BRANDING IDENTITY AND TOLERANCE

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Today what consumers want to buy the most is identity. As a consequence, the branding of personal identity, rather than branding features of products and companies, has become central to branding strategy. But identity is a hard product to create or buy, since it is always an individual struggle of self-definition. Consumption has come to define a growing portion of our lives; it is not surprising that indeed what we buy would increasingly find itself at the service of the shaping and construction of our identities.

In this paper, I argue that one aspect of the successful implementation of that strategy of branding identity rests on the character of consumers' branding tolerances. Different consumer segments possess varying levels of branding tolerance. In other words, they actively accept or reject and seek out various kinds of branding efforts/environments. This paper examines how we understand what defines branding tolerance and its relevance for brand positioning, marketing efforts, and strategy. It speculates on what is driving the varied tolerances for branding and the segmentation of the consumer market around identity. The notions of branding identity and branding tolerance together suggest distinct new approaches to the matter of market segmentation.

BRANDING IDENTITY

When, or if, a brand becomes a tool to the critical end of individual self-definition, a tool for the assertion and differentiation of self, the brand can generate commanding power in the market. As companies turn to brand-building to create sustainable non-price competitive advantage, consumer identity emerges as a powerful base for brand differentiation and brand-building.

Companies have always used branding to create the image of an identity to which their product fits; e.g. Chevrolet trucks for tough rugged types. What is different nowadays is that branding is not about targeting and creating the image of an identity, but about "being" or embodying that identity. That is a tricky, elusive, notion, embodying consumer identity. What it means concretely for branding strategy is that the practice of branding often no longer refers to the product, but to the consumer. Whether companies realize it or not, the consumer, or rather the consumer's chosen identity, is being transposed and branded, transferred like a decal to the product, and sold back to the consumer. Let me explain. A consumer chooses an identity, let us define it as a set of normative behavior and characteristics, which denotes the chosen self. The "identity" is not strictly defined by socioeconomic characteristics or purchase patterns; criteria traditionally used to characterize and segment the market. The identity is that chosen set of behaviors and characteristics which are then referred to and tapped into by the brand strategy. We can thus think of branding as the representation (back to the consumer) of chosen codified behavior. So in a real sense, the practice of branding no longer refers to the product, but to the consumer.

STRATEGY AND SEGMENTATION

The success of branding strategy then rests evermore on the understanding that different consumers have different tolerances and receptivity for the different kinds of branding efforts directed at them, on a subtle understanding of the variety and variability of brand-able identities in the marketplace. This becomes absolutely critical when dealing with the branding of identity, as opposed to the branding of product features and characteristics. This changes how we approach market segmentation, the cornerstone of branding and marketing strategy. A new way to think about consumer segmentation is to think about *segmenting by the consumer's level or type of brand involvement*.

The initial question is, on what basis do we define the market segments? It is no longer enough to develop and execute branding strategy by analyzing socio-economic characteristics or revealed purchases patterns. For example, the pairing of a used t-shirt bought from a local thrift store and a Gucci bag doesn't paint a coherent revealed consumer identity, which can be effectively targeted by branding strategy. What it reveals is a balkanized consumer identity, which might be effective for predicting that the consumer is able and inclined to purchase luxury goods, but will not however prove useful in forecasting what mix of products or what future trends the consumer will exploit. The true relevance of the product or brand to the consumer cannot be discerned using sagacity or revealed preference segmentation, and "without relevance, differentiation may not be worthwhile"¹.

This matters crucially because the mass market, we all observe, has atomized into countless market segments driven by increasingly nuanced and insistent consumer product preferences². In the past, people stuck to more narrowly defined consumption identities; today, there are an ever-greater variety of identity choices available and a greater number of ways consumption can be used to define those identities. The incredible variety and customization of products and services over the past decade has in large part made possible the identification and creation of the self through consumption.

Market atomization is likewise facilitated in part by the proliferation and diversification of traditional media channels (niche magazines, cable satellite television) and new information and media channels (digital and wireless devices and content). By choosing amongst these media alternatives, consumers segment themselves and, in doing so, exerts some control over the levels and kinds of branding efforts directed at them. The multi-channel alternatives, like the proliferation of available consumer identity choices, means that the micro market segments are in fact self-defining. The consumer market is voluntarily segmenting itself; the levels and types of branding tolerances in the market are increasingly visible.

Today, consumers don't want to be cornered or segmented into homogenous blocks at the prerogative of marketing executives. As consumers segment themselves, it is key that companies and brands be able to reach them. This recalls the notion we put forth earlier - that the practice of branding no longer refers to the product, but to the consumer. It is the consumer, or rather the consumer's chosen identity, which is being transposed and branded, transferred like a decal to the product, and sold back to the consumer. Consequently, the chosen parameters for the segmentation of markets and differentiation of branding strategies must change.

¹ David Aaker, <u>Brand Portfolio Strategy</u>, p 105.

² Anthony Bianco, "The Vanishing Mass Market". *BusinessWeek*, July 12, 2004.

Let us now depict the levels and types of branding tolerance. The intent as we proceed is explore how the categories of branding tolerance might permit traditional approaches to market segmentation, and the interplay between consumer behavior and branding strategy to be reshaped.

BRANDING TOLERANCE

Consumer receptivity to identity branding is crucial. Consumers have very personal relationships not only to particular brands, but also to the use of brands as tools in the definition of their identity. As pointed out earlier, we can understand branding as the representation of codified behavior. This translates into varying degrees of branding tolerance on the part of the consumer - that is tolerance of having a codified identity imposed or suggested. The consumer response to branding can be seen as an individual response to an imposed or suggested codified behavior.

I would propose that there are five main categories of branding tolerance, reflecting different levels and types of relationships to branding, and then consider what accounts for the variation in branding tolerance.

In the first category, we can identify a group of people which follows and seeks to associate themselves with highly visible, read highly watched, commercialized trends. This group possesses a high tolerance for what I will label as *hyper-branding or in-your-face-branding*. This group seeks out brands and aggressive brand communication. The more successful the branding effort is in presenting the brand as part of a highly visible trend, the greater the desirability of the brand. For this group, the "being" of something or someone doesn't count unless it is recognized as such by a large number of people; that is unless it is "perceived as being". For example, there is no being sexy, unless it is perceived as sexy. There is no being trendy, unless it is sanctioned and perceived as such by a commonly visible standard. For example, omnipresent logos are not only ok, but actually sought after. As long as the content of the brand message resonates with the chosen representation of self, it does not matter whether the brand actually incarnates the characteristics it is advocating or merely pretends to. The valued integrity of the branding effort is not between what a brand says it is and what a brand actually is. The valued integrity of the branding effort lies between what a brand says it is and how well a brand can publicize what it purports to be.

A second group refuses to have their identity be stereotyped and co-opted by branding efforts. This category can be defined by its tolerance for *selective and specified branding*. The people in this second category embrace branding as long as those efforts: a) remain relevant to the product, and b) resonate with, as opposed to define, their chosen identity. For this second group, the relevance of the branding effort must be limited to the product itself and not to overarching identity definition. It is this point which differentiates it from the first group, which generally embraces being defined by brands and branding strategies. The overt and apparent branding efforts of companies are accepted and tolerated as long as they are confined to their own domains of relevance. It matters that the branding efforts remain true to the actual product. REI, Paul Frank, and Apple are examples of companies whose type of branding efforts would be tolerated and accepted by this second category.

The branding tolerance of a third group approaches zero, not out of indifference, but opposition to branding strategies. The people in this group consciously constitute an anti-branding subculture, an *anti-branding group*. This category primarily reflects a young demographic, sometimes composed of a number of the punk, anti-consumption, hippie, or environmental groups. While the minority status

and marginal propensity to consume of this category may render it inconsequential as an immediate market, companies would be wise to understand the influential potential it represents. It's influential potential lies in the fact that it is a group in evolution, because it is young and because it is an important social trend within that highly amenable and reactive demographic. Consequently, understanding what this category is about, and why, is crucial. This is the group most likely to pull a 180°, 360°, and 90° on you at any given time, and you are never going to be able to predict which they are going to do. Their relationship to branding is at best unpredictable. Hence being on their favorable side, or at the least not on their death list, is a very wise and worthwhile undertaking.

The *no-branding group* constitutes a fourth category. The branding tolerance of this category also approaches zero. However, and without getting lost in words, we might point out that this group differs from the anti-brand group in that it is not an opposition movement, but a non-participation movement. An example of this might be William Gibson's fictional character in *Pattern Recognition*, Cayce Pollard, who displays an aversion to over-zealous brands in general, not out of any driven agenda, but simply as a way to gain some distance from overly domesticated and codified materialism. The Japanese retail chain Muji, short for Mujirushi Ryohin, which translates as "no brand, good product", has succeeded in tapping into this no-brand philosophy.

There is perhaps a fifth category, the *above-branding group*. This group's attitude towards branding is that they clearly place themselves above it. This group believes that what they do defines for others what is "in the watch". We can think of this group's approach towards branding as one of noblesse-oblige, an aristocracy of the branding domain. However, their very freedom from the tyranny of brands is dependent on those they perceive as the brand-abiding serfs below them. Hence, those in this category can never claim to be truly "above" the influence of brands and branding in the definition of their identity.

Of course, a consumer is usually going to be a mix of these varying levels of branding tolerance we have just defined. We need to examine why these categories exist and what factors give rise to them. Brands and the branding of identity are used to create reference points for individuals. They help us position our identities along a commonly visible spectrum. Branding tolerance can indicate how people align along the spectrum in terms of the ways in which they will allow branding to define their identity. In this perspective, how we prospect and analyze branding strategy and consumer market segmentation has to change. It is not forward-thinking enough to simply rely on trend-scouts to spot the identities once they emerge, after the fact. We need to understand the drivers of (identity) branding tolerance; we need to consider the evolving construction and definition of identity.

BRANDING AND THE CONSTRUCTION OF IDENTITY

Because branding identity is tied up with individual definition of self, we needs to consider how people create and relate to their identities. The construction of identity can be conceived as a function of how the self can be communicated to others and the nature of how that projection of self is received by the other. Or put differently, the place of the individual in society hinges on the act of watching and being watched by others. Whom we watch and by whom we are watched, how we watch and how we are watched all coalesce to create a dynamic through which we construct our identity.

Changing social factors and context are driving the reconfiguration of identity construction.

Formerly, a person 'watched' and 'was watched' in the contiguous and controllable context of their immediate community. We use the word watch synonymously with the word know or know of; in a real sense to watch is to know. By immediate, we mean those whom one personally knows of and are known by. For an example of this, let us take the case of the imaginary Mr. Smith. Forty years ago it would have been much more common for Mr. Smith to know his postman personally and for his postman to know him. Moreover, Mr. Smith would have been known not only as an individual, but also as a member of a community – his neighborhood, town, or local association. Mr. Smith had both a personal identity and shared identity that were visible to and watched by those in his immediate community. Thus, both individual and shared identities were commensurately visible.

Today the act of watching and being watched are no longer two faces of the same coin. They take place in diverging and disjointed manners, and degrees. Depending on whom and where one is at a particular moment, in a particular place, and with respect to a particular activity, there is both a much greater and lesser sense of watching and being watched. For example Britney Spears, in contrast to little Mary Smith, is watched and known by her community (her fans, music technicians, agents). She however, does not watch or know her community in return. Conversely, Little Mary watches Britney Spears, but she herself is not watched by Britney Spears in return. Why does this matter, why do we care? Because this imbalance of how the self is communicated to others has important repercussions for our sense of identity and the construction of our identity.

Let us start with the "watching". There exist today vast possibilities for watching others without being watched in turn. Ubiquitous reality television and celebrity personality gossip exposes us to some of the most intimate details of the lives of people whom we know nothing about. We are not only passively engaged in this unreciprocated watching, but we increasingly also have the option of playing an active role in these manifest voyeuristic opportunities. Emerging technologies allow us to become unknown participants in the lives of others. For example, an interactive TV show like American Idol allows one to simultaneously see, hear, and intervene (by voting for candidates by cell phone) in the existence another person's life without their ever being known.

This leads us to the condition of "being watched". Today, there exists more possibilities, both in depth (how much is known) and scope (how broadly that information is distributed), for being watched, willingly or unwillingly. Increased surveillance and intrusive technologies (e.g. hacking, consumer information collection) increase the potential for being watched unwillingly. There also exists greater potential, again both in depth and scope, for being watched voluntarily; greater opportunities for putting oneself in the larger-than-life public domain to be watched; more occasions to make it in the "watched world" through varied means such as blogs, private shared online communities like MySpace, the proliferation of autobiographical books (everyone from Clinton to Monica), and reality TV.

However simultaneously, there also exists an incredible potential for being un-watched, un-noticed. The ease with which we are now able to watch others without conversely being watched, or even noticed, has paradoxically heightened our awareness of our own self as it is engaged in this voyeuristic and opportunistic environment. That is, intruding upon someone's existence as an unknown can make us increasingly aware of our own invisibility vis-à-vis others. Moreover, the arena for the visibility has gotten simultaneously larger and smaller. We *can* be recognized by the world over *if* we can make it in the "watched world", but we are no longer *entitled* to be recognized by our local grocer even *if* we shop daily.

This sense of invisibility, of indistinct-ness, is heightened because the globalization of our cultural and physical environment makes us to feel increasingly interchangeable. We discover that many of the reference points central to our sense of identity are no longer particularly unique to ourselves. These reference points are now shared by so many, they may lose their former relevance for our individual identity. The feeling of being one amongst many can easily translate into the feeling of being nonexistent amongst many.

All of these dynamics of watching, being watched and unwatched feed into a disorientation and uncertainty about what it means to have an identity. What does it mean to have an identity if it is not recognized by those we watch, but is watched by those who we don't know, and those who we don't know are watching? This sense of total invisibility, which our modern society can confer on us, stands in stark contrast to all of the perceived opportunities and obligations we have to make ourselves visible. It is the paradoxical co-existence of this sense of total invisibility and all the perceived opportunities we have to make ourselves highly visible which destabilizes a fundamental social balance in the command and communication of individual and collective identity. In this new context, how does one exert his or her right to be seen?

The immediate question for us here is how this problem of asserting one's right to be seen relates to branding. Those reference points that in the past contributed to our sense of visibility and identity as individuals have changed and need to be reconfigured. Ensuring and asserting one's individual identity in this disoriented environment demands that identity be constructed along newly reconfigured reference points. Because the size of the arena and the number of participants in the visibility game have gotten larger, and dynamics that link them less obvious, our efforts towards the recognition of our identity must get larger and more obvious. Our repositioned identities, once created, must be shouted. To that end, people increasingly wear who they are on their sleeves. Brands and the branding of identity helps us do just that.

Brands and the branding of identity draw on and create new reference points for individuals. They help us position our identities along a commonly visible standard and spectrum. They enable us to redefine the context relative to which we define ourselves. Branding tolerance indicates how people align along the spectrum of what they will allow branding to do for them in terms of its "shouting" function. Brands become tools for consumers in the reconfiguration of their reference points and recontextualization of their identities.

It is a two-punch phenomenon. The reconfiguration of reference points extends to the act consumption, because consumption is tool in identity creation. Thus, punch one - consumption helps define identity. However, the biggest change is not simply the enlarged role of consumption in society, but the new social context it now operates in. Hence, the punch two - branding identity and branding tolerance helps us situate and expose our identities in this new environment. This is how the branding of identity and tolerance for branding are directly tied up with the construction and definition of identity in society. Branding isn't merely just a reflection of the role we allow consumption to play in our lives. Branding has its own role in making our individual identities contextual and visible.

Understanding branding tolerance will be increasingly central to successful branding strategy. It is, importantly, about managing the overall character and intensity of the relationship desired by the consumer.