients in more than 50 countries. In 2008, it was rated as the seventh largest company in the world.

Reason enough to visit ING's headquarters, an iconic building in Amsterdam's high-growth corridor designed by Roberto Meyer and Jeroen van Schooten. The design already tells you that you're not just approaching any kind of company: the shoe-shaped building floats on 9- to 12-metre high columns so people can actually see through the building when they stand in front of it. Inside, it has not only a large number of offices with a view, but it also has interior gardens and patios. Powerfully, the building tells a story about ING and communicates its brand: openness, transparency and easy access, ideals that are at the core of ING.

Ruud Polet, Global Head of Brand Marketing, meets me in the lobby. In many respects, the story of how I got in touch with Ruud reflects the bank's brand: I simply sent an email to info@ing.com and asked whether anybody would have time for an interview about ING's brand. A couple of days later

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[13] See www.highbeam.com/doc/1G1–169123803.html (accessed 2 August 2008).

I received an email from Ruud's office suggesting I meet up with him. I was truly impressed with ING's directness and openness.

ING is a young company. The brand came into existence in 1991 as the result of a merger of a bank and an insurance company. 'ING grew by acquisitions, buying more than 40 or 50 different brands,' Ruud says.

We did not re-brand them, we just let them be what they were. They just used an endorsement – at the bottom it would say 'Member of ING'. We had a house of brands. In 2000, we started the journey to rationalise them and create one brand – ING. In 2004, the then new CEO, Michel Tilmant, redefined ING as being guided by three simple values: being easy to deal with, treats me fairly, and delivers on promises. What keeps him sleepless is reputation – this is the key asset in our business. It is the trust that people have in your brand. As they say, 'reputation comes on foot but goes on horse' – it takes a long time to build but can vanish quickly. We decided to build one brand to build our reputation worldwide. We might merge with someone – but whatever happens to us, I want to be the leading brand in that partnership. That's as close as you will get to a survival guarantee for ING these days!

Now, four years later, ING is taking it to the next level and positions itself around one single value – 'easier':

Based on a lot of research, 'easier' turned out to be a kind of complex concept: what people meant by easier was easy to contact; be able to give a clear overview of what you're doing for me; if you are transparent; if you are fast and efficient; and if you can provide me advice when I need it – then people would regard ING as 'easier'.

Research found that 'easier' was appealing and relevant for most people, as Ruud explains: '40 per cent of potential prospects were willing to switch to ING if ING was easier than its competitors. That was the business case for our board to redesign the brand around one single, simple position: "easier".'

'Easier' is an overarching concept; it communicates clearly what ING stands for. HSBC's 'The World's Local Bank' is a nice concept, but it does not really help a customer to see value. 'Easier' communicates a clear advantage, a clear value for the consumer. 'In five years there will be only three global finance brands – and ING will be one of them,' Ruud says confidently. The brand is the key asset towards achieving this objective.

The brand is not externally focused, however. 'Before we can announce that, we have to become easier inside the company,' says Ruud.

So we are going through a total change programme that turns the business upside down. We're not thinking about communicating 'easier' at the moment – maybe we never will. We have to *do* it – rather than talk about it. This is what I am working on every day – to make 'easier' stick to the business, not as a buzzword but as something