Before you begin:

I cut my branding and brand planning teeth with two of the most acclaimed and time tested branding philosophies of all time – the J. Walter Thompson "Total Branding" and Saatchi "disruption" planning methodologies. These two agencies drove the branding simplicity philosophy into the minds of the brand planning world. The essence of their philosophy was one big idea and a few words (JWT one concise idea and Saatchi three or less) for brand focus. So, this concept of Long Tail economics which will be defined in the paper as it applies to branding and messaging may seem strange coming from someone with my background. Maybe it is simply because of that fact the readers should view the concept more seriously than they may have otherwise. Or possibly you will see the merit in the concept. And it is an absolute truth we all need to embrace change as a wise plan of action.

Regardless, the world is changing and mostly it is changing in a way where we who have the power to create the initial idea for a brand are losing control over the brand – what it will become. While our power of branding was always tenuous the current world and economy is shifting to a place where we can simply influence what a brand will "grow up" to be. With that in mind, the following paper outlines my thoughts on branding.

Bruce McTague

Thoughts on Branding:
An approach to brand-building incorporating the Long Tail concept

By Bruce McTague

Long Tail economics (a short summary)

In the October 2004 issue of WIRED Chris Anderson introduced the concept of "Long Tail Economics." The original WIRED article introducing the Long Tail paraphrased the essential thinking – *"Forget squeezing millions from a few mega-hits at the top of the charts. The future of entertainment is in the millions of niche markets at the shallow end of the bitstream."* This concept certainly challenges the traditional Pareto distribution curve, more commonly recognizable as the 80/20 principle, which suggests that a majority of the sales come from a very few products.

It is true that often a tiny percentage of clients do indeed provide most of an agency's business. In fact, this thought has become so prevalent most people take it for granted that that's how the world is – and is meant to be.

The pre-online music industry is an excellent example. Only a handful of music albums released every year were hits. These were the hits that made the money – the rest were destined to obscurity and called money-losers and failures. Recognizing this, the retail businesses primarily stocked only the hits. With limited and expensive shelf space to compete for, a mainstream hit album stood more of a chance of earning its keep than a niche album.

Further, a hit album was the company profit maker not just for itself but also for the albums 'expected' to be hits but failed to meet success. Of the remaining 80% of the albums recorded every year very few made money of any sort and were destined to be around, but mostly invisible.

Long Tail economics comes into play is with the arrival of online retailers like Amazon, eBay, Rhapsody and iTunes. While Wal-mart can stock only 4,500 unique albums (amounting to 25,000 songs) on its shelves, iTunes can stock as many as 1.5 million unique song tracks on its servers.

And if you think that the majority (the tail) of these songs simply exist with no takers, you will be surprised. A vast majority of the songs on Rhapsody – even up to a staggering 900,000 and beyond – have been streamed or bought at least once - and many more times with a surprising amount. While these sales individually can't rival the mega-hits – the songs that sell by the millions – their combined sales amount to a significant addition to revenues. In fact, as Rhapsody and other online retailers build up their collection further, the revenues from this Long Tail can even match the revenues from the short 'hit-driven' head of the tail. Combine enough non-hits on the Long Tail and you've got a market bigger than the hits. Take books: The average Barnes & Noble carries 130,000 titles. Yet more than half of Amazon's book sales come from *outside* its top 130,000 titles. Consider the implication: If the Amazon statistics are any guide, the market for books that are not even sold in the average bookstore is larger than the market for those that are.

Of course, these examples work because unlike a real world retailer, they don't have to deal with a scarcity of shelf space. With virtually unlimited shelf space and an almost negligible rental on it, iTunes can treat all its tracks as equal – the mega-hits, the hits, the near misses, and the ones that will only sell in ones and twos.

Where contemporary brand building is challenged

In effect, the communication for every brand represents an individual market in which different messages for that brand compete for consumer attention and time. Most contemporary brand-building models advocate pre-filtering what goes on the limited and expensive 'shelf space' of media.

To ensure maximum bang for our buck, traditional brand-building models also advocate focusing on only one brand idea – often called the single-minded brand proposition. This made sense in times of mass media dominance, given the economics of the situation.

Since everything – especially the entire advertising budget – rode on it, arriving at the correct brand proposition was a task of infinite magnitude. In short, the advertising agency's task was to engineer a 'hit.'

But what of the other equally viable brand ideas for the same brand? They probably can't end up as 'hits' and attract audiences by the millions, but they too can have their own niche audiences – numbering in the thousands, hundreds, tens or even ones and twos. But the harsh economics of a hit-driven world mean that there's no place for them.

In the new world of branding the task of the advertising agency is to generate all the myriad communication messages with which people could relate to a brand and create communication for them all.

Of course, the economics of mass media would still mean that one brand proposition may lead the overall communication (or better said, provide a foundation from which to leverage all communications). But no longer should it be allowed to dominate all the communication for the brand. The fragmentation and abundance of media has now helped lower the barriers to connecting the supply and demand of more brand messages – theoretically of all possible brand messages.

For example, Volvo's primary brand proposition could continue to be safety. But if there are people out there who relate to Volvo as a stylish car, you can create communication tailor-made for them. Simultaneously, another bunch of people might actually like a Volvo for its "European-ness." No longer will they have to ignore that connection and only seek 'safety' in Volvos.

As Chris Anderson puts it, "Long Tail businesses treat consumers as individuals, offering mass customization as an alternative to mass market fare."

Recognizing that ones and twos can add up to quite a few

The challenge mentally is that the ones and twos concept is counterintuitive. We tend to be stuck in a hit-driven mindset, i.e., if something isn't a hit, it won't make money. We start to assume that only hits deserve to exist. But, as noted earlier, the world is re-discovering that the "misses" usually make money, too. And because there are so many more of them, that money can add up quickly to a huge new market.

In The Long Tail, Chris Anderson writes *"To think that basically everything you put out there finds demand is just odd."* The reason it feels odd is that we don't typically think in terms of one unit per quarter. When we think about traditional sales, we think about what is going to sell a lot.

The economics of the Long Tail concept are very different from those of traditional hit-driven economics. Long Tail markets leverage low cost shelf-space and distribution to convert what were unprofitable customers, products and markets into profitable ones.

This concept is easily translatable to the advertising world of media and messaging. Many of these ones and twos, very often more than that, are consumers who the advertising missed in the past because the message wasn't relevant, or just didn't resonate with where they were in life at that moment. Therefore, the idea of multiplying your messaging effectively multiplies the potential audience for the communication of your brand.

Multiplying your messaging sounds daunting. But it is actually not as difficult as one would imagine at first glimpse. By recognizing the power of these niche audiences, the best strategy is to actually begin with your brand – **not the consumer**. Map out the characteristics of your brand – the multi dimensions of the brand personality. Ultimately these will be the components that will dictate which niches of potential consumers are more important, or maybe better said, more fertile ground for mining because they will find your brand more relevant.

As brands mature (or even existing brands with a strong heritage) each niche market of the brand develops its own version of a chat room – loyal customers who enable incorporating feedback mechanisms into the very process of creation. Then the brand and the niche audience will move in tandem, locked together. On a side note, this is also an opportunity to decrease reliance on an advertising budget and go one-on-one.

The Relationship between Long Tail branding and Advertising agencies

The Long Tail concept is not only true in product marketing/sales but it is also relevant to the agency business – ideas and messages. Simplistically it is about shifting from just "big ideas" to identifying the variety of ideas that make up the brand.

Agencies have always known this (but maybe did not acknowledge it). The agencies that insisted on coming up with one big idea and spent the remainder of the client relationship trying to implement that one big idea tends, in general, to fail over time. Clients felt the idea became stale and consumers began to buy less and less. The

agencies that remain the most successful are the ones who consistently develop a string of ongoing ideas to constantly refresh the brand. Now, let me be clear, these strings of ideas are not incongruous to each other but rather each idea builds upon the overall character of the brand. The best ideas do not re-position the brand but rather simply reflect the nuances of the brand – possibly showing a new side of the brand personality to another group of people.

Brands are multi-dimensional. We have always known that. Trying to put a great brand in a small, one dimensional box is silly if we want it to have as many friends as it can possibly have. In the future, agencies will seek to hit less "home runs" (but still hit some out of the park) and instead start accumulating more singles and doubles.

This will be difficult for many agencies because standard operating procedure of our hit-driven advertising/branding world is that we are continually engaged in trying to predict the likely success of our chosen brand message being a hit. With an eye on this prize, inordinate amounts of money and energy are spent.

In a Long Tail brand communication, all possible brand messages are simultaneously available in the market. Technology and media are certainly not sophisticated enough today to measure and analyze every single variable in consumption patterns, inclinations and tastes of an entire market in real time. But there is much more data available today in real time than was the case some time ago. Armed with this real-time data, all one needs to do then is to continually adjust and respond in quick time, tweaking the messages or shuffling them around – from the sidelines to forefront, if one is garnering significant hits and showing the potential to become a mass-media hit.

The role of an advertising agency in this case shifts from being a gatekeeper who decides on limited data and gut-feel about which brand message will be a success to becoming that of an active agent investing in the communication market of a particular brand. Keeping a keen eye on the market and how a suite of messages are faring, the agency keeps altering its portfolio of messages to ensure maximum returns for its clients.

Mixed feelings within the agency world

The agency world is mixed on this issue. One half of the advertising world – bred on the scarcity of media and the consequent need to be single-minded in what one is saying remains focused on one word (or a tidy few) branding.

Those agencies use pre-filtering as a mechanism to predict and decide what will have mass appeal. Choosing between alternatives – only allowing 'one' brand idea at a time to make it to the expensive 'shelf space' and pulling off air any 'brand idea' that doesn't connect with all of our identified consumers – even if it has its own small niche of buyers.

They do this, all the while believing that the single-minded brand proposition is the only right way to build a brand in any situation. They do this even in current times of abundance – abundant shelf space (for brand ideas), abundant distribution (in media

channels and bandwidth) and abundant choice (of brand propositions tailor-made for each of your niche audiences.)

However, Russell Davies, ex-worldwide planning head of Nike, wrote: "What people actually want is stuff with some complexity, some meat, some richness. Stuff that has depth, humor, tension, drama etc etc. Not stuff that's distilled to a simple essence or refined to a single compelling truth. No-one ever came out of a movie and said "I really liked that. It was really clear." Clarity is important to our research methodologies, not to our consumers."

This idea of multi-dimensional branding is attractive. It's attractive because we ourselves as consumers seek it. We find fault in movie characters for being too one dimensional. We say people are uninteresting (or boring) if their range of interests or conversations are too narrow.

In The Long Tail, Chris Anderson states "Everyone's taste departs from the mainstream somewhere."

But what traditional brand-building with its single minded and simple (and sometimes simplistic) brand idea does is ignore that reality and reduces to the lowest common denominator all of our individual relationships with one brand.

Shifting how we think about branding

Can brand-building of the future ever be simple and yet create the dynamic multi-facet personalities of great brands?

Some things we believe to be true need to be challenged. For example, as an industry we are accustomed to the idea of repetition as a device of persuasion. So when we are presented with choices in distribution channels and bandwidth, our conditioned response is to repeat the same message over and over. After all, the more number of times the consumer gets to listen/see/read/experience a message, the more strongly he will associate it with the brand, right? Well, maybe. The truth is that brand association is often not driven by repetition – but more likely by likeability or 'relevance to me' factor. Bottom line. If it is truly relevant to me I need to only see it once. Repetition turns out not to be that key to success.

We also need to rethink what we do. We seldom think of the brand ideas and advertising we create as something we sell but that indeed is what we do. Consumers pay for it with their time and attention, and when the price or the benefit is not what they are seeking, they tune it out.

An early example of Long Tail thinking in brand-building is a model named Transmedia Planning pioneered by a London planner, Faris Yakob. Recognizing that different media don't have to repeat the same message endlessly, Faris recommended using different media to tell different parts of the story. These individual mosaics of the brand story will then be assembled by the consumer in his mind, thereby allowing a richer, layered and interesting story to be communicated.

Transmedia Planning elongates the tail of brands by using the increased channel bandwidth available to populate it with more than one message.

Agencies have thought about this concept before and a daring few have actually embraced the concept.

Revitalizing brands through Long Tail branding

Embracing this concept is extremely relevant to agencies working on brands that have some heritage. Regardless of the most simple brand proposition, a brand is a complex body. And likely even more complex the longer the brand has been alive (in market). Every single brand message used by a brand in the past is, by default, a resident of the Long Tail of the brand. Each past "big idea" has given way to the current brand proposition, i.e., 'big idea', of the day – but it still exists, forgotten (internally at the company) and archived. Making these brand messages simultaneously available in secondary media could be the quickest and most cost-effective way to elongate the brand communication curve. The longer the brand has been in existence, the longer the tail can potentially be. In effect, one is using the advertising funds utilized in the past to populate the curve today.

For example, one of the most popular IBM campaigns of all-time is 'Solutions for a small planet' – a mid-1990's campaign. As of now, the campaign is history, gathering virtual dust – even though it can still resonate with a number of consumers. Making this available – probably as a microsite hosting the commercials and the associated work – will give another gateway for contemporary consumers to discover and engage with the IBM brand. These consumers probably will number only in the hundreds or thousands compared to the millions who relate and engage with their current mass media campaign, but they come at an incremental cost of almost zero.

And add these consumers with those that relate to the other campaigns that IBM has run over the last few years (including my personal favorite, 'The world's helpdesk') and you have a market that can rival the hits of the current main brand proposition.

Individualizing the Brand

The economics of mass-media and a hit-driven industry ensured that our individual differences were ignored and messaging focused on collective similarities. This gave rise to the artificial construct of popular culture where "the conventional is critically enjoyed and the truly new is criticized with aversion."

But as Chris Anderson notes, "Every one of us – no matter how mainstream we might think we are – actually goes super-niche in some part of our lives."

A variety of brand messages and locations where the messages reside enables consumers to seek and find the message that best suits them. The very same consumers will return to consume and relate to a different brand message, when the context changes – either with time or with being in a different situation.

The reality of branding in the future:
There is no more control, simply the ability to influence.

The world is becoming a permanent work in progress. Individuals have always been the brand decision makers (their experiences have always dictated the success of brands) but now these individuals have a voice. What this truly translates into is that each brand is simply a work in progress. Today's success is simply a step on the path to whatever your brand will look like tomorrow. Anyone who believes the branding is "complete" will be sorely disappointed in the weeks and years to come.

The traditional brand-building process is complicated and expensive, burdened with expectations of success and with our overpowering need to control it and its every interaction and consequence.

It seems the future of advertising and brand-building will lean toward being 'fast, less expensive and out of control.' Unlike mass media advertising, that we can take 'off air', future media vehicles will not come with an off switch. We are actually relinquishing our control over when, where, and how our messages will run. Effectively they are on their own. We will not be able to control when or where or in what context our message is absorbed.

Examples of these are viral videos increasingly hosted on publicly shared sites, podcasting, in-game advertising, on-line virtual worlds, blogs, social networking sites, etc. These new media vehicles work in a paradigm very different from the tried and tested ways of 'slow, expensive and in-control' advertising.

What all these media vehicles (and the ones to come) will do is embed our brand messages into the very fabric of our collective lives – making them 'searchable', 'findable' and 'experience-able' for eternity. Your brand may have attempted to make a clean cut with the past and sport a new strategy, new look, new idea, and new direction, but there will be no way to retract the "belief systems" already out there. They have a mind – and a lifespan – of their own, outside our control.
Therefore, a necessary first step to harnessing 'fast, cheap and out of control' brand-building will be to forego the single-minded brand proposition and embrace Long Tail thinking.

We'll have to learn to set our brand messages free and let each of them seek its own path of discovery and voyage. This montage of overlapping brand messages will reach out to more people, at more times and with greater effect than could have done through traditional means.

Misconceptions and misnomers

One of the most common misconceptions about the Long Tail is that it requires the Internet as a precondition for it to work. It's true that the Internet has given rise to the most visible and celebrated examples of the Long Tail phenomenon. But its existence (or involvement) isn't a necessary condition for the working of a Long Tail.

Mail order catalogs were the Long Tail of general stores and so were the supermarkets that emerged soon after. Correspondence courses and degrees were

the Long Tail of college education before online education took over. Credit cards are the Long Tail of the money lending industry. In fact, as Chris Anderson mentions, "The story of the Long Tail is really about the economics of abundance – what happens when the bottlenecks that stand between supply and demand in our culture start to disappear and everything becomes available to everyone."

Summary: It's simple. Let the consumer create your brand.

So. Can simplicity in communication yield complexity of brand character in perception?

This idea becomes easier when you think of complexity as simply a grouping of various simple, concise messages or thoughts. The complexity is solved if you permit consumers to assemble it for themselves at their end. Just make sure that they have all the simple and easy to communicate brand messages, and they will eventually put together a complex, layered and nuanced understanding of your brand.

Chris Anderson summarizes what to do. "In scarce markets, you've got to guess at what will sell. In abundant markets, you can simply throw everything out there and see what happens, letting the market sort it all out. In addition, the more abundant the storage and distribution, the less discriminating you have to be in how you use it." In short, the combination of media fragmentation and the ability to distribute goods & services-not reliant on brick & mortar limitations-makes today's world an 'abundant market.'

There's nothing sacrosanct about the single-minded brand proposition. In fact, in markets of abundance it is the wrong strategy to follow. In these markets, it makes sense to make available in the market every single proposition your brand can and should stand for.

In theory, the Long Tail can extend up to infinity, incorporating every possible communication message for a brand. In practice, there are considerations of cost and the brand communication curve will have to be arbitrarily truncated at some point. But unlike traditional brand-building models, the truncation doesn't have to happen at the head of the curve. The tail can stretch much further from where it currently ends; and as technology finds more ways to lower distribution costs, the further it can be elongated.

In a Long Tail world, the real opportunity is not in pre-filtering what's available but in making everything available to everybody. And providing the aggregated audience the tools to sort out what's good from what's not.

One of the most surprising and desirable side effects of this communications strategy is that your consumer is assembling the complexity you sought to communicate.

Long Tail Brand messaging

Philosophically I've come to embrace the Long Tail brand messaging strategy. By seeking the Inner Truth or the soul of the brand and company, at the outset of strategic planning, agencies can ensure that the 'North Star' is identified which permits a more complex messaging strategy. Building brands with multi-dimensional personalities is something to strive to do and should be integral to how we think and the work we create. Agencies with a focus on building working relationships with companies and brands who have some heritage – been in existence for over 20 years or so – may find it easier because there is more 'fodder' to work with. But. In the end agencies are successful in their actions because they seek to master the contradiction – making the complex simple. For the messaging must be simple and relevant but the messaging strategy complex to insure a robust consumer response.

Recognition

Every bit of thinking and wordsmithing in this paper owes its existence to Chris Anderson, his original Long Tail article for the WIRED, and Mohammed Global Planner at Ogilvy & Mather Advertising India. I have often included their words (sometimes in quotes) instead of trying to explain the idea in my own words. There are also occasions where quotes have slipped in without attribution – mostly because I found the repeated referencing made reading difficult.

About Bruce McTague:

In a career spanning over 20 years, I've been involved with a wide range of industries including packaged goods, restaurant, pharmaceutical, retail, business-to-business and tourism. I won't bore you with all the details, but the bottom line is I have touched so many businesses across so many categories the headline for my career should probably be "Collector of experiences and knowledge."

If you would like some additional work experience details and see what a number of people have said about me, visit my LinkedIn Profile my blog, brucemctague.com or contact me directly by email at bruce@brucemctague.com.