

## What does it take to be a "breakthrough" brand?

By Louise Marsland

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In this 'Year of Disruption', change is also being amplified by those brands that are disrupting the market. Interbrand has packaged this new generation of brands, these "upstarts and challengers", to the established market as "breakthrough brands".



Image by 123RF

We know of a few of these brands, but what we really need to know is what makes them challenge the *status quo*. Because they will most likely turn branding on its head.

According to Interbrand global CEO, Jez Frampton, writing the introduction to the report, the key characteristics that these brands share are: "agility, flexibility, and adaptability".

I love how Frampton describes their "restlessness" and need to reinvent the *status quo* that births these brands: "Breakthrough brands are built on that premise - often because the restlessness of their founders led them to a new breakthrough - and they demonstrate it daily. They build it into their very culture: rejecting bureaucracy, discovering and fostering new ideas, and accelerating decision-making so they can race to market. Breakthrough brands set the pace for the market - and for all other brands - particularly when they reflect the pace of people."

particularly understanding the frenetic change society is facing and the need to keep up with the times and the uncertainty it brings?

Basically, Frampton and his team say that these breakthrough brands understand all this and that our needs as consumers have shaped these brands. These breakthrough brands, say Interbrand, put people at the heart of their business.

## It's all about people

Frampton describes it as such: "They know that people hold brands to incredibly high expectations - they're looking for better choices, richer experiences, meaningful narratives, one-on-one attention, new form factors, and personal progress and fulfilment. They understand how data and technology change the definition of service and connectivity and the demand from people for greater and more nuanced choices."

The core idea defining a breakthrough brand is that it is a great brand because it has "purpose", not because of its business model or brilliant idea or logo – although those are all developed in tandem. Frampton says it all: "it's coded into breakthroughs' DNA".

It may sound idealistic, but breakthrough brands are built on ideals from the start that align with their consumer values: "The brand is the experience... is the brand..." reports Interbrand.

Of course, there's that much used word authenticity and integrity that are implicit in the process. As are brilliant ideas; a people-centred business; and a focus that breeds excellence.

Dominik Prinz, Interbrand executive director, strategy, likens breakthrough brands to "breaking the sonic barrier" because of their exponential business growth, which shakes up the market.

"Right now, the world is resonating with the sounds of trailblazing brands that have broken through: Airbnb turned the hotel category on its head; Tesla challenged decades of automotive conventions; the likes of Uber and Lyft have dared to reinvent personal transportation; Snapchat changed the way people connect socially; and Pokémon Go needed no more than a few weeks to engage millions of people and businesses around the world in a hunt for fictional cyber creatures.

"The questions are: What separates the businesses that do break through the growth barrier from the ones that never reach it? And what is that powerful fuel that helps them accelerate fast enough to make it through?"

## There's a formula...

Prinz says there is a simple growth formula that applies to these brands:

"A clear sense of purpose and relevant operating model + a powerful customer experience = Brand and business growth!"

Prinz explains further: "You need to be crystal clear on the meaningful impact you want to see in the world - and why. Whether it is the ambition to dramatically improve a product, a service, or an entire category, be relentless in defining the story that lives at the core of your business and brand - and message it over and over again, since it will become a filter people use to judge the authenticity of everything you do. Then you need a design and operating model that speaks to the people you'd like to call your customers.

"Uber's business is built on a technology platform that makes transportation easy and seamless. Warby Parker designed an initial operating model that substituted expensive retail locations with free product trials. Find out what the operating model is that allows you to scale, quickly. At the end of the day, the rate of growth you'll reach will depend on the quality of the experience you provide. It's not news, but no less true today than it has been before, either. You have to make sure to invest in and focus on the experiences that truly matter to people and inspire them to engage over and over again."

Of course, Interbrand also took into account that 80-90% of startups fail, so why do these breakthrough brands succeed when others don't? You need to think like a breakthrough brand, says Interbrand's Breakthrough Brand survey partner, Facebook's Judy Lee, head of brand and creativity, North America.

- Mobile-first mindset: Breakthrough brands are built to be mobile right from the beginning (i.e., Uber, Lyft).
- Having a bold vision: They have a "singularity of vision" and are purpose-led, giving them an advantage over companies that quantify success only in terms of market share or profits. It's not a PR ploy, but built into a company's DNA.
- New marketing model: Their campaigns drive "meaningful action" and their advertising is carefully crafted to get the
  right message out and they do test, but turnaround is quicker as they don't have the distractions of traditional
  advertising silos. "Other breakthrough brands expand the very notion of what marketing is. For breakthrough brands in
  the apparel category, anything that has to do with the brand even the fulfilment and shipping of their physical
  product is treated as marketing," explains Lee.
- Connect the world: Breakthrough brands do not place geographical boundaries on their marketing, connecting to the world through the various platforms available, reaching audiences instantly.
- Disrupt or destruct: Breakthrough brands and growth brands are redefining industries, often without massive capital investment. They are disruptors, creating new businesses from new ideas.

This quote from the Interbrand report says it all: "Stories have always been at the heart of human connection. Today's brands need to connect with real people - not just demographic 'audiences' - in order to grow at the speed of life. These breakthrough brands do more than treat stories as add-on content, they embody them - creating story-driven experiences with the customer at the centre. These are narratives that speak to actual individuals' needs, interests, and (sometimes latent) desires, rather than simply telling people what they want to hear. By creating stories that come to life in the real world, these breakthrough brands are embedding themselves in customers' evolving ecosystems."

\*Read more: Interbrand identifies the global 'Breakthrough Brands' disrupting markets, Bizcommunity.com, 5 August 2016.

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