Overview: For and Against Brands

Throughout the world of business, people believe in the magic of brands

In Britain, during the summer of 2001, the mass-market television comedies *Friends* and *Sex in the City* were interrupted by commercials costing £3m. The Worcestershire Sauce brand, first launched in 1837 by the Worcestershire chemists Wheeley Lea & William Perrins, was back. No longer was it just something you stirred into a Bloody Mary. With its retro orange-and-chocolate label, the brown, brackish liquid was a mark of youth, culinary excellence and, yes, of being funky. [1]

Throughout the world of business, people believe in the magic of brands. Giorgio Armani, the Italian fashion designer, has 200 outlets in 30 countries, But that is not enough for him: he is to put hundreds of millions of dollars oozing his sexuality into cosmetics, shoes, jewellery and furniture. [2] In October 2001 Marks & Spencer followed its closure of 38 stores in continental Europe by opening franchise shops in Delhi and Bombay. An M&S spokesman justified the decision with the view that, in India, 'a lot of people know the Marks & Spencer brand'. [3] On the streets of Moscow, about 25 000 billboards advertising top brands have been erected in the past 10 years. That equals the number of billboards in London. A four-storey ad now dominates the entrance of Red Square. [4]

Inside mainstream corporations, thousands of *brand managers* search endlessly for means of *giving mouth-to-mouth resuscitation to brand dinosaurs*. Indeed the older a brand looks, the more youth must be got to love it. In 2000 Diageo plc ran hip cinema ads to remind 20-somethings, once more, that Guinness was no longer an old man's stout. In 2001, BMW ran hip cinema ads to tell 20-somethings that the Mini brand had been re-launched. From Babycham (51 years old) and Lucozade (74), through Heinz Salad Cream (87, the subject of a failed ad campaign costing £10m) and on to Dunlop Green Flash gym shoes (69, endorsed by Robbie Williams), ageing brands are the subject of management effort. Even the hated World Trade Organisation, aided by the US marketing services firm Y Not, planned a 'Positive Anarchy' campaign of merchandising, product placement and 'guerrilla marketing' so as to promote a better image for its brand among American 12 to 19-year-olds. [5]

Apart from breathing life into old brands, managers also pursue *line extensions* – upmarket or downmarket variants of a product, tweaked by flavour, form, colour, ingredient or pack size. Don't just drink Smirnoff with Coke, drink Smirnoff Ice with Diet Coke ! Occasionally and more expensively, brand managers *build wholly new brands*, as Toyota did with Lexus. Finally, it's important to rationalise over-heavy portfolios of brands: to perform *brand deletions*. The two $40 billion companies that pretty much invented branding – Cincinnati's Procter & Gamble, and the Anglo-Dutch concern Unilever – often cull their brands.

Chief Executive Officers remain adamant that brands are the key to future commercial success. Armani calculates that his name alone will guarantee his strategy of *brand extension*, or *brand stretch*, from clothing into chairs and sofas. Meanwhile, though the global value of mergers and acquisitions among companies has slackened in the new millennium, the buying and selling of branded products and services continues at a frenetic pace.

Yet though corporations take branding very seriously, not every corporation sees itself as a brand wizard. That is why many outsource the magic work of branding effort to independent *marketing services companies*: to Omnicom, WPP, Publicis. Saatchi & Saatchi first made the case for global brands more than 15 years ago. Since then, marketing services companies have themselves become global enterprises, quoted on international stock exchanges. Their activities extend from the creative development of ads and the purchase of time and space for those ads, through public relations and investor relations, to all kinds of design. They do corporate identities, graphic design for point-of-sale display, packaging and print, Web design, retail and leisure interiors, and even product design.

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1 Severin Carrell and Rachel Richardson, 'Bloody Mary! Ad men shake the staid image of Worcestershire Sauce', *Independent on Sunday*, 19 August 2001.
2 Christopher Dickey and Dana Thomas, 'Armani after all', *Newsweek*, 3 September 2001, pp47-8.
3 Indira Das-Gupta, 'M&S to open in India after cuts across Europe', *The Independent*, 27 August 2001.
4 Michael Wines, 'Sea of ads swamps Russia: capitalist billboards blot out historic vistas', *International Herald Tribune*, 20 August 2001, p1.
5 Deanna Swift, 'Leaked Memo Reveals WTO Plan to "Sell" Itself to American Youth', *AlterNet*, 17 July 2001.

Brands as people, people as brands, and brands as ethics

In 2000, Interbrand, brand consultants within the Omnicom empire, published a collection of 25 paeans to brands. Contributors ranged from the soap merchants Procter & Gamble to Deepak Chopra, an internationally renowned guru of spiritual wellbeing. Summing up the hegemony of brands within business today, Interbrand chief Rita Clifton wrote:

> 'Whichever way you look at it, brands today are the most demonstrably powerful and sustainable wealth creators in the world…. just about *everything and everyone is capable of becoming a brand*'. [6]

To engage in *leadership* with brands, Clifton argues, is always to be 'restless' about their 'self-renewal'.

So brands, like people, need continual life support. Like children, they need nurturing by the management if they are to lead the life they deserve. But if brands are people, *people* can become brands. CEOs are brands. With his Police sunglasses, David Beckham is a worldwide brand. And once people become brands, branding must involve not just business and markets, but *ethics and community*. Of course, brand leadership must make consumers buy new products and services. A brand leader must, too, lead and exceed consumers' expectations of products and services. But to exert brand leadership, Clifton contends, is to respond to consumers' ethical concerns. [7] Joining with Interbrand to launch an annual survey of 'Best Global Brands', *Business Week* agrees. 'A great brand', it says, is

> 'a compact with a customer about quality, reliability, innovation, and *even community*.' [8]

The italics are mine, but the 'even' in 'even community' is more than a little forced. Since Amazon.com first got a name for itself by building up a 'community' of clicking bookworms, every brandsmith has furrowed brows about his or her ethical responsibilities to others.

Take brand managers at electricity firms. Those who want people to pay a premium for 'green' energy cannot expect their own, ethically tarnished brands to gain consumer trust. According to management consultants McKinsey, however, they can gain legitimacy with consumers by forming commercial alliances with brands that consumer focus groups name as 'credible stewards of the environment'. To gain ecological street cred, it seems, giant electrical utilities such as Powergen or Enron must go *co-branding* with Friends of the Earth and Greenpeace; also, with The Body Shop, IKEA, J Sainsbury, and Virgin. [9] These organisations have the right ethics and the right kind of communities of people around their brands.

The gospel of branding, then, boasts followers beyond those serried ranks of deskbound managers employed in corporations and marketing services companies. For brands are *personified* and have an *ethical agenda*, too. Indeed, following in the Bob Geldof/Live Aid tradition of 1984, people-as-brands have merged with brands-as-ethics, as *branded celebrities associate themselves with branded good causes*. The matching of celebrity brands to charity brands is now big business. Branded charities now recruit branded foreign correspondents as full-time employees so that, in the Third World, they can film themselves patting victims on the heads and 'return with a complete package ready for publication'. [10]

The appeal of brands to mass-market business and to show business might suggest that they are merely a consumer matter. But that is not the case. Brands are also important in business-to-business transactions,

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6 Rita Clifton, *The Future of Brands*, Macmillan, 2000, pxiii.
7 Ibid, ppx, xv . For an insightful treatment of branding and ethics, see Michael Wilmott, *Citizens' brands*, Wiley, 2001.
8 Stephen B Shepard, 'Editor's memo: the best global brands', *Business Week*, 6 August 2001, p1.
9 Ron Bloemers, Franco Magnani and Michiel Peters, 'Paying a green premium', *The McKinsey Quarterly*, 2001 Number 3.
10 Before launching her own perfume in November 2001, Naomi Campbell held 'Frock'n'Roll, a two-day festival in Barcelona for Nelson Mandela. See Lena Corner, 'Saint Naomi and her caring, sharing celebrity chums', *Independent on Sunday*, 12 August 2001.

among employees, and even among citizens of nation states. [11] The application of the branding concept seems more and more universal. So, too, is the growing resistance to brands.

11 See for example Mark Leonard, *Britain ™: renewing our identity*, Demos, 1997; Design Council, *Creative Britain*, 31 March 1998.

Street protesters believe brands are a swindle

While managers view brands as a kind of benign alchemy, just as many street protesters believe they're a swindle. For anti-capitalists from Seattle to Genoa, brands condescend in the same measure as they try to take over our lives. They are the all-powerful villains in a world economy in which only the Third World makes anything real and everything else is just about image, superficiality and corporate sharp practice.

Published in 2000, Naomi Klein's bestseller *No logo* indicted corporations as 'brand bullies'. For Klein, brands are an in-your-face invasion of public space – urban, electronic and educational. They have turned magazines into designer catalogues and market research houses, magazine readers into focus groups, and live music into farce. [12] As *Dazed and Confused* editor Rachel Newsome complains, now that Carling organises rock festivals, such events have become 'a ritualised part of respectability'. [13]

For Klein, brands also absorb budgets that can only be sustained by ruthlessness. Corporations bankroll exercises in branding by slashing jobs. [14] In the post-industrial economies, the cost of managing brands means that every corporation relies on McJobs – a fluid, youthful reserve of part-timers, temps and freelancers – to keep overheads down and ride the twists and turns in the market. [15] *Brand costs* also mean that corporations are bent on 'discarding' factories from the First to the Third World. They mean subcontracting production to the Korean or Taiwanese owners of anonymous 'labour warehouses' in Export Processing Zones. In turn, such EPZs are to be found in China, the Philippines or any other Third World country prepared to offer the brand bullies what they want: a unfettered exploitation of the environment, tax holidays, young female migrant workers, long working hours, sub-living wages and repressive labour practices. [16]

Perhaps, however, neither management supporters of brands nor rebellious critics of brands have it right. Perhaps the problem with brands isn't that they're big, nor even that they're bad. Perhaps the problem is that they offer popular, therapeutic solutions to problems that can in fact only be resolved by broader social means. Even before 11 September 2001 and the destruction of Manhattan's World Trade Centre, many already felt that they had lost a sense of community, church, or trade union. Many also thought that we had lost family and job security too, Since 11 September 2001, brands have come to even more prominence than that which they had before. More than ever, brands seem to help overcome our isolation and replace it with a sense of belonging. To buy and display the right brand at home and work is to make a bungled attempt to do right, be creative and gain self-esteem.

When brand boosters see *brands as the source of wealth*, however, they reveal more about themselves than they do about the real dynamics of capitalism. But we must also contest the analysis of anti-brand poseurs. In their iron triangle, sovereign multinational brands threaten the democratic rights of consumers and the pay and conditions of trade unions. This is not analysis, but a kind of kindergarten Marxism.

Today's anti-capitalists have roots that go back to 19th century American pastoralism and trust busting. They also inherit the ideas of European social democracy and European state regulation. But they are not just a rebranding of old politics. Consumers active against consumerism, the anti-capitalists are a brand new product. For all their distaste for consumer products and services, the anti-capitalists are rather like managerial and consumer enthusiasts for brands. They, too, make a bungled attempt to do right, be creative and gain self-esteem.

12 Naomi Klein, *No logo: taking aim at the brand bullies*, Flamingo/HarperCollins, 2000, pp35-60.
13 Rachel Newsome, 'Youth culture has eaten itself (with the help of Virgin, Nike and Gap)', *The Independent on Sunday*, 19 August 2001.
14 Ibid, p190.
15 Ibid, p231.
16 Ibid, pp202-25.

The Brand as Social Power

Boosters (1): intangibles have a dollar value

> 'Increasingly, we may be in the position of saying not just that 'a company's most valuable assets are its brands' but 'this company's only asset is its brand…
> '[A] brand is a 'relationship', a reputation', a 'set of expectations', a 'promise'. The new virtual brands like Yahoo! embody this idea of *promise*. After all, what greater compliment could there be to the power of a brand promise than for it to enjoy a market value of some £33.9bn and yet be making no profits at the moment ?' [17]

For brand boosters, brands rule the world. The power of brands is taken as given. Boosters do not inspect the current movement of capital in its totality or in its essence, but fasten upon just one feature of the beast: brands. The power of capital is taken simply to be the power of the market. The market is then reduced to consumer purchasing decisions, whether in the present or over the consumer's whole life. Even the decisions of corporate managers buying IBM mainframe computers or Boeing aircraft are represented as an emotional, consumer affair. As a result of all these superficialities, then, the 'intangibles' upon which consumer buying decisions are taken as the vital to capitalism. Finally, the brands that connote these intangibles become all-powerful.

In his classic *Principles of marketing*, the doyen of marketing in the USA, Philip Kotler, together with three colleagues, anticipates the ideas of Naomi Klein. Because capital takes flight to low-cost, Third World destinations, it must build brand power:

> '…[M]ost manufacturers eventually learn that the power lies with the companies that control the brand names. For example, brand-name clothing, electronics and computer companies can replace their Taiwanese manufacturing sources with cheaper sources in Malaysia and elsewhere. The Taiwanese producers can do little to prevent the loss of sales to less expensive suppliers – consumers are loyal to the brands, not to the producers….
> 'Perhaps the most distinctive skill of professional marketers is their ability to create, maintain, protect, reinforce and enhance brands. A *brand* is a name, term, sign, symbol, design or combination of these, which is used to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.' [18]

The power of brands, boosters hold, lies in the *intangibles* that distinguish one firm's offering from another. Kotler & Co argued that the 'most lasting and sustainable' meanings of a brand are not its attributes (a Mercedes is well built), or even the benefits that follow from these (I am safe in the event of an accident). Firms must pay attention instead to the *values* that a brand suggests its owner holds (I own a Mercedes because I value high performance, safety and prestige), and to its *personality* (consumers might visualise a Mercedes as a middle-aged executive). [19] Brand boosters take the values and character traits of Mercedes more seriously than the quality of its steel or its crashworthiness. For them, a brand is a matter of perceptions and associations.

Next, in a truly bizarre manoeuvre, these perceptions and associations are quantified economically. As *Business Week* puts it in its inimitable prose style:

> 'While the concept of brand is intangible, brand equity is far from it.' [20]

Brand equity is generally taken to be that part of a firm's stock market capitalisation that is accounted for purely by its brands. What seems to happen is that a brand's intangibles are held, first, to account for the premium prices that consumers are prepared to pay for that brand. Then, stock market analysts calculate the extra sales revenues that these brand-based intangibles will generate in the future. Last, analysts arrive at

17 Clifton, op cit, pix.
18 See Philip Kotler and others, *Principles of marketing*, second European edition, Prentice Hall, 1999, pp570, 571. The definition of a brand is from Peter D Bennett, *Dictionary of marketing terms*, American Marketing Association, 1988.
19 Ibid, pp571-2.
20 *Business Week*, op cit, p1.

an estimate of the present-day value of a company's brands. Significantly, they do this by discounting the extra revenues a brand is set to generate by *risk*: the risk of an erosion in *brand strength* – of a brand's leadership, its stability, of the ease with which it crosses geographical and cultural borders. [21]

Brand boosters, then, rate highly the *feeling* that things go better with Coke, that Coke is the real thing. But they also right highly the *billions of extra dollars* that brands are held to create. In fact the contrast is purely formal, for consumer feelings are meant to be worth money. The social power of a brand, in the sense of its *appeal to consumers* is, we are told, directly responsible for its economic power.

As the Cold War drew to a close, efforts grew more feverish to assess the market worth of brands, the elixir of capitalist success. But the brand equity of Firm A does not become real on the market until it is validated by the price Firm B is prepared to pay for it. The year that gave the boosters' their ace was 1988. Then, Philip Morris bought Kraft for $12.6 billion, six times the paper value of the firm. In 1988 leveraged buy-out specialists Kohlberg Kravis Roberts & Co paid a record-breaking $25.4bn for RJR Nabisco, a 'house of brands' that included Oreo biscuits and Winston cigarettes in its portfolio. For the first time, *brands ruled because intangibles appeared to have a clear dollar value.*

Ten years later, the management consultants McKinsey felt bold and hardheaded enough to announce 'The end of voodoo brand management'. The voodoo had ended because Wall Street valued intangibles:

> 'Brands matter. Across a wide range of industries, companies that are adept at developing and managing brands reap the rewards. To the traditional packaged goods giants such as Procter & Gamble have been added a new breed of successful branders, from clothing retailer Benetton to British Airways, from insurer Direct Line to Disney, and from fashion designer Versace to Virgin. These companies have been extraordinarily successful at using their brand assets to strengthen their core business and create a platform for expansion.
> 'Strong branding can generate enormous shareholder value. Few would be surprised that a large share of Coca-Cola's market capitalization is accounted for by its intangible assets, mainly its brand. But few realize quite how much. On December 31, 1997, Coca-Cola's market capitalization was $165 billion, while its book value excluding goodwill was $16.2 billion — less than 10 percent of the total. That means that as much as 90 percent of Coca-Cola's value is intangible. Much (but not all) of that intangible value derives from the brand. [22]

For a colour-coordinated combination of letters or a simple piece of graphics, the brand seems to hold enormous sway – and not only with marketing professionals or stock market slickers. Thomas Frank has eloquently satirised the commitment that the whole business milieu feels toward brands:

> 'What is this thing called brand? Wherever one wandered in the gleaming mansions of the "New Economy" one heard about its awesome powers. It was the brand that lifted the stock valuations of the people's bull market, quietly filling the pockets of the faithful. It was the brand that stood like a rock while all other aspects of industry were tossed to the winds of "change"…. what distinguished the United States from what used to be called the "developing world" were its brands. We had brands. Other people didn't.' [23]

In the 1990s, Frank points out, millions of American small investors followed the market populism of Warren Buffett, the 'sage of Omaha', by putting money into companies with 'marquee' brands. [24] But it is not just America that is infatuated with brands. While both Naomi Klein and Thomas Frank do not focus on them much, *European* brands provide an example to the world.

Boosters (2): America must take a leaf from Europe's book

Brand boosters argue not just that brands rule, but also that, in this regard, American multinationals should take a leaf from Europe's book. Despite his byzantine approach to finances and corporate structures, Virgin's

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21 See ibid, p52 for a discussion, and also David Aaker, *Managing brand equity: capitalizing on the value of a brand name*, Free Press, 1991.

22 Driek Desmet and others, 'The end of voodoo brand management', *The McKinsey Quarterly*, 1998, Number 3, pp106-117.

23 Thomas B Frank, *One market under God: extreme capitalism, market populism and the end of economic democracy*, Doubleday, 2000.

24 Ibid, pp111, 119, 133.

Richard Branson continues to inspire American boosters, chiefly as a man who has built a brand. Similarly, *Fortune* now eulogises Jean-Marie Messier as the personification of Vivendi Universal, lauding him as building France's 'first rock-star CEO'. [25] At the *Wall Street Journal*, the right kind of kitchen design must include European brands such as Bosch in dishwashers (minimalist German, $780) and Dualit in toasters (stainless steel British, $400). With brands such as Boffi, Bulthaup, Gaggenau and Poggenpohl, the Journal opines, 'Europe often sets the kitchen trends that eventually appear in upscale U.S. homes'. [26]

As early as 1997, in fact, strategic management consultant Erich Joachimsthaler, together with the Global Number One Branded Academic Authority on Brands, Berkeley University's David A Aaker, insisted that, as far as brands were concerned, 'U.S.-based companies would do well to study their counterparts in Europe.' Their reason was significant: America had entered an Internet world. Traditional mass media were a thing of the past. Thus Europe, whose manufacturers had never rested on the laurels of cheap continent-wide television commercials like their opposite numbers in the USA, would 'point the way for others to succeed in the new media age'. [27]

What Joachimsthaler and Aaker always liked about Europe was that it 'let brand strategy drive business strategy'. In successful EU firms, the authors added, 'senior managers drive the brand building'. The willingness of US corporations, by contrast, to rely on advertising agencies for their brand strategy led to 'distance between senior managers and their key asset, the brand – the driver of future growth opportunities'.

Naomi Klein's favourite villains are Adidas, BodyShop, Calvin Klein, Diesel, Levi's, Nike, McDonald's, Reebok, Microsoft, BurgerKing, Coke, Pepsi, Gap, Ikea, Blockbuster Video, MTV, Disney, Wal-Mart, Starbucks, Shell, Virgin and Yves St Laurent. Among these 21, only 8 – Adidas, BodyShop, Diesel, BurgerKing, Ikea, Shell, Virgin and YSL – are European brands. Of course, the prevalence of American brands in the rogues' gallery of the anti-capitalists partly reflects the real domination of American brands on the world market: in the *Business Week* tables of brand equity, only 30 of the world top 100 brands are European. But if *No logo* targeted all-powerful American multinationals more than European ones, the favourite heroes of Joachimsthaler and Aaker were Europeans. Buitoni pasta impressed them because it founded a Casa Buitoni Club cooking club in 1991 and, in 1993, spent 60 per cent of its marketing budget of £2.5m on non-media forms of communications. Adidas and Virgin impressed because they had that 'in-house capability' in media and branding which is essential for 'real and sustainable competitive advantage'. Unlike American firms, Adidas and Virgin didn't outsource their branding effort. That made it hard to copy.

Europe's special expertise in branding escapes the anti-capitalists. Yet the historic origins of branded corporations begin not with Mid-Western farmers in the 19th century, but with fashionable Paris in the 18th. A glance at some of the key names in the *branded global luxury goods* today shows just how historic the contribution of Europe in general, and pre- and post-revolutionary France in particular, have been to the establishment of brands.

25 'Mr Messier is ready for his close-up', *Fortune*, 3 September 2001.
26 Kara Swisher, 'Kitchen renovation brings temptation' and Dagmar Aalund, 'Trends in European kitchens', *Wall Street Journal Europe*, 10-11 August 2001, p29.
27 Erich Joachimsthaler and David A Aaker, 'Building brands without mass media', *Harvard Business Review*, January-February 1997.

Chart 1: How Europe dominates the market in 'luxury' brands – some examples

	Product Class	**HQ**
Amex Gold/Platinum	Financial services	US
Absolut	vodka	Sweden
Armani	fashion	Italy
Johnny Walker	whisky	UK
Smirnoff	vodka	UK
Calvin Klein	fashion	US
Givenchy	perfume	France
Christian Lacroix	fashion	France
Louis Vuitton	luggage	France
Moet & Chandon	champagne	France
Jil Sander	fashion	US
Isaac Mizrahi	fashion	Israel
Porsche	cars	Germany
Kenzo	fashion	Japan
Cartier	wristwatches	France
Ferrari	cars	Italy
Jaguar	cars	US/UK
Rolls Royce	cars	UK
Chanel	perfume	France
Dunhill	cigarettes	UK
Hermes	fashion	France
Christian Dior	fashion	France
Mercedes-Benz	cars	Germany
BMW	cars	Germany
Gucci	fashion	Italy
Rolex	wristwatches	Switzerland
Versace	fashion	Italy
Ralph Lauren	fashion	US
Tiffany	lighting	US
Patek Philippe	wristwatches	Switzerland
Mont-Blanc	pens	Switzerland
Salvatore Ferragamo	shoes	Italy
Prada	fashion	France
Victoria's Secrets	fashion	US
Gulfstream	luxury jets	US
Hammacher-Schlemmer	retail	US
Williams-Sonoma	Consumer durables	US

Source: the author and Robert H Frank, *Luxury Fever: Why money fails to satisfy in an era of excess,* Free Press, 1999

By 1997, it was European companies that were seen to have set the key trends in branding in motion – inside and outside the luxury sector. Indeed, many of the things that Naomi Klein most detests about brands began in Europe, not America:

Chart 2: How Europe started Klein's bêtes-noirs 28

Branding through retail outlets and product placement

In launching Haagen-Dazs ice cream in Europe in 1989, Britain's Grand Metropolitan (now part of Diageo) eschewed television commercials, instead relying on the groovyness of new retail outlets to build the brand. At a production of *Don Giovanni* in London, Grand Met did further 'below the line' (non-advertising) brand promotion by publicising the use of Haagen-Dazs ice cream as a prop in a London production of *Don Giovanni*.

Sponsorship

In the early 1970s, trendy German suitmaker Hugo Boss began to sponsor Porsche in Formula One races, going on later to sponsor and put outfits into *Miami Vice* and *L.A. Law* on television. Turnover at Hugo Boss climbed from DM4m in the early 1970s, to DM100m in 1980 and, by the 1990s, well above DM1bn.

When Swiss watchmakers SMH launched Swatch in 1983, they sponsored music, skiing, from rooftops to concert halls to ski slopes in a targeted campaign to boost visibility and forge a clear brand image.'
the Swatch World Break-Dancing championship in New York City and Andrew Logan's Alternative Miss World show in London.

Brands as leisure experiences
By the time Britain's Cadbury chocolate makers (now part of Nestlé) opened Cadbury World in 1990, they had spent £5.8m on a theme-park history of their product and their company.

In September 2001, British novelist Fay Weldon was probably the world's first fiction author repeatedly to engage in the practice of product placement. Her novel *The Bulgari Connection* was commissioned by and repeatedly featured the Italian luxury jewellery house Bulgari. [29]

That Americans should uphold Europe as an example of what intangibles can do for the prosaic world of products is entirely proper. For from its historic luxury brands to all its big brands today, Europe shows that brands are about 'class'. European luxury brands were never just a mark of Europe's traditions of quality craftsmanship, even though *Time* magazine devotes a whole issue exactly to Waterford Crystal glass, Morgan sports cars, Alessi hardware and Fritz Hansen furniture. [30] Luxury brands were also a more or less aristocratic emblem of the rich man's and woman's wealth, status and aesthetic judgement on different aspects of 'culture'.

Even at the time of their origin, then, brands were always about more than excellence in attributes and benefits. They were about intangibles – about the fact that the possessor or wearer of a brand had enough money to have someone else build it by hand. In the UK, British luxury brands were recognised 'by appointment to the Queen'. In turn, the fact that a brand was used by Queen Victoria imparted to it special associations.

The branded products of Europe's owner-manager manufacturers once inspired the plantation living rooms of the slave-owning Confederacy. The example set by European branding and design for America continued in the inter-war period. Then, the founding father of branded American product designs, Raymond Loewy (Greyhound Bus, Lucky Strike, Gestetner duplicators), was a French immigrant. The formative influences upon the great American corporate identity designer Paul Rand (ABC, Cummins Engine, IBM United Parcels

28 Examples from Joachimsthaler and Aaker, op cit.
29 Damian Whitworth and Robin Young, 'Weldon's new gem is sponsored novel', *The Times*, 4 September 2001.
30 'The quest for quality: why Europe's craftsmen are still the best', *Time*, 20/27 August 2001.

Service, Westinghouse) were pre-war ads for Austin Reed and Eno's salts, as well as the logos of German designers such as Wilhelm Deffke, who did the mark for Pelikan inks. [31] When Stanley Kubrick performed branded product placement for Hilton Hotels in his reception lounge in the spaceship in *2001* (1967), he hired Olivier Mourgue, a prolific French designer, to do the interior. After that, branded European product designs – Braun, Olivetti – dominated the Permanent Collection at New York's Museum of Modern Art for years.

Today Branson, Messier and LVMH's Patrick Arnault inspire American brand boosters with their entrepreneurship. But Europe's historic adroitness in luxury brands, and America's continuing fondness for the European aristocracy's branded good taste, should warn us that branding may be more a sign of commercial and cultural decay, decline and outright decadence line than of social progress. In the twentieth century, at least, European branding has not been about rugged entrepreneurs, but those distinctly corporatist and statist traditions of atrophy that Americans usually abhor. The father of corporate identity, Peter Behrens, developed the world's first complete branding scheme for a large, patrician, progressive German electricals giant, AEG. A worldwide network of German commercial attachés promoted AEG's exported designs. [32] It was state-backed and government institutions which pioneered corporate identity in Britain: Imperial Airways, Cunard, the telephone kiosks of Sir Giles Gilbert Scott and the graphics commissioned by Frank Pick at London Transport. It was the government-run BBC which, relatively early in the twentieth century, established a world media brand.

Brands may rule. Alternatively, it is often argued that brand consumers rule. Either way, the strong association Europe has with brands isn't a badge of dynamism. There are exceptions; but, on the whole, European brands suggest a struggle to preserve the past more than they do an ability to point a way forward to the future.

31 James Woudhuysen, 'Why Paul Rand hates logos', *Blueprint*, September 1989.
32 See John Heskett, *Design in Germany, 1870-1918*, Trefoil, 1986, pp82, 137-40.

For condescending anti-capitalists, omnipotent brands harass workers, citizens and consumers

Brand critics differ from brand boosters on many matters. But on one thing the critics are agreed: brands make the world of capitalism go round. For Klein, the brand is 'the core meaning of the modern corporation'. [33] Brands dominate our lives as workers, citizens and consumers.

As workers, Klein argues, we are in a 'branding economy' in which 'it is no exaggeration to say that the "strongest" brands are the ones generating the worst jobs'. It is the dictates of branding that force companies to 'sever their traditional ties to steady job creation', seek out youth culture 'for more aggressive branding than ever before' and use' real live youth' to pioneer 'a new kind of disposable workforce'. [34]

As citizens, Klein tells us, we should know that branded multinationals from Wal-Mart, Blockbuster Video and Mattel to Barnes & Noble and AOL Time Warner indulge 'corporate censorship'. The booming power of brands, defended by lawyers, restricts the public's choice in writing, music and movies – and on the Internet. For Klein, the limits that brands set to cultural choice are the same as limits put on civil liberties. For her, it is brands that call free speech and democratic society into question. [35]

Finally brands invade our lives as consumers. As passengers and pedestrians, we find that brands invade the world of transport vehicles: buses, streetcars and taxis are merely 'ads on wheels... just as Hilfiger and Polo turned clothing into wearable brand billboards'. [36]

Altogether, Klein agrees with the brand boosters that brands accumulate vast power. Her difference with them is that she feels that workers, citizens and consumers are each victims of brands. And she rightly predicted that these victims would resist what she calls 'the branded life'. [37] She wrote:

> 'as more people discover the brand-name secrets of the global logo web, their outrage will fuel the next big political movement, a vast wave of opposition squarely targeting transnational corporations, particularly those with very high name-brand recognition.' [38]

Klein was prescient. But it is precisely because she takes the social weight of brands as given that she favours a strategy of what she calls 'consumer jujitsu' against brands. She accepts the boosters' chosen terrain for debate: the polarity between brands and consumers. She therefore approves of 'culture jamming': the practice of parodying advertisements and hijacking billboards in order to alter their messages drastically – what she calls a kind of 'semiotic Robin Hoodism.' [39] To go culture jamming is to use the weighty appearance of a brand opponent against it. It is to use the tools of graphic and Web design and of desktop publishing to make brands the object of social satire among consumers.

The approval that Klein extends to those who trash McDonald's on the streets of Genoa sounds right-on. But because Klein takes life as the branded life, she shares with brand boosters a rather disagreeable trait: *condescension – an attitude that takes people as dupes of the brandsmiths.* Of course, as Thomas Frank notes in his hilarious chapter 'The brand and the intellectuals', the modern brand booster believes that a brand is not a static, top-down thing, but a popularly-constructed, democratic, dynamic relationship. [40] Corporate brand managers and marketing services brand consultants – 'postmodern cultural radicalism come home to Madison Avenue', as Frank puts it – see themselves as interpreters of and advocates for the popular will. [41] But with her own training in postmodernism and communication theory, Klein herself sees culture jamming in exactly the two-way terms that the modern brand booster does. Culture jamming, she says,

33 Ibid, p5.
34 Ibid, p275.
35 Klein, pp166-188; p182.
36 Ibid, p37.
37 Ibid, p304.
38 Ibid, pxviii.
39 Ibid, p280.
40 Frank, op cit, pp253-4.
41 Ibid, p256, 257.

> ‘baldly rejects the idea that marketing – because it buys its way into our public spaces – must be passively accepted as a one-way information flow.’ [42]

Klein wants to bring her ethical perspectives to a dialogue with the brandsmiths about branding. She wants to join in their dialogue; and, since her book was published, she has learned herself how much the corporate marketing ‘community’ wants to learn from her. In this play, the people have only a walk-on part.

Like Frank, Klein recognises that corporate brand managers rush to make their brands receptive to and constructed by their audiences. But for her this does not denote brand managers who are in the resuscitation business, but the power of the brand puppet-masters to treat us all as marionettes – a power that must and can be resisted on its own terms. Klein reserves particular fire for the ‘cool hunters’ employed by major corporations, whose job it is to be professionally young, catch youth trends (particularly trends in black culture), and bring those trends back for brands to own. [43] But it is exactly these cool hunters who, for her, reveal the ‘impotence’ of almost all other ‘forms of political resistance *except* anti-corporate resistance, one cutting-edge marketing trend at a time’. [44] Previous youth revolts

> ‘… were focused primarily on such foes as "the establishment," the government, the patriarchy and the military-industrial complex. Culture jamming is different – its rage encompasses the very type of marketing that the cool hunters are engaging in as they try to figure out how to use anti-marketing rage to sell products.’ [45]

Klein recognises that capitalism likes to incorporate anti-branding sentiment into its branding policies. She herself points out that in 1997 Nike took up the slogans ‘I am not / A target market / I am an athlete’; that Sprite told the world that ‘Image is Nothing’; that Diesel had a big success with its ‘Brand 0’ line of products. [46] ‘It turns out’, she admits, ‘that culture jamming... has great sales potential’, and she feels bound to ask ‘What if there is no jujitsu, only semiotic shadow-boxing ?’. [47] When the oh-so-knowing culture jammer, or the Vancouver-based *Adbusters* magazine, gives another ‘plain patronizing’ lesson to the masses about how they have been duped by brands all along, Klein is embarrassed. It is not as if, she writes, ‘"the masses" cannot be trusted to "police their own desires"‘ in relation to alcohol, cigarettes and fast food. [48]

‘Genuine political empowerment’, Klein announces, ‘cannot be reconciled with a belief system that regards the public as a bunch of ad-fed cattle’. [49] In this she is quite right; but she and her middle-class followers have exactly that belief system. The ‘two principal tactics’ employed by anti-corporate campaigners are to go ‘exposing the riches of the branded world to the tucked-away sites of production and bringing back the squalor of production to the doorstep of the blinkered consumer.’ [50] So workers in the Third World have no idea how poor they are, and anti-capitalists are to be congratulated for ‘exposing’ that fact to them. Likewise, consumers in the First World are blinkered. But at least anti-apitalists have done them the favour of persuading them to ask, as *USA Today* writer Lorraine Dusky did while watching riots in Indonesia riots in May 1998, ‘Were my Nikes somehow to blame?’ [51]

For Klein it is right to take Nike, one of the ‘most loved icons’ of our ‘celebrity-obsessed culture’, and see it ‘mired in scandal’ for its Nicaraguan sweatshops by an American ‘tabloid news show’.[52] Klein’s disgust with the frightful dimensions of power exhibited by the Nike brand quells all misgivings about the tabloid approach to the masses. For her the task is to go *whistleblowing in the Third World,* in the manner of churches and charities active there. And for her this task must prevail against doubts that she may be patting the natives of the Third World on the head.

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42 Ibid, p281.
43 Ibid, pp71, 72, 74.
44 Klein, op cit, p81.
45 Ibid, p200.
46 Ibid, pp298-9.
47 Ibid, p297, 298.
48 Ibid, p293.
49 Ibid, p304.
50 Ibid, p347.
51 Ibid, p349.
52 Ibid, p351.

The Third World, Klein rightly points out, has always existed for the comfort of the First. What is a relatively new development, she argues, 'is the amount of investigative interest there seems to be in the unbranded points of origin of brand-name goods'. [53] The natives are oppressed; but now a kind of *Village Voice* cavalry is riding to their rescue. Elsewhere, this brand of 'investigative' journalism is better known as the journalism of attachment. And as Klein herself attests, it also has another name:

> '[B}y the time I arrived in Jakarta in August 1997 the staff at the labor-rights group Yakoma were starting to feel like professional tour guides. Every week another journalist – or "human-rights tourist," as Gary Trudeau calls them in his cartoons – descended upon the area.' [54]

Klein herself is not above being a bit of a human rights tourist. On her investigations in Indonesia, she fell victim to some familiar inclinations:

> ' ... being the Western foreigner, I wanted to know what *brand* of garments they produced at the Kaho factory – if I was to bring their story home, I would have to have my journalistic hook.' [55]

Everyone is condescending from time to time. But the anti-capitalist's desire to expose the masses to their own ignorance takes the breath away. The condescension is ingrained, because the task of culture jammers is not to leave dissonant graffiti on the slick face of advertising, but 'to mesh with their targets, borrowing visual legitimacy from advertising itself'. [56]

Just as brand boosters cry out with glee when brand 'intangibles' enslave the masses, so Klein believes that advertising has 'visual legitimacy' with the blinkered consumer. But for Klein brands are, as Marx used to say of capitalism, their own gravediggers. As she introduces her book:

> 'Logos, by the force of ubiquity, have become the closest thing we have to an international language... Activists are now free to swing off this web of logos like spy/spiders – trading information about labor practices, chemical spills, animal cruelty and unethical marketing around the world
> '...it is in these logo-forged global links that global citizens will eventually find sustainable solutions for this sold planet.' [57]

For the booster, brands lead people's lives, and that's good. For the anti-capitalist, brands lead people's lives, and that's bad – although brands will, by their very power, produce an equally powerful antipathy.

'There is no doubt', Klein concludes,

> 'that anti-corporate activism walks a precarious line between self-satisfied consumer rights and engaged political action. Campaigners... have to be careful that their campaigns don't degenerate into glorified ethical shopping guides...' [58]

But it is around the omnipotent branding axis that politics will be shaped. As Klein caricatures the attitudes of the ignorant masses toward enlightened activists: 'Talk about government, talk about values, talk about rights – that's all well and good, but talk about *shopping* and you really get our attention.' [59]

The story so far is that is both boosters and critics attribute, to the brand, a gigantic social power. They are obsessed with brands; they point out that stock markets, consumers and anti-capitalists are pretty obsessed, too. They are wrong, but they are not all wrong. Let's seek the origins of society's obsession with brands.

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53 Ibid, pxviii.
54 Ibid, p358.
55 Ibid, pxv.
56 Ibid, p285.
57 Ibid, pxx.
58 Ibid, p428.
59 Ibid.

The Origins of the Obsession with Brands

Line extensions as a product of risk – and reinforcer of it

In mobile phones, the spread of games is predicated on the success of established branded games such as *Who wants to be a millionaire?* and *Trivial Pursuit*. To launch new games on to mobile platforms, it is felt, would be too risky. It is the corporation's concern to avoid risks that accounts for its obsession with brands.

Management experts confirm that, for companies, brands represent the more or less safe haven of the exhausted, not the accumulating power of the confident. Brands reflect trends toward incipient recession: they are an easy way to meet short-term demands on profitability. Brand costs are modest compared with the costs of genuine innovation. Yet though brands are a less risky course than innovation, brand management is seen as more and more iffy. *Brands are parachutes, but, like parachutes, are fraught with risk*.

John Quelch is the Dean of the London Business School. In the USA, David Kenny runs a 'relationship marketing' company. A year after the 'Marlboro Friday' of 2 April 1993 had, as Klein rightly notes, falsely signalled the *death* of the brand, Quelch and Kenny warned against *tweaking* it – something that preoccupies millions of brand managers every day. And the way Q&K did this serious-minded rearguard defence of the brand was poignant. Grounding the 'lure' of $5m-a-pop extensions to a branded product line in management fear, they also warned that too many line extensions was risky business. [60]

Managers, Q&K argued, see line extensions as a 'low-cost, low-risk' way to meet the needs of various *customer segments*. So today's Smirnoff Ice extension of the Smirnoff brand is a low-risk repackaging of a standard product so as to attack the youth market. It is a strenuous, defensive effort to bolster profitability. It is a purely incremental innovation designed to scrape the bottom of more barrels.

For Q&K line extensions were about 'short-term gain' and 'quick rewards with minimal risk'. Nearly all the 20 brands that led US consumer awareness in 1994 had been dominant for no fewer than 20 years: beating them with a US launch of a wholly new brand was tough, and typically cost $30m.

Besides, line extensions were an easy way of using up excess manufacturing capacity without engaging in major product changes. Demanded by pack-conscious retailers, made necessary by rivals jostling for shelf space, extensions could be sold to stock markets as real innovations, despite relying on little investment:

> '…senior managers often set objectives for the percentages of future sales to come from products recently introduced. At the same time, under pressure from Wall Street for quarterly earnings increases, they do not invest enough in the long-term research and development needed to create genuinely new products. Such actions necessarily encourage line extensions.'

But without corresponding brand deletions, extensions could leave a product line with 'weaker logic'. Line extensions in *categories* such as groceries and toiletries rarely expanded the total demand for those categories – people wouldn't eat, drink or wash their hair more. Innovations could also be squandered:

> 'bringing important new products to market [merely] as line extensions.... serves the career goals of a manager on an existing brand better than a new brand, but long-term profits are often sacrificed in favor of short-term risk management.'

Anyway, extensions meant higher costs: marketing grew more fragmented and production more complex.

For Quelch and Kenny the 'era of unrestrained line extensions' was 'over'. Instead, after P&G's 1992 cull of 15-25 per cent of its shelf-clogging brands, improved cost-accounting systems would help manufacturers work with ever-more-powerful retailers together in 'category management'. In making this point, Quelch and Kenny highlighted the most important pressure forcing manufacturers to take refuge in more refined forms of brand management: the growing clout of retailers compared with manufacturers.

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60 John Quelch and David Kenny, 'Extend profits, not product lines', *Harvard Business Review*, September-October 1994.

Manufacturers should not put their brands at risk through 'private label' work for retailers

Replying to Quelch and Kenny, some said that Crest and Colgate had had no choice but to develop brand extensions, given the threat from Arm & Hammer's baking-soda toothpaste. David Aaker argued that extensions could energise a tired brand, and urged readers to recall the horrible results when GM and Xerox failed to build down-market line extensions, giving Japan a toehold at the low end of their industries. Paul Farris of the University of Virginia noted that while Sanka had pioneered decaffeinated coffee, all major coffee brands had been forced to make decaffeinated extensions. Significantly, he observed:

> 'This system, which produces duplication, also encourages brands to innovate or be left behind.'

Manufacturer brands, it seems, innovate by… copying the work of pioneering rivals through line extensions.

In fact manufacturer brands were being left behind by another kind of competitor altogether. Against Quelch and Kenny, David Beatty, president of Canada's Western Foods, pointed out that packaged-goods companies like his had lost $50bn in market value since Marlboro Friday; the crisis among manufacturer brands meant that they were 'in danger of being overwhelmed by the new retailer'. [61]

As early as 1987, P&G had been a bit overwhelmed. Then, it reorganised its 11 different US product sales forces into account teams designed to obey specific supermarket and department store chains. US supermarkets and drugstores had anyway brought in IT-based barcode scanners, and had consolidated. In 1989, when P&G introduced the retailer-friendly post of 'category manager' into its offices, just 100 chains handled 80 per cent of its sales. Twenty years before, 100 chains had taken a mere 15 per cent. [62]

By the mid 1990s, mass retailers were in a position to revive a risk to manufacturer brands not seen since the recession of 1981-2 – that of their own, 'private label' brands. But the risk manufacturers faced was new. First, private-label brands might beat them on the shelves: quality had been improved, and new categories had been entered (colas, clothes). Second, more than half America's makers of branded consumer packaged goods made private-label goods as well. They ran the risk of eating directly into their own sales. They ran the risk of *cannibalisation*. It was these risks that management experts pointed do when telling manufacturing management to stay obsessed with brands.

McKinsey's Madrid office argued that making goods for private label retailers tempted manufacturers of leading brands with the prospect of generating immediate additional production volumes. But to manufacture fast-moving consumer goods without brands was a short-term solution – in the long term, manufacturers would do well to stay obsessed with brands:

> 'Private label is not a new segment; it does not create innovative products that generate new users and new occasions of consumption. Rather, it represents a "me-too" brand or set of brands that grow only at the expense of others. Total market volume may well increase in the short term, but on a longer view the risks are real.' [63]

To justify a move into supplying retailers with goods for private label, brand-leading manufacturers might use the 'perennial and worn-out' argument that 'If we don't do it, our competitors will'. There were also, McKinsey Madrid noted, 'less threadbare' opportunities to further relationships with retailers by supplying them with their own-label fare; to cut costs through higher capacity utilization, and to develop a better understanding of regular users of private label. But McKinsey was adamant. Not to stick to making your own brand would invite retailers in on your manufacturing secrets. It would unleash price wars with the small firms already

61 'The logic of product line extensions', *Harvard Business Review*, November-December 1994.
62 'P&G rewrites the rules of marketing', cover story, *Fortune*, 6 November 1989.
63 François Glémet and Rafael Mira, 'The brand leader's dilemma', *The McKinsey Quarterly*, 1993, Number 2, pp3-16.

supplying private label ingredients, commoditise markets on the shelves, and divert management resources away from brand-building. [64]

Soon enough, Quelch and Kenny backed McKinsey. They proclaimed the brand 'alive and reasonably healthy' in the face of private label. The example they took to demonstrate this was J Sainsbury's Classic Cola, made by Cott and launched in April 1994. It had been 28 per cent cheaper than Coke and had won 15 per cent of the total UK market for cola. But Coke's retaliation had sent Cott's profits and share price through the floor. [65] For Q&K the brand only required 'dedicated management' to 'thrive'.

Dedicated management, it turned out, meant avoiding the risk of extra manufacturing and distribution complexities attendant on private label. It meant avoiding the risk of 'shipping private-label product ahead of its own brands ... [because] "The stores are calling for their stock, not ours"'. Last, dedicated management meant recognising that brands 'simplified consumer purchase decisions in cluttered product categories'. For 10 years, a constant 60 per cent of US consumers had preferred 'the comfort, security and value' of a national manufacturer brand over a retailer private label brand.

Comfort, security and value. 'In the time-pressured dual income households of the 1990s', Q&K opined, 'brands are needed more than ever'. Manufacturers should stick to their brands, because, like consumers, they should realise that alternatives were so risky.

The significance of the debate on private label goes much further than fast-moving consumer goods. Every manufacturer of finished electronic products faces the dilemma of whether to market its own goods under its own brand, and/or become an Original Equipment Manufacturer. It can go it alone, and/or act as OEM supplier to other companies, which themselves take the privilege, and the risk, of putting their brand on the product as sold in the shops. When the crisis in the mobile phone industry forced Motorola, in the summer of 2001, to declare that it would sell its handsets to other companies on not just brand them itself, many analysts took the decision to mark the beginning of the end of the Chicago-based company.

To make Motorola in any way anonymous would be a tremendous risk. But not to use up manufacturing capacity in this manner would also be a tremendous risk.

64 François Glémet and others, 'How profitable are own brand products?', *The McKinsey Quarterly*, 1995, Number 4, pp 173-5.

65 John A Quelch and David Kenny, 'Brands versus private labels: fighting to win', *Harvard Business Review*, January-February 1996.

'Parent and child' sub-brands minimise the risks of moving downmarket and upmarket

The brand is not only born out of risk. *Brand management has become risk management*. In 1997, discussing the effort to move a brand down-market or up-market, David Aaker asked: 'Should you take your brand to where the action is ?', he asked. His answer was that, short of the expense of creating or buying a new brand, and short of the risk of repositioning the entire old one, a move up- or down-market was wisest with *sub-brands* – provided these were managed seriously, in a way that minimised risk. [66]

Jiggling brands by price, Aaker made clear, was most tempting 'when markets turn hostile'. But the battlefield was 'littered with dead and wounded brands'. For a brand to move down-market ran the risk of 'losing its stature'. But when Toyota moved upmarket with Lexus, 'changing its image took more than a decade, involved impressive product improvements, and cost billions of dollars in advertising'. Holiday Inn likewise found that it had to drop its downmarket name to make a success of upmarket Holiday Inn Crowne Plaza. 'The safest bet' for an upscale sub-brand, Aaker concluded,

> 'is a driver-descriptor strategy... *Special edition*, *premium*, *professional*, *gold* or *platinum* descriptors... can be very effective.... Wineries use *private reserve*, *library reserve*, or *limited edition*. Airlines have *connoisseur class*.'

The italics are his. They sum up branding as a search for safety, for the familiar cliché, for the English of restaurant menus. Once again *corporations, like consumers, seek comfort and security in brands*. Indeed, Aaker actually posits *the family* as a model for managing sub-brands. In his *Building strong brands*, under a section titled CREATING A DIFFERENT PERSONALITY: THE PARENT-CHILD RELATIONSHIP, Aaker observes:

> 'Because family relationships are so familiar to consumers, they offer a clear and rich opportunity for creating distinct but related sub-brand personalities. The sub-brand could be a child (either son or daughter) of the original brand (the father or mother), one who cannot yet afford or appreciate the better version. Or it could be the grandparent of the original, one who appreciates good value more than premium quality.' [67]

To make a sub-brand successful, one must offer the warm embrace of home.

The risks of trying to be a power brand like Nike – and of brand extensions

By 1997 the ascent of Nike had tempted many CEOs to follow in the shoe company's footsteps. But before investing in the construction of a 'power brand', McKinsey reps from Dallas, London and New York suggested, CEOs had to pause, had to walk before they ran. Their investment 'really must be prudent'. [68]

McKinsey liked the example of Pampers. Introduced in the 1960s, Pampers became a brand, not just a name: they combined new benefits (disposability, comfort) with advertising that clearly communicated these. But to become a power brand, McKinsey argued, was to trump Pampers. Power brands had first to 'create a more emotional bond that grows out of their personality'. Second, they had to be 'present at every turn… [on a] national or international scale… across multiple concepts and into multiple channels'. Disney epitomised this mix of *'personality'* and *'presence'*. It had extended its brand to new products, to all demographic groups ("ages 8 to 80"), and to new geographic areas. These factors represented

> 'not what the brand could do for the company today, but the options it could create for tomorrow. This may ultimately be the true power of a power brand.

For McKinsey, investing in 'marketing muscle' was essential if a brand was ever to *represent a claim on future revenues*. But *investing in 'marketing muscle' was itself risky*. Companies had to build

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66 David Aaker, 'Should you take your brand to where the action is?', *Harvard Business Review*, September-October 1997.
67 David Aaker, *Building strong brands,* Free Press, 1996, pp304-6.
68 David Court and others, 'If Nike can "just do it," why can't we?', *The McKinsey Quarterly*, 1997 Number 3, pp 24-34.

> 'certain critical marketing skills to a high degree: a superior insight into customer needs; the ability to devise products or services that powerfully meet those needs; the agility to redefine its offering as those needs change; and the creativity to produce exciting and compelling advertising. Without a strategic marketing mindset that understands all of these things, there is a risk that a brand will fail to appear distinctive in the marketplace.'

While diversified brands such as Disney, GE, and American Express earned five per cent more total returns to shareholders than others in their industries, focused brands such as Dell, Levi's, Sprint, and Gillette earned a mere 0.9 per cent extra. So, asked McKinsey in 1999, why not follow Nike and diversify into brand extensions or brand stretch ? McKinsey replied that there were two reasons:

> 'First, consumers are cautious when hitherto focused brands move in to unrelated product areas, so if a company plans to take this route it should do so with extraordinary energy, commitment, and effort. Second, companies should make sure that they have exhausted the possibilities close to home before expanding out of it. The most successful focused brands have shown great creativity in steadily broadening the definitions of their categories — an approach that might be described as a slow but sure diversification within the original focus. [69]

Once more corporations should follow consumers and adopt a 'cautious' approach to brands.

To fail to build brands, or to divert to manufacturing for private label retail clients, is to court disaster. But too many line extensions, too little marketing and too much brand stretch are also potentially disastrous. Economic pressures explain much of what firms do with brands; but managerial sensitivity to those pressures is an essential mediator in the process. In 1996, Aaker could argue that brand managers, brand equity managers, range brand managers, global brand managers, brand champions, category managers, brand committees and communications coordinators were all in charge of the brand. [70] By 2000, when he and Joachimsthaler had built a 'brand relationship spectrum' of 27 elements to 'help brand architecture strategists to employ, with insight and subtlety, subbrands and endorsed brands', they gave a good hint of the frightening and ultimately fruitless complexity that now attends brand management. [71]

Firms are obsessed with brands because they panic about doing anything else. Brands reflect not corporate economic power or the lure of market opportunities, as Naomi Klein suggests, but a culture of fear.

69 David C Court and others, 'Brand leverage', *The McKinsey Quarterly*, 1999, Number 2, pp100-110.
70 Aaker, *Building strong brands*, op cit, pp343-8.
71 David Aaker and Erich Joachimsthaler. *Brand leadership*, Free Press, 2000.

Klein's vulgar economic determinism

> 'What are the forces pushing more and more people to become suspicious of or even downright enraged at multinational corporations?... Perhaps more pertinently, what is liberating so many people – particularly young people – to act on that rage and suspicion?' [72]

Klein's answer is that corporations have led an assault on the three 'social pillars' of employment, civil liberties and civic space. There are thus no jobs, no cultural and thus political choice, and no space. [73] Yet Klein's vulgar economic determinism makes her miss what she herself calls the 'spiritual' dimension of brands. First, she touches on but does not grasp the full implications of spirituality in branding. Second, she sees movements in market forces – deregulation, privatization, an expanding youth market – as the only origin of society's obsession with brands.

Take, to begin with, Klein's treatment of brand spirituality in business-to-consumer (B2C) relations. Renzo Rosso is president of the dreaded Diesel organisation. There is, Rosso said of his company's policy with brands toward consumers,

> 'never an "us and them", but simply one giant "we".' [74]

Klein does not like this. But the fact she misses is that both corporations and consumers 'buy in' to brands because both want social cohesion. It is not just that the appeal of Disney's *ersatz* town, Celebration,

> 'has to do, I think, with the genuine thrill of utopianism, or the illusion of it at any rate...' [75]

Nor is it that the emotional power of enclaves like Celebration rests in their ability to capture a 'nostalgic longing' for the past. The desire to *participate* in brands, which unites both corporations and consumers, goes further than a desire for future or past utopias. There is an element of utopianism surrounding brands, but it is not confined to those brands singled out by Thomas Frank as emblems of liberation: Benetton against racism, Apple against technocracy, Pepsi = youth rebellion. Moreover we have already seen that brand boosters believe that brands should be about *ethics*, about *community*. And they are not alone in this. When 44 000 owners of GM Saturns spent a weekend holding a cookout with Saturn workers, 'it was as if', Naomi Klein records, 'Aunt Jemima had come to live and invited you over to her house for dinner'. [76] When Manchester United announced that it had been in negotiations with the New York Yankees over a co-branding strategy, that was because each name commanded the support of millions. Disney is a typically Kleinian – because typically lurid – example of consumer buy-in to brands. But in a society defined by identity politics, all successful brands form a quiver of pointers as to who one is and who other people are. They are spiritual; they are, indeed, a secular kind of religion. But as Marx explained a long time ago, no amount of anti-clerical barbs will free millions from the ideology of religion.

Klein's continues to treat spiritual branding superficially when she turns to its role in business to employee (B2E) relations – its role in what she quite rightly calls 'corporate transcendence'. [77] Firms in the 1990s, Klein acutely notes,

> 'integrated the idea of branding into the very fabric of their companies. Their corporate cultures were so tight and cloistered that to outsiders they appeared to be a cross between fraternity house, religious cult and sanitarium. Everything was an ad for the brand: bizarre lexicons for describing employees... [jostled with] company chants, superstar CEOs, fanatical attention to design consistency, a propensity for monument-building, and New Age mission statements.' [78]

What Klein misses is the employer and employee pressures that drive every company in this direction.

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72 Klein, op cit, pxxi.
73 Ibid.
74 Ibid, p120.
75 Ibid, p157.
76 Ibid, p17.
77 Ibid, p21.
78 Klein, op cit, p16.

North London designers Wolff Olins are some of the world's leading practitioners of corporate branding and corporate identity. They have done logos for Akzo, BT, Bovis, Orange, Pilkington and Prudential. And as early as 1991, Wally Olins, one of the company's chiefs, saw the visual side of its work as less important than giving a company's employees 'a sense of belonging'. Two years before, indeed, he was at pains to stress the 'non-design elements' within any identity programme. [79]

What Klein misses about brands in B2E is precisely what Olins calls 'a sense of belonging' on the part of employees. Employees put a higher value on work, see work as a vital site of sociability, and want to believe that they work for brands that are ethical. Many want to defend the right kind of brand values at work.

Klein ignores these unpalatable facts, preferring to see the rise of brand power in trade union terms: as a result of denationalisation. Transforming culture into a collection of brand-extensions-in-waiting, she writes,

> 'would not have been possible without the deregulation and privatization policies of the past three decades.... As government spending dwindled, schools, museums and broadcasters were desperate to make up their budget shortfalls and thus ripe for partnerships with private corporations.' [80]

But the trend toward corporate sponsorship of otherwise impoverished public space is only half the story. The rise of market forces has made people feel more isolated and vulnerable. People have a need for comfort and security. Brands appear to provide some of that comfort and security. And in a world where politics no longer provides either of these things, the appearance of help that brands offer is real enough.

For Klein economics explain everything; there is little need for sociology. In fact her economics is poor. She says that corporations provide governments with a dwindling tax base – but her Table 2.1 shows that the tax base from corporations actually grew by 0.1 per cent, 1975-98. [81] More significantly, in her discussion of the *orientation of branded companies to youth*, Klein adopts the economic vulgarities of her marketing opponents, only to make a classic blunder with them. 'At about the time of Marlboro Friday', she argues,

> 'Wall St took a closer look at the brands that had flourished through the recession, and noticed ... beer, soft drinks, fast food and *sneakers* – not to mention chewing gum and Barbie dolls... 1992 was the first year since 1975 that the number of teenagers in America increased.' [82]

What marketeers call the *'volume'* of the US teenage market grew after 1992. But if the *value* of this market also grew, the phenomenon may have had something to do with the *incomes and spending habits* of teenagers, or the *share of their parent's income and wealth* devoted to them. No matter. Not only are US teenagers numerous: 'the world', Klein tells us, 'is crawling with teenagers, especially in southern countries' and, as none of us know, grandchildren in China are treated like little emperors. [83]

For Klein it is not adult society's love of the infantile that makes firms want to turn brands toward youth, but just our old friend…. the teenage market.

> '...almost everyone in the corporate world now recognizes that the urge to disappear into the cross-promotional tie-ins of cherished consumer products... does not magically disappear when children outgrow sugar cereal. Plenty of Saturday-morning cartoon kids have grown up into Saturday-night-club kids...' [84]

Disney's mercenary demographic calculations, which aim to gain *brand loyalty* from 8-year-olds and keep it till they are 80, are for Klein the model for every firm. It is through the age-old quest for more dollars, Klein adds, that – guess what! – *branded corporations now corrupt our children*. Labels like Baby Gap and Gap

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79 Wally Olins, 'Corporate identity and the behavioural dimension', *Design Management Journal*, Winter 1991, p45; Olins, *Corporate identity: making business strategy visible though design*, Thames & Hudson, 1989, p23.
80 Ibid, p30.
81 Ibid, p33.
82 Ibid, p68.
83 Ibid, p119.
84 Ibid, p145.

Newborn 'imprint brand awareness on toddlers and turn babies into mini-billboards'. [85] Cartoons and fast-food franchises

> 'speak to children in a voice too seductive for mere mortal parents to compete with.... if Disney's project has been extending the fantasy of its films into toys, then Mattel's was extending its toys into ever more elaborate fantasy worlds.' [86]

Yet whether youth has more money now than it did in the past is at least debatable. The industrialisation of Western higher education, after all, has put youth out of serious employment till its late twenties. What then has to be explained is why the marketing community has given a new, childish form to its longstanding worship of brand loyalty. Why is there now a youthful twist to brand loyalty, a subject that has obsessed researchers and writers on Madison Avenue ever since 9 June 1952, when, with margarine, George H Brown first began a series of articles on loyalty for *Advertising Age* ? [87]

Some of the answer is that it was only in the 1990s that hanging on to the same old customers, rather than building market share with new ones, began to be represented, like brands, as *a claim on future revenues*. But Klein rather unwittingly provides much more of the answer herself. She writes:

> "'Our aspirational age", as they say in marketing studies, is about seventeen. This applies equally to the forty-seven-year-old baby boomers scared of losing their cool and the seven-year-olds kick-boxing to the Backstreet Boys.' [88]

47-year-olds do aspire to be 17. And not just Kevin Spacey in *American Beauty*, either. What drives brand managers in the direction of youth is not just the youth market, but the general infantilisation of society, in which both brand managers and grown-ups want to participate.

It is not just that, as Thomas Frank has noticed, childish rebellion is a given in the 'market populism' of brands like Pepsi and many others. At every level of management, the childish principles of *play* are now held to be invaluable to *innovation*. Gary Hamel, arguably today's most perceptive management guru, insists: 'pretend you're a kid again – with a very big Lego set'. [89] Lego itself has formed a management training firm, named The Imagination Lab, which runs courses in which top executives build innovatory visions in Lego plastic bricks, demolish them and start again. The Institute of Management Development In Switzerland, and Fontainebleu's prestigious Insead business school, both favour the use of Lego. [90]

One need only glance at the hundreds of Western workplaces that have become employer-branded playpens to know that managers now see childish play as vital to product and brand development, even if, in Britain, the 'product' is of course a mortgage. [91] At MIT's Media Lab, the philosophy with new, toy-like prototypes is that of a teenage Bill Gates: 'demo or die' – rehearse with them, perform with them, improvise around them. [92] For a major European shipping company, I have spent a whole evening, with senior managers, at the feet of a troupe of jugglers. As the guest of a household-name US multinational in IT, I have witnessed a sales conference celebration in Tenerife that lasted for three days of feasts, dancing and games. It climaxed with a beach barbecue, a rock band and camels.

Managers, in short, orientate brands toward youth, in part, because they themselves are now minded to be youthful and stay in touch with youth. Those International Labour Office economists who are mentors to Klein will never get their heads round this.

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85 Ibid, p27.
86 Ibid, p145.
87 See also Pierre Martineau, 'It's time to research the consumer', *Harvard Business Review,* July-August 1955.
88 Klein, op cit, p70.
89 Gary Hamel, *Leading the revolution*, Harvard, 2000.
90 Lucy Kellaway, 'From toys to men', *Financial Times*, 5 March 2001.
91 Dave Allan, Matt Kingdon, Kris Murrin, Daz Rudkin*, ?What if!: How to start a creative revolution at work*, Capstone Publishing, 1999.
92 Michael Schrage, *Serious play: how the world's best companies simulate to innovate*, Harvard, 1999.

The Political Economy of Brands

Five dimensions of 'a relationship': B2C, B2E, B2B, B2S, B2G

Brand critics single out children as the most obvious consumer victims of brands. But although this strategy has, as we have argued, strong and very worrying contemporary aspects to it, there is a significant precedent for it as well. In fact, Klein trails more than 40 years behind the muckraking America journalist Vance Packard. Packard devoted a whole chapter of his 1957 bestseller *The hidden persuaders* to what he called *the psycho-seduction of children*. Corporations, Packard argued, were after children's minds, wanting to turn kids into 'loyal followers of a brand'. [93]

The longstanding focus brand critics have had on youth and children is interesting for two reasons. First of all, children are vulnerable symbols of the future, and one of the easiest tools with which to belabour corporations and brands. This superficial economics, it seems, leads to childish, lowest-common-denominator politics. It is the politics of the muckraker, from Packard through to Klein. It is a kind of yah-boo populism unrecognised by Thomas Frank.

Second, the focus on children, who are necessarily outside the world of work, confirms that *personal consumption* is the Alpha and Omega not only of brand boosters, but also of brand critics. As Richard Wightman Fox and TJ Jackson Lears pointed out back in 1983, from the mid-century onward, radical social and economic theorists such as Wright Mills, Baran, Sweezy and Marcuse, building on the work of Veblen, viewed consumption 'as a seduction, a form of captivity'. [94] The implicit feeling, in the modern street protester's mind, that *brands = child abuse* is only the most egregious example of a longstanding and general focus, among critics of capitalism, on the 'B2C' dimension of brands.

Love it or loathe it, however, the rise of the brand is in the first place *a symbol of Western society's growing belief that it is a consumer society*. Since the 1980s, when the black and yellow Duracell torch endeared itself to Margaret Thatcher, this has also been true for historians of design. [95] It is also true for brand boosters and critics. Above all, it is true for 'consumers' – insofar as anyone is merely a consumer.

But in order to consume, one must work. So clearly, in the second place, *the brand is the publicly recognised organisation that you are proud or ashamed to work for*. There was a time when there were no convenient general works on the design of the American workplace. [96] Now, however, a corporate brand must be carried through to employees through workplace design – and the results must be published as a branded interior in *Wallpaper*, a mass-selling magazine about consumer lifestyles.

What brand boosters at least recognise, and brand critics tend to forget, is that brands have dimensions to them that go beyond B2C – and even beyond B2E. The famous British economist Will Hutton is clear about this. His point, as a Labour booster of brands, is that they are the opposite of commodities, and that they belong to everyone. He writes:

> 'People dislike the sense that market capitalism is commoditising everything, your holiday, your marriage, your death. And actually what a brand says is, 'Hey, this isn't a commodity. There's an idea in here which is actually independent of the price you're paying.
> 'I PASSIONATELY BELIEVE in stakeholder capitalism.' [97]

The brand is an attempt to transcend market forces and so reach everyone – and in brands, as elsewhere, everyone is a 'stakeholder'. So 'stakeholders' in a business don't just embrace consumers and workers. They also include suppliers and those customers that are not consumers – distributors, for example. In the

93 Vance Packard, *The hidden persuaders,* British Edition, Longmans, 1957, p159.
94 Editors' introduction to Richard Wightman Fox and T J Jackson Lears, eds, *The culture of consumption: critical essays in American history*, *1880-1980*, Pantheon, 1983.
95 See for example Edward Lucie-Smith, *A history of industrial design*, Phaidon, 1983, p117; Stephen Bayley, ed, *The Conran directory of design*, Conran Octopus, 1985; Lisa Phillips, ed, *High styles: twentieth-century American design*, Whitney Museum, New York, 1985. See also Bayley, *Taste*, Faber, 1992.
96 Spiro Kostof, *America by design*, OUP, 1987, p357.
97 Will Hutton's vision, in Clifton, op cit, p11.

third, 'B2B' dimension of brands, therefore, the brand is, *to suppliers, a symbol of a reliable business customer and, to corporate purchasing departments, of risk-free product and service supplies*.

In the fourth, 'Business-to-Shareholder' (B2S) dimension, the brand, because it represents a more or less reliable claim on future revenues, can *inflate market capitalisations*. Finally, as Microsoft, Ford and Bridgestone and Equitable Life all know to their cost, a brand, whether it likes it or not, has *a relation with ethics, community, civil society and with Government*. There is a B2G dimension to brands.

Altogether, when we look at the brand across each and all of these five dimensions, it is clear that *all the special magic that causes boosters to make a fetish out of brands is by no means a natural characteristic of them*. The boosters' beloved 'intangibles' have nothing to do with the red in Coca Cola and in Virgin, or the smile on the face of a McDonald's crew member. The apparent power of a brand's intangibles to generate brand equity, in dollars, on the stock market, flows not from the occult characteristics of its logo or its shop staff or even its three-day rock concert. *The brand has become a social power because it is, as the boosters say but do not understand, indeed a relationship. Indeed, there are five dimensions to that relationship*. For 'the consumer', the worker, the businessman, shareholder and regulator, each brand must nowadays be zesty, colourful and increasingly experiential. But each brand has this power because, for these five constituencies, *the brand is a materialisation of today's social relations of production*. The Russian Marxist II Rubin wrote:

> 'Since the possession of things is a condition for the establishment of direct production relations among people, it seems that the thing itself possesses the ability, the *virtue*, to establish production relations. If the given thing gives its owner the possibility to enter relations of exchange with any other commodity owner, then the thing possesses the special virtue of exchangeability, it has "value". If the given thing connects two commodity owners, one of whom is a capitalist and the other a wage labourer, then the thing is not only a "value", it is "capital" as well. If the capitalist enters into a production relation with a landlord, then the value, the money, which he gives to the landlord and through the transfer of which he enters the production bond, represents "rent". The money paid by the industrial capitalist to the money capitalist for the use of capital borrowed from the latter, is called "interest".' [98]

Today, we might add:

> 'If the consumer owner of a credit card, the worker owner of his labour-power, or the supplier/buyer organisation are subjectively prepared to pay extra or make special sacrifices for a corporation's brand(s), then three things follow. The value, the money, paid or foregone is named "brand value". Shareholders then interpret it as a claim on future revenues, a net present value or "brand equity". Finally brands in sectors as varied as utilities, petrol and mobile phone networks find themselves subjected to what are in effect a government cut on these future revenues. In this case the value paid is re-branded as nothing to do with brand equity, but rather as "green taxes", "windfall taxes", "selling off the radio spectrum" and so on.'

Rubin ends, and the italics are his,

> *'Every type of production relation among people gives a specific "social virtue", "social form", to the things by means of which determined people enter into direct production relations.'* [99]

Branded products and services cannot just be sniggered at as logos. In 2001, brands detain more people than ever before because, as material displays, as billboards and buses and banner ads on the Web, they very strongly encapsulate today's real and very specific social relations. Staying with the West for the moment, let's look at the five dimensions of those relations in more depth.

Consumers; or, rather, workers owning pay packets. 'The consumer' has no independent existence. Since the millennium, rising US consumer expenditure has in fact coincided with collapsing capital expenditure. But until very recently, *consumer confidence* was the one factor thought likely to rescue

98 II Rubin, Chapter 3, 'Reification of production relations among people and personification of things', *Essays on Marx's theory of value*, Black and Red, Detroit, 1972, p21.
99 Ibid.

America from recession. When the German pays a premium for BMW, and the Briton an even bigger premium, it is not because different amounts of labour effort went into each car. People pay extra for a brand because they find a genuine extra utility, if an intangible one, in purchasing and owning it. This is not exploitation, but follows from the divergence between the value involved in making a product and the price paid in the marketplace for it – a divergence that is given within capitalism. It does however open up the more notorious premium-chargers to attack from consumer organisations, anti-capitalists and governments. That is why CBI feels so aggrieved about the DTI's 2000 campaign against 'rip-off Britain'.

Workers who are 'passionate' about their company's brand. In the B2E context, there is only one thing to do about brands – defend them and be passionate about them, especially if you are in the marketing department. Some management commentators now think it impossible to get *employee loyalty*, but possible to get *employee passion* while workers stay. If the brand can inspire longer or more committed work for the same pay, that is a valuable sacrifice as far as the corporation is concerned.

Klein rightly notes the prevalence of unpaid internships and worthless profit shares and share options. [100] Workers may also work harder for less if their brand 'pays' them back in kind, via more playful workplace environments, etc. In Britain much of the long hours worked are worked voluntarily and for free.

All these things represent pay foregone. But the brand's future revenues do not depend on these more blatant divergences between the value added by, and the wages paid to, the worker. They depend, rather, on a more fundamental disparity: that between the value of the worker's labour-power and the value created by the exercise of that power. The disparity leads to the production of a surplus value, or profit.

B2B: 'Our clients include…' / 'Nobody ever got fired for buying IBM'. Every supplier – marketing services companies certainly not excluded! – wants to boast about which blue-chip brands it does business with. Every supplier will therefore cut prices and make other sacrifices if, in his portfolio of branded clients, such habits build his brand.

On the other hand, it has for some years been fashionable among corporate purchasing departments to avoid choosing the cheapest supplier and instead pay a premium ('best value', in the case of government purchasing departments). That this speaks of a new consciousness of the *risk* that surrounds management of the supply chain was recognised as early as 1995 by one of the best commentators on B2B branding in the USA, Chuck Pettis. Writing of the high-tech capital goods bought by companies nowadays, Pettis noted:

> 'Reliability means no hassles in how the product operates (no breakdowns), saving time and money' eliminating maintenance frustration, creating happy users… users feel they've made the right decision and don't feel open to criticism. That means that users don't associate stress with the product and feel more comfortable about their job or task, enabling them to feel like they're doing a better job. The values that these might bring to the individual [purchaser/user] are self-actualisation, self-esteem, satisfaction in a job well done, and job security.' [101]

It was Maslow who, in the unread bible of post-war marketeers, distinguished between the higher needs of man, for self-actualisation and self-esteem, and the lower, 'safety needs' of man – whose 'whole organism' he described as a 'safety-seeking mechanism'. Unlike his vulgarisers, however, Maslow was anxious to observe that the hierarchy he posited was 'not nearly as rigid as we may have implied'. [102] He was right. In selling GE power equipment or Nokia phones to business buyers, Pettis makes clear, the B2B brand manager must appeal both to the buyer's vanity, and to his fear of losing his job.

Shareholders: brand equity as fictitious capital. The equity attributed to particular brands is only one aspect of a general, late-20th-century divergence between corporate book values and corporate market capitalisations. Early in 2001, JDS Uniphase declared a $50bn loss – the largest in history. Its share price then began to return to something realistic. The enormous overhang turned out to be fictitious capital. It had nothing to do with the firm's opaque brand name or its exotic optical fibre, and everything to do with investor illusions in the information revolution and the subsequent collapse of the whole IT sector.

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100 Klein, op cit, pp244-5.
101 Chuck Pettis, *Technobrands: How to Create and Use Brand Identity to Market, Advertise and Sell Technology Products*, American Management Association, 1995, pp126-7.
102 Abram Maslow, 'A theory of human motivation', *Psychological Review*, September 1943.

Government regulators. In management circles there is widespread anxiety about litigation and the risk of losing the public reputation of a brand. The Railtrack brand, for example, is inseparable from these considerations and shows very quickly how what begins as consumer distaste for a brand ends in state intervention around it. More and more companies therefore boast not just 'investor relations' departments and sections of their websites, but specialists in government relations.

Let's now see how Klein's political economy of brands squares up with ours.

Brands vs innovation

We already remarked that Klein believes that brands rule, even if she disapproves of this. Now we can see that, for Klein, the prominence of the brand today has nothing to do with the way brands form only the latest materialisation of capitalist social relations – and, ironically enough, one that is always talked up in terms of immaterial 'experiences'. The social power Klein attributes to brands is one consistent with her economic determinism: it is simply the profitability brands have gained through gouging workers, citizens and consumers in a 20-year Reaganisation of the American economy. *The brand is seen as evidence of capitalism's strength, not weakness.* Its past and enduring association with the backwardness of Western Europe's economies, as we have seen, is forgotten. More generally, *the brand is not seen as the indictment of capitalism it really is, in its role as a substitute for genuine innovation and progress in products and services.*

For Klein brands can work wonders. Firms that invested more in brands and ads during the recession of the early 1990s 'exited the downturn running' – just as the admen had predicted, Klein tells us. [103] What's more, as brand costs go up, so do profits, as workers and their wages go down. Mass layoffs, Klein argues, were once presented as an unfortunate necessity, but are now hyped as

> 'simply savvy shifts in corporate strategy... pledges to increase revenue through advertising spending, with executives vowing to refocus on the needs of their brands, as opposed to the needs of their workers'. [104]

But mass redundancies are very much presented as an unfortunate necessity nowadays. The *Wall Street Journal*, indeed, spent much of the summer of 2001 advising execs how to fire people more sensitively than by e-mail, how to give them 'outplacement counselling', etc. Nor is it true to say that the US advertising industry has enjoyed an 'astronomical' rate of growth, from $50bn in 1979 to nearly $200bn in 1998. It is unlikely that Klein's figures are in constant dollars; and even if they were, over nearly 20 years a four-fold increase is by no means astronomical. [105] America spends much more than $200bn on defence, health care, energy and many other things.

Where the figures are more astronomical is in comparison to US business investment. As Anatole Kaletsky has pointed out, in Japan and the four leading economies of Europe, gross fixed capital formation as a percentage of gross domestic product was, in the 1990s, 'exceptionally low by historic standards'. Likewise, apart from corporate purchases of fast-depreciating information processing and software, every other category of US investment 'has actually been lower recently than at almost any time in the past four decades'. [106] By the second quarter of 2001, venture capital investment in US companies plunged from $24 billion to $8 billion, raising serious fears that the pace of innovation in America would be slowed as a result. [107] There is a clear tendency, in the West, to replace R&D with branding.

In this anti-innovation context, brand protection and patent protection by legal means, plus competitor intelligence by illegal means, are much more immanent within the branding concept than any Kleinian threat to creative expression or civil liberties. In September 2001, P&G agreed to pay Unilever millions of dollars for using a Vietnam vet to go 'dumpster diving' around Unilever's rubbish for secrets that would help P&G shampoo brands such as Wash & Go, Head & Shoulders, Pantene and Vidal Sassoon. As *The Times* rightly commented,

> 'Given the fortunes that groups such as Procter & Gamble spend on product development, having to resort to raiding rivals' dustbins is a poor reflection on their own R&D departments.' [108]

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103 Klein, op cit, p15.
104 Ibid, p199.
105 Ibid, pp8, 11.
106 See Anatole Kaletsky, 'Mood of consumers holds the key to investment', *The Times*, 14 August 2001, p18.
107 Paul Abrahams, 'Venture funds turn back on US companies', *Financial Times*, 14 August 2001, p1.
108 Patience Wheatcroft, 'Commentary', *The Times*, 28 August 2001, p51.

We can put our argument about branding as inimical to innovation in a different, historical way.

As late as 1959, it was still possible to write articles in the *Harvard Business Review* about the functional features of a product, as distinct from the 'values' and 'personality' evoked by it. [109] That was not surprising. GM's new 6 litre V8 Cadillac, the Eldorado Brougham, designed by Harley Earl and launched in 1957, had been plagued by reliability problems and had only sold 900 units. More notoriously the Ford Edsel, launched in 1958, showed that the world's most market-researched car was a disaster: production stopped, with a loss of $350m, in 1960, after only 76,000 were sold.

That same year, however, one of the founding fathers of post-war marketing, Theodore Levitt, came to its rescue. He shifted its focus from *market research* – which could at least point the way toward genuine improvements in features and benefits, no matter how much it had been denigrated by Packard and discredited by Ford – toward *marketing management*. Denouncing corporations for their neglect of marketing, Levitt warned of the 'dangers' of doing too much R&D. He concluded:

> 'the organization must learn to think of itself not as producing goods or services but as *buying customers*…' [110]

Business was not about what you made, but about how you marketed it. Indeed Levitt insisted that the 'genius' of Henry Ford had always been not in production, but in marketing.

Vance Packard picked up the scent quite quickly. In his famous *The wastemakers* (1963*)*, Packard registered marketing's turn from genuine technological improvements in products to other means of managing consumer markets that were 'saturated'. Those other means, he felt, were deliberately *planned obsolescence* in product quality and product desirability. Although there was precious little evidence for the involvement of either marketeers or designers in planned obsolescence, Packard's book emboldened consumer advocate Ralph Nader and intermediate design guru Victor Papanek for many years. [111]

It took nearly two decades for Levitt to recover from Packard. Then, in 1980, he argued that the key to commercial success was neither the 'enormous visibility' of a company's advertising (the thing that Klein still fastens upon), nor its 'presumed generic product uniqueness' (the thing brand boosters often like to tell us). The 'differentiation' that was important was not in the product, but in the marketing process, in the management of distributors. [112] By 1983 Levitt's 'marketing imagination' meant remembering Charles Revson's famous slogan for Revlon: 'In the factory we make cosmetics. In the store we sell hope'. Management was not about making a better lipstick or improving productivity in the factory. It was about marketing relationships with retailers. It was about how consumers didn't so much prefer brands as buy them to reduce risk, or to seek 'comfort and reassurance and even flattery'. [113] It was about relationship management after the sale was over, and about how ads worked wonders for people who had already bought the brand. [114] There was, a seminal 1983 article by Levitt maintained, merit in 'the ideal' of innovation, but the chief merit of technology lay in 'shaping the world's preferences into homogenized commonality – into global standardisation'. [115]

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109 John Stewart, 'Functional features in product strategy', *Harvard Business Review*, March-April 1959.
110 Theodore Levitt, 'Marketing myopia', *Harvard Business Review*, July-August 1960.
111 See Nader, *Unsafe at any speed*, and Papanek, *Design for the real world*, 1973.
112 Levitt, 'Marketing success through differentiation – of anything', *Harvard Business Review*, January-February 1980.
113 Levitt, *The marketing imagination* [1983], expanded edition, Free Press, 1986, p128, 221.
114 Levitt, 'After the sale is over', *Harvard Business Review*, September-October 1983.
115 Levitt, 'The globalisation of markets', *Harvard Business Review*, May-June 1983.

Superstars as brands

Klein often shows an intellectual debt to the guru of American entertainment consultants, Michael Wolf. She quotes him approvingly:

> 'Brands and stars have become the same thing.' [116]

But it is one thing to describe the way in which, as we have already seen, celebrities have become brands. It is another to explain it.

Why is it that Bill Gates personifies the Microsoft brand, as much as Phil Knight personifies Nike ? The answer is that each represents a managerial stewardship of, and thus a partial guarantee of, future revenues. When Bill or Phil are said to be 'worth' billions, that is because they own titles to future revenues. When they have their health insured for squillions, that is because their ill-health is felt likely to jeopardise those revenues. It is not the intellect or charisma of CEOs that turns them into 'superstar' brands, nor even their money, but their role as the personification of things. Here the existence of things with a determined social form, namely branded products and thus brand equity, enables its owner to appear in the form of the branded leader, and to enter concrete production relations with other people – with investment bankers, judges, etc. [117]

The only thing to add here is that, historically, it was of course the Hollywood star system in the early twentieth century that first consolidated the branded person as a claim on future revenues. And it was clear then that, if you were past your peak as a star, those revenues would diminish. Klein argues that, nowadays,

> '...everyone has his or her own branded restaurant – from Jordan to Disney to Demi Moore to Puffy Combs and the supermodels.'

But by the summer of 2001, Planet Hollywood and all the rest of the celebrity nightspots had collapsed. If, even in celebrity-conscious Asia, you are over-exposed as a star, again your stock can fall. As the *Wall Street Journal* reports:

> 'When Levi Strauss & Co. chose Takuya Kimura to promote its Engineered Jeans, the company bet $7 million that the Japanese pop star was its ticket to big sales in Asia. Unfortunately, about two dozen other companies [incl Kirin, Suntory, Toyota] had the same idea.'
> 'Celebrity saturation is spurring a backlash among companies. The number of Asian commercials featuring celebrities has dropped to 10% from 50% since the fourth quarter of last year.' [118]

As Lord Simpson of Marconi has found out in the world of B2B, yesterday's branded celebrity CEO is today's busted flush.

116 See Michael Wolf, *The entertainment economy*, 1999 p47 and p49:
117 The argument follows Rubin, op cit, p22.
118 Amy L Webb, 'Asian celebrity pitches cause confusion: multinational firms get burned as overexposure of stars blurs consumers' recall of advertisements', *Wall Street Journal Europe Media and Marketing*, 24-25 August 2001, p21.

The race toward weightlessness and the annexation of everything

The boosters' confidence in brand intangibles does not sit well with anti-capitalists. Klein, for instance, indicts multinationals for producing not things, but *images* of their brands, for competing in a 'race towards weightlessness'. [119] In this schema, firms stop spending on factories, machines or employees and instead spend money on marketing, as well as mergers and acquisitions, directed at *synergies* – that is, at brand extensions: channels of distribution and entertainment that will allow them to 'get their brands to the people'. [120]

It was in fact Alan Greenspan who first suggested that the US economy was moving toward weightlessness; he felt it a good thing. But to believe that it is really 'divestment of the world of things' that drives the accumulation of capital is to dignify the flight from manufacturing into services with the status of a natural-physical law. This will not do: Jonathan Gershuny showed long ago that a manufactured product – the washing machine – sealed the fate of public launderettes. [121]

Corporations of all kinds do experiment, Klein says, with the 'much-coveted role' of being *content providers*, using MTV as the 'model' for 'medium-as-brand'. [122] And by bundling Internet Explorer software within Windows, she says, Microsoft 'takes synergy to the extreme of monopoly. It ensures that consumer choice 'is at its most rigidly controlled and consumer power at its feeblest'. [123] As a result, IT corporations are betraying 'the central promises of the information age: the promises of choice, interactivity and increased freedom'. [124] But for Klein, *retailers perform the biggest crimes in the West*. Out-of-town big-box franchisers like Wal-Mart models erode the market share of independent retail operators by price-wars and private labels, while in-town chains like Starbucks, McDonald's and Gap do the same by surrounding independents with aggressive clusters of their own stores. [125] Virgin shows that

> 'extensions are the foundation upon which entire corporate structures are being built. Synergy, Branson suggests, is about much more than old-style cross-promotion; it is about using ever-expanding networks of brand extensions to spin a self-sustaining lifestyle web...' [126]

Branded loss-leading superstores have spread from Disney (1984) to the Discovery Channel (1996); they are terribly destructive of town centres. [127]

Klein's vulgar political economy makes her reserve page after page for Shell's record with Brent Spar and in Nigeria, but whole chapters for the lowest common denominator target of Western NIMBYism: *shops*. For her brands represent the physical annexation of the environment in general and of urban space in particular. Not content with this, Klein castigates brands for annexing time and culture as well:

> 'With the tentacles of branding reaching into every crevice of youth culture, leaching brand-image content not only out of street styles like hip-hop but psychological attitudes like ironic detachment, the cool hunt has had to go further afield to find unpilfered space and that left only one frontier: the past.' [128]

119 Klein, op cit, p4.
120 Ibid, p196.
121 Jonathan Gershuny, *Social innovation and the division of labour*, OUP, 1983.
122 Klein, op cit, pp43, 44. Compare James Woudhuysen, 'The battle for the living room', *Design Management Journal*, Volume 7, Number 4, Fall 1996.
123 Ibid, p160. Compare Walter S Mossberg, 'Microsoft taints new Windows XP with self-promotion, *The Wall Street Journal Europe Networking*, 20 September 2001, p21.
124 Klein, op cit, p164.
125 Klein, op cit, pp140, 141.
126 Ibid, p148.
127 Ibid, pp149-51,158.
128 Ibid, p79.

For Klein, brands are not the materialisation of current-day capitalist social relations, but about *pilfering, plunder, and being in your face.* This is not political economy, but impressionism. As somebody once said, imperial rule cannot be reduced to colonial annexation. [129]

129 V I Lenin, *Imperialism, the highest stage of capitalism*, 1916.

Peripheral McJobs in the West, Export Processing Zone jobs in the East

To conclude, let's review Klein on what ought to be and is her strongest point – jobs. It ought to be her strongest point because, while she is fascinated with brands ripping off consumers and brands censoring citizens, at least in the workplace she draw closer to the most important transaction under capitalism: the exchange of labour-power for variable capital. It is her strongest point because the conditions faced by workers both in the West and in the East remain, for many, pretty poor.

Once again *Klein latches on to the excesses of capitalism and magnifies them, in populist style, in a way that fails to take account of its all-sided development*. She is right that, in the West, many branded retail and service employers tend to view their employees as children: as 'students looking for summer jobs, spending money or a quick stopover on the road to a more fulfilling and better-paying career'. She is right that they offer hobby jobs for kids and pay the legal minimum wage or slightly more, even though the average wage for retail workers is several dollars higher. [130] She is right that many manipulate the very meaning of 'part-time'; that Starbucks and Wal-Mart are masters of the art of 'supple scheduling', and that to be a 'free agent', as Tom Peters suggests, only works for those high up the income scale. [131]

But she is wrong to see profits being 'funnelled' into 'compulsive expansion', with the result that 'Employee wages, meanwhile, stagnate or even decline'. She is wrong that the brand's fundamental dynamic of the labour market is to outsource temporary workers (who often work for more than a year) to Manpower, outsource entire functions and divisions to others, and build two-tier workforce like Microsoft. [132]

It is not a few retailers' expansion of bricks-and-mortar outlets that absorbs their profits and thus drives wages down. Expansion should allow economies of scale to be reaped in plant and capital equipment – in part, through consistent retail design, McDonald's-style. It also sets in motion more profitable workers. Other things being equal, we might expect expansion to allow the capitalist to raise profits and pay higher wages. Certainly profits and wages need not always move in opposite directions, as vulgar economy and Naomi Klein suggest. Thomas Frank may even be right to suggest that 'one of the hallmarks of the "New Economy" was a vastly enhanced arsenal of techniques for keeping wages down'. [133] But undue attention to wages, in what Klein rightly observes has been a period when unemployment has been at record lows, is a mistake. Klein is much nearer the mark when she writes

> 'People are experiencing less stability even in the very best of economic times – in fact, these good economic times may be flowing, at least in part, from that loss of stability.' [134]

Too right! *Perceived* job insecurity has made the workforce a more malleable quantity as far as employers are concerned. But in the UK at least, that says more about the subjective politics of workplace risk today than it does about the objective economics, say, of shorter job tenure.

Frank, at least, has a glimmering that, as he puts it, in addition to being mediums of exchange, markets are mediums of *consent*. [135] In her economic determinism, Klein only touches on this:

> 'Temps, part-timers, the unemployed and those who have opted out of the labor force entirely – some because they don't want to work but many more because they have given up looking for jobs – now make up more than half of the working-age population.' [136]

Even if it was possible to accept Klein's very familiar 'core-periphery' model of Western labour markets, the millions of workers in the West who 'don't want to' or 'have given up looking for' work say something about politics today. They cannot just be explained away by repeated reference to the retail sector and the McJobs that exist there. In manufacturing, too, there have long been and there still remain millions of McJobs. Klein is a romantic sympathiser of North America's old, blue-collar working class – which never had a job for life and was never paid that well.

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130 Klein, op cit, p232, 233, 236.
131 Ibid, pp243-4, 254
132 Ibid, pp239, 247-8, 249-50.
133 Frank, op cit, p9.
134 Klein, op cit, p261.
135 Ibid, pxiv.
136 Ibid, p274; see Table 11.6, p273.

Klein's romantic, trade union view of Western workers gets worse when she turns to the East. For Klein, the worldwide attack on jobs and income levels is probably not the most serious corporate crime, for it is, in theory, not irreversible. Far worse, in her view, are the crimes corporations commit 'against the natural environment, the food supply and indigenous peoples and cultures'. [137] It is Third World nature and ethnicity, not Third World jobs, which get the first priority for Klein.

Insofar as jobs *are* important in the Third World, multinationals are for Klein 'bargain hunters in search of the best deal in the global mall... with specific instructions about made-to-order design, materials, delivery dates and, most important, the need for rock-bottom prices.' [138] So they drive wages down. At a McDonald's near Kaho, Jakarta, workers find Macs to be 'squarely out of their price range'; in China, sub-living wages are paid 'through the mechanics of subcontracting'. Above all, government reluctance to enforce labour legalisation means workers can barely feed themselves, 'let alone stimulate the local economy'.[139] Demographic, working and political conditions are shocking. [140] New Third World jobs are only temporary posts in 'informal' sector of lower wages and worse conditions. In clothing and footwear, the International Labour Organisation discovered in 1996, homework and small shops are prevalent. [141]

In the best traditions of Richard Gere, Klein points out that it is China that runs more of the world's 850 Export Processing Zones than any other country. Quoting the dreaded World Trade Organisation, she values the trade issuing from the world's EPZs as $200-250bn. [142] Yet though this is a significant sum for the Third World, it does not amount to much on the world economy as a whole. Nevertheless, for Klein, EPZs deserve further attack: they form a simple target, after all. EPZs are unsustainable, 'so removed are they from the countries that host them'. At Cavite EPZ, south of Manila, factories are cheaply constructed and tossed together on land that is rented, not owned; in general EPZs, all the materials are imported, so 'nothing is manufactured in the factories, only assembled'. [143]

Klein's idea that 'there will always be a country... that is willing to bid lower' for foreign direct investment is similar to Hertz's belief that multinationals like to play 'beggar thy neighbour' and encourage governments to squeeze down taxes and regulatory standards. [144] Once again, the model is profits vs wages; through wage cuts, tax breaks and deliberate environmental myopia, the Third World is just made a basket-case.

Yet since 1973, when Raymond *Sovereignty at bay* Vernon first wrote the book about multinationals running rings round governments, this has been the conventional wisdom – and not only in the Third World. How then can Klein account for the growth in Asian living standards over the past 30 years? Not everyone has been made hungry by multinationals there. What is rather the case is that, especially outside EPZs, industrialised workers in the Third World are better paid, if more exploited, than those still on the land. In the same way, industrialised workers in the West are better paid, if more exploited, than those in the Third World.

Industrial work in the Third World is no picnic. But it is more mechanised than agriculture, and that is a good thing – whatever Klein, quoting the United Nations, may feel. [145] Of course, capitalism distorts the division of labour there. Klein poignantly quotes a 17-year-old girl assembler of IBM CD-ROM drives: 'We make computers, but we don't know how to operate computers'.[146] But as Marx once told Sismondi, capital both retards economic development and, at great cost, propels it forward. Assembling computers is a start to knowing how to operate them – no more than that, but no less either.

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137 Klein, op cit, p266.
138 Ibid, p202.
139 Ibid, pxvii, 210, 212.
140 Ibid, pp205, 208, 209.
141 Ibid, p205, 208-210, 218, 219, 222-3.
142 Ibid, pp202 et seq.
143 Ibid, pp205, 206, 225.
144 Ibid, p210, and Noreena Hertz, *The Silent Takeover: global capitalism and the death of democracy,* Random House, 2001.
145 Klein, op cit, p197.
146 Ibid, pxvii.

From the past to the future

Locomotive, Gilded Age, Culture Jamming

Long, long ago, Leo Marx showed how some of America's most respected writers – Cooper, Thoreau, Melville, Faulkner, Frost, Hemingway – had written about withdrawing from society into an idealised, pastoral landscape. But while Nathaniel Hawthorne's Sleepy Hollow had in 1844 been pierced by 'the long shriek, harsh, above all other harshness' of the locomotive, at least it was not a branded locomotive. [147] By 7 May 1897, however, J Pierpoint Morgan had won control of the Northern Pacific line. [148] Trademark registration boomed. The brand was born.

As Richard Hofstadter wrote in his classic history of Populism and Progressivism during the 'good years' of the late 19th and early 20th century, it took the development of trusts like Morgan's for the Progressive case to solidify. That case, led by Woodrow Wilson,

> 'was not confined to economic considerations, nor even to the more intangible sphere of economic morals. Still more widely felt was a fear founded in political realities – the fear that the great business combinations, being the only centers of wealth and power, would be able to lord it over all other interests and thus to put an end to traditional American democracy.' [149]

Klein presents her case as new. To a large degree it is not. But she does hint at what *is* new about the anti-capitalists today. In 1960, she points out, the NAACP lobbied US cigarette companies to employ more black models in their ads. By 1990, however, a church-based movement in several American cities 'accused these same companies of exploiting black poverty by target-marketing inner cities for their lethal product. In a clear sign of the times, attention had shifted from who was in the ads to the products they sold'. *What had been a dispute about employment discrimination became a dispute about ethical marketing.*

For Klein the 'ID warriors' of the 1980s and 1990s, and the Political Correctness 'wars' that began at US universities in 1991 were a further sign of the times; indeed, they had a 'transformative' impact. [150] But 'many of our demands for better representation,' she admits, were 'quickly accommodated by marketers', even if, as ever, 'the shift in attitude was not the result of a mass political conversion but of some hard economic calculations'. [151] Thus:

> 'For a generation that grew up mediated, transforming the world through pop culture was second nature. The problem was that these fixations began to transform us in the process... any movement that is about fighting for better social mirrors is going to eventually fall victim to its own narcissism.' [152]

Klein bears the mark – bears the brand, indeed – of a love/hate relationship with Political Correctness. As she puts it,

> 'This isn't a P.C. *mea culpa* – I'm proud of the small victories we won for better lighting on campus, more women faculty members and a less Eurocentric curriculum.... But our criticism was focused on the representation of women and minorities within the structures of power, not on the economics of those power structures....The basic demands of identity politics assumed an atmosphere of plenty. In the seventies and eighties, that plenty had existed.... [in] the New Economy nineties, however, women as well as men, and whites as well as people of color, were now fighting their battles over a single, shrinking piece of the pie... to address the problems at the roots of "classism" we would have had to face up to core issues of wealth distribution….

147 Leo Marx, *The machine in the garden: technology and the pastoral ideal in America*, OUP NYC, 1967, pp10, 13.
148 Matthew Josephson, *The Robber Barons*, Harcourt, Brace and Co, 1934, p440.
149 Richard Hofstadter, *The age of reform from Bryan to FDR*, Vintage Books, 1960, p227.
150 Klein, op cit, pxix.
151 Ibid, pp110-111.
152 Ibid, p109.

> 'The abandonment of the radical economic foundations of the women's and civil rights movements by... political correctness successfully trained a generation of activists in the politics of image, not action.' [153]

But what were 'the radical economic foundations of the women's and civil rights movements'? Regressing to her childhood and the 'vanguard feminist-socialist child-rearing experiment' of the 1960s, Klein remembers that she 'couldn't understand why my parents were so upset' about the jingles from television commercials. 'Now', she adds, 'I've come to feel their pain'. [154]

Anti-capitalism as vanguard of the therapeutic state

'The most powerful political forces in our society', Klein writes, 'are as likely to be multinational corporations as politicians'. [155] Klein misses how the rise of the multinational corporation and of the brand 100 years ago prompted, in the realm of consumption, what Jackson Lears has called anti-modernism, a therapeutic view of the world, and a resort 'to bed' with 'nervous prostration – the disease of the age'. [156] She misses how a similar but much more dangerous trend toward therapy is alive and well in the brandscape of today. According to Howard Schultz, chair and CEO of Starbucks Coffee Company, 'Starbucks has become the "third place" between home and work… a gathering place…. An extension of people's front porch.' [157] The future agenda for brands sketched out by Rita Clifton is worth quoting in full:

> 'One role for brand experts over the next 25 years may be to continue the evangelism about the power and real value of brands to make beneficial contributions to people's lives professionally, personally and to society in general…
> 'The most widespread concerns for the future are over inequalities in society – both at the national and international level. Many contributors paint a nightmare scenario where a "fast track" developed world begins to exist in a "drawbridge society", separate from an increasingly alienated (and armed) developing world.
> 'Against this, the hopes for society are about freedom and individual empowerment through information, education and knowledge. Also, about the importance of passion, humanity, benevolence and social responsibility shown by business, to all its stakeholders, above and beyond the profit motive.
> '… [T]he most fertile areas for great brand development appear in: *personal information management: health and well-being* (both in personal fitness and more holistic, "alternative" forms); *leisure, hospitality and entertainment*, born from the need to "retreat" and repair from stressed-out lives; the 'new' sciences of genetics and biotechnology; and last but not least *education* for a new generation of world citizens.
> 'Overall, there is a strong sense of the potential for life-editing and life-simplifying brands…. Brands have the potential relationships to gain *share of mind* rather than just *share of shelf*….' [158]

But who is really going to deliver all this holistic health and education, if not the state? Thomas Frank, for one, is very clear about this. He writes:

> 'What we must have are not more focus groups or a new space where people can express themselves or etiquette lessons for executives but some countervailing power, some force that resists the imperatives of profit in the name of economic democracy. That is, after all, precisely what the original Populists had in mind. [159]

153 Klein, op cit, pp122, 124.
154 Ibid, pp144-5.

155 Klein, op cit, p178.
156 T J Jackson Lears, *No place of grace: anti-modernism and the transformation of American culture 1880-1920*, Pantheon, 1981, p49.
157 Clifton, op cit, p3.
158 Ibid, ppxiii, xv.
159 Frank, op cit, pvii.

What does Frank mean by 'some countervailing power'? He means, following J K Galbraith, a strong labour movement and a more interventionist state. [160] And what does Klein mean? She means high-school kids, who 'have a more realistic grasp of the absurdities of branded life' than adults. She means Reclaim The Streets, a movement 'just playful and ironic enough' to give people in their teens and twenties a 'first opportunity to reconcile being creatures of their Saturday-morning-cartoon childhoods with a genuine political concern for their communities and environment'. She means, too, that 'global labor and environmental standards should be regulated by laws and governments'.[161]

It's nice to know that anti-capitalists have our best interests at heart.

160 Ibid, p18.
161 Klein, op cit, pp 61, 437.