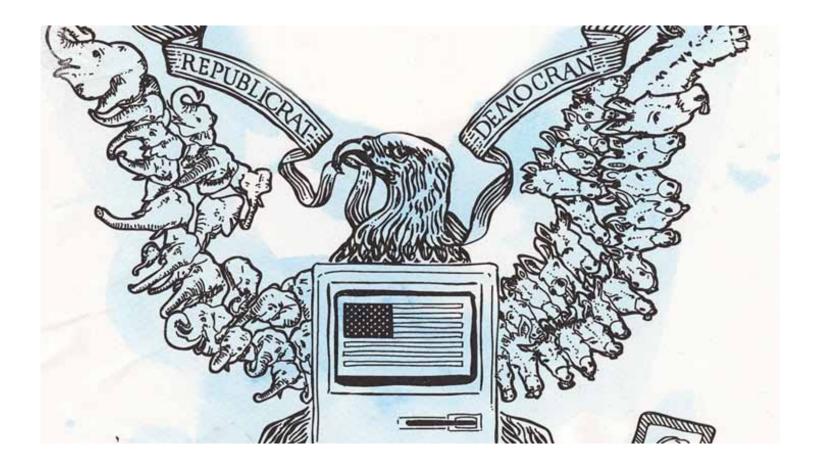


State of the (dis)Union: BrandArchitecture, Storytelling, and Election 2012

 ${\bf Interbrand\ IQ:\ The\ Political\ Issue}$

Peter Cenedella Associate Director, Verbal Identity, Interbrand New York



The United States of America is many things: a sovereign nation, a collection of individuals and a mosaic of diverse cultures trying to come together (and succeeding with surprising regularity). It's a \$15 trillion economic engine, an innovator in industry and an \$11 trillion debtor. It's also an international military power — depending on where you stand, a force for democracy and free markets, an invader of nations, a steadfast ally or a tough negotiator. It is all this and

more. And one other thing: The United States is, undeniably, a global brand — a complicated, fascinating brand that is woven into the fabric of pretty much every life on the planet.

BRAND IDENTITY, NATIONAL IDENTITY

At Interbrand we believe in a definition of brand that transcends the products you sell or the logo you lead with. Brand is the identity at the heart of an entity, its very core. All other factors being equal, brand will elevate one product over another to win the allegiance of the consuming public. Interbrand has been instrumental in pioneering an understanding of brand as the holistic identity of an organization, the way it speaks and moves in the world, what it says and how it behaves

The stronger brands can drive people's loyalty and ultimately command a premium in the marketplace. When it comes to a nation like the US, the analogy would be the degree to which its brand wins over hearts and minds, driving people's allegiance domestically and, in the global arena, creating a sense that this is a nation with ideas and attitudes worth emulating, products

worth purchasing and ideals worth enshrining. This has often translated into democratic movements, open markets and a passion for American products, symbols, and cultural artifacts, from our movies and our music to our fashion and our fast food.

The irony of branding is that for any organization to maximize its commercial success, it must ultimately find its heart and soul — the higher reason it bothers to bring its goods to market. For Nike, it's the belief that "If you have a body, you're an athlete." That simple, potent notion has driven not just industry leadership in the sneaker trade, but a profound, empowering shift in cultural norms and attitudes about fitness, body image, sports, and personal motivation. In the Middle East, Dubai has aggressive plans to host the largest airport in the world. Airlines in the United Arab Emirates have recently become the best clients for aerospace manufacturers — recently placing an \$18 billion order for Boeing 777 aircrafts to expand its fleet.

Starbucks found its purpose not simply in a cup of coffee, but in the insight that people's complicated lives required a "third space" away from the rigors of work and the demands of family—a place where socializing and "me time," where music and a moment to savor, could help us rejuvenate and recharge. Starbucks sells more coffee than Peet's not so much because of what's in the cup, but the context that surrounds it: the brand.

There may be athletic shoes that fit you better or perform just as well; there might be coffee you would prefer in a blind taste test. But the success of Nike and Starbucks attest to the power of brand to elevate a product because it is carried aloft on the arms of something more important: an idea.

So what is the idea behind Brand America?

Every four years we have an intriguing, messy public argument about that very question. Centuries before social media, Americans found any platform, from midnight rides and town criers to massive, hand cranked Guttenberg printing presses, to have an ongoing discussion about what the brand idea at the heart of America really is. We have been inventing and arguing about this in inky broadsheets and village squares, in books and newspapers and over the airwaves, on TV and the internet, for centuries.

That season is upon us again, big time. On the eve of the 2012

presidential election, Brand America, is seemingly ailing. In this article and the series that follows, we at Interbrand cast an eye over the political brandscape, and try to assess the strength of this venerable, vital brand.

BRAND ARCHITECTURE AND THE CORPORATE NATION

The United States is, not coincidentally, structured much like a corporation. After all, the nation rose along with the corporation, and is an expression in many ways of the

Starbucks sells more coffee than Peet's not so much because of what's in the cup, but the context that surrounds it: the brand.

mercantile experience and the Enlightenment ideas that gave rise to early corporate ventures. The American colonies were a crucible for much of the artisanal capitalism that has informed the growth of small business, as well as the home of great port cities where capital accumulated and the corporations grew dominant. Our political history and the theory of how corporations can and should work are, safe to say, completely inseparable, like two genetic strands linked in their spirals.

Because the US shares so much of its DNA with the modern corporation, then it stands to reason that a modern view of the structure and role of brand in the life of an organization is highly applicable to the US. It follows, too, that sound brand management, strategic leverage of brand assets and credible migration of brand equities over time — across history — would tend to be critical to the health of the country. Election season 2012 is an opportune moment to examine just how Brand America is doing in the management of its considerable assets.

Brand America has a complex brand architecture that includes at least four classes of distinct and extremely potent sub-brands. Like the regional sub-brands of North and South, Slave State and Free State, that proved irreconcilable in the 19th century, some of these sub-brands have identities and brand ideas so strong that they can, in fact, seem to contradict each other, always threatening to carry the larger masterbrand, and with it the entire organization, into conflict.

First, each branch of government may be seen as a separate business unit, and in fact the founders of this complicated organization were wise enough to build in by-laws, if you will, known to all basic civics class graduates as checks and balances. Hence the executive, legislative, and judicial branches each have a separate identity, calibrated in such a delicate manner that none can dominate the others for long.

Second, consider that the US is also a holding company of sorts that "contains multitudes," as Walt Whitman put it. Brand America, with its many mergers and acquisitions of distinct ethnic groups, can lay a credible claim to being a mosaic of diverse cultures. M&A is in fact an apt metaphor here, as it is the rare M&A venture that runs smoothly. Furthermore, most require a great degree of intentionality and focus, and there are inevitably some casualties along the way.

Brand America's commitment to ethnic dynamism (mergers) and assimilation (acquisitions) is unrivaled, and has provided the basis for much of the nation's health and longevity by constantly replenishing our workforce, our sense of innovation and our PR bona fides worldwide. The halo effect we receive globally as the nation where all classes, colors and creeds come to make something new of their lives and hand something more to the next generation is a part of our brand narrative that serves us well on many fronts.

Third, there are, of course, potent "personal brands" that rise and fall in the life of the larger brand. Lincoln, FDR, JFK and Reagan are four particularly influential examples, though by no means is this category limited to presidents. These personal brands are analogous to game-changing CEOs like Jack Welch or Lee Iacocca, who steer their organizations through treacherous shoals, spin them into new directions or galvanize the workforce and offer clarity and definition.

Then, finally, there's the elephant — and the donkey — in the room: the two sub-brands of the major political parties. As sub-brands, The Republican Party and the Democratic Party have always had their own stories, their own ideas (or ideologies), with whole streams of separate products (policies) cascading from their identities.

FROM DELICATE BALANCE TO DISUNION

There are always internal conflicts within any brand, discussions and differences that serve in part as a motor to drive progress. Debate is healthy, and many board meetings have their share of disagreement, every C-suite home to competing visions. It's when healthy disagreement turns to discord that an organization is in trouble. The larger question for Brand America this election season is whether the fractiousness and disharmony reflects a historic trend away from a single, unifying brand idea.

It could be argued that the genius of Google's brand is how malleable it is, not unlike the adaptable, pragmatic approach that has defined the USA for much of its history.

By now the differences between the parties are all too well-known, and the ad nauseum counter charges ("Treason!" "False equivalency!") echo loudly in the land. Consider: Was there a time when the Democratic brand and the Republican brand, distinctive as they were, both subsumed themselves to the larger Brand America? It's frighteningly difficult to imagine. Were a company to be so riven with internal conflict, it is likely to come apart at the seams.

In fact, from a brand management standpoint, it might be fair to say that Brand America would be a job too tough for even the most savvy CMO. And yet, among the masterbrand assets you'd be in charge of stewarding were you to accept the offer: signal documents of human liberty from the Declaration of Independence to the Bill of Rights; the world's oldest democracy; and ideas that inspired citizens from all over the world across centuries to leave behind everything they've known and take a chance in a strange new land.

The challenge is clear. Brand America, with its unrivaled array of equities, needs an architecture adjustment. As a brand consultancy, we might suggest that the masterbrand has been overpowered by the two sub-brands of the parties. The brand is, therefore, leading with its weakest assets, and allowing its most precious holdings to get lost in the loud and acrimonious public debates.

It's as if Kellogg's were to allow an online flame war between partisans of Corn Flakes and Rice Krispies to overtake the entire product line in he public imagination. When one thinks how ridiculous that would be, then applies that back to Brand America, perhaps we can begin to see just how absurd the present conundrum really is.

BRAND STORYTELLING, NATIONAL STORYTELLING

Quick – name a brand so big, with an array of ideas as vast as its product line, that by its very nature it cannot tell only one story? Extra credit if you can think of one that sometimes contradicts itself.

Google comes to mind, with its try-anything approach and an openness to innovation that often trumps consistency. It could be argued that the genius of Google's brand is how malleable it is, not unlike the adaptable, pragmatic approach that has defined the USA for much of its history. After all, were we not, like Google, a bold and somewhat seat-of-the-pants experiment that took off, an exercise in practical self-determination that tended to downplay ideology for the sake of success?

Even more germane to the current state of Brand USA, Google has a noble creation story involving insurrectionist youths, not unlike the bold American colonists of the 18th century, making the next great power out of pluck and timing — again, a familiar American story. We all know the noble ideal at the heart of Google's brand identity: Don't Be Evil.

The growing pains associated with Google largely amount to the difficulties of maintaining such a noble ideal as you scale up and settle in to a long, competitive maturity. That challenge in many ways comes down to storytelling.

Brand America's once solid storytelling seems strangely frayed and fractious. The messages we broadcast to the world, the voice in which we speak, the visual style we use to represent ourselves and our global strategic policies all seem rife with inconsistencies and internal conflicts.

What's a superpower brand to do?

When Brand America burst on the scene in the 18th century, it had what every brand needs: a great brand idea and a compelling story. The story was one of overcoming the dominant global power, like David beating back Goliath, to establish a new country where the old notions of class and caste would have less sway than the virtues of hard work and determination.

Our brand idea was to transcend the old ideologies of the monarchies from which we sprang, to embrace pragmatism rooted in the Enlightenment, where success or failure was largely in one's own hands. It was a brand vision fueled by abundant soil and plentiful real estate, and a belief in the ever-receding frontier as the crucible in which men could prove themselves.

Neither political party can possibly come up with a story as compelling as that of the larger Brand America. Yet, both have become louder and more insistent than the masterbrand. We once wove a yarn that was as compelling as any creation myth, as inspiring as a hundred Hollywood endings and more powerful than our military. That brand story was about possibility, opportunity, self-creation, and a can-do spirit that transcended the ideological to elevate the outcome. The outcome was simple: success.

Every brand has had a tricky transition to make in recent years to the accelerated, hyper-transparent digital world. Brand America is no different. The Gap's logo debacle, Google's capitulation to Chinese censorship and BP's embarrassing response to the Deepwater Horizon disaster are but three examples of the real-time power of the crowd to pass judgment on brands.

Meanwhile, in the realm of politics, the court of public opinion is always in vociferous session. The 24-hour-a-day news juggernaut leaves a trail of exploded trial balloons and policy positions. Storytelling is not a unidirectional broadcast in 21st-century, post-everything politics any more than it is in the world of commerce.

But to cede the story of Brand America to the sub-brands of the parties is like inviting an ideological spitting match to overtake your living room. It is not lofty, nor is it healthy, and it will ultimately erode the brand.

THE SERIES

With this crisis of storytelling and this broken brand architecture as our backdrop, we invite you to read—and participate in—the series of blog posts and articles that follow. We ask you, in the spirit of democracy and transparency, to share your thoughts and ideas about branding and politics. We'll hear from Digital Verbal Identity Consultant David Trahan on what it means to represent a political brand. What are the new challenges of being the face of an American sub-brand? Brand Strategist Mudi Diejomoah will explore how one might apply brand valuations to candidates and party platforms, including a look at new entrants to the brandscape in the form of third parties. Brand Strategist Mike Leahy will discuss performance vs. perception and brand expectations.

Finally, David Trahan and Verbal Identity Associate Tom Shanahan will explore the way social listening helps us gain insight into the candidates' ability to channel the crowd noise and craft a winning narrative. And stay tuned: After the next president is inaugurated, Trahan and Verbal Identity/Digital Director Nora Geiss will assess the challenging road ahead for the 45th president of not only the United States, but the 45th CEO of Brand America.

