

## ESSAY

# Leading Brands in Digital Information Overflow



Nothing could have prepared us for this: The digital revolution and with it the tsunami of information flows have changed the game of building strong

brands forever. Beyond branding, I believe we live in the midst of the most significant changes that marketers have ever experienced in their lifetime.

So what does this mean for forward-looking companies who wish to build strong brands over the years to come? I believe there are three major imperatives: First is, marketers must learn to not just understand consumers and their demographic, psychological make-up or consumption preferences but they must fully understand the changing and ephemeral nature of the customers' ecosystem of demand. This includes knowing far more than we know today about consumers social behaviors such as: how they connect with various networks and communities, what they share, with whom, and why. In a study by Vivaldi Partners for example, we studied how social currency is created. We define social currency as the extent to which people share the brand or information about the brand with others as part of their everyday social lives. Our research showed that significant brand value is created by focusing on certain types of social currency.

Think Nike Plus. I have recorded my running for nearly five years. I have challenged friends around the world in competition

using the technology. I have consulted on Nike concerning injuries. I have tracked my splits and analyzed my improvements. I answered questions from Nike about me and my running life. Such data can be enormously valuable for Nike to understand my ecosystem of needs, wants, goals, and activities in the context of my life.

Nike helps me manage parts of my life around running, and is part of my network or community. This is how to connect with consumers and stay relevant in the future. Second is, marketers must rethink the very



→ VITA

**Erich Joachimsthaler** is managing partner of Vivaldi Partners, a global strategy, innovation, and marketing firm in New York City. He is the author of „Hidden in Plain Sight: How to find and execute your company's next big growth strategy“.

definition of brands and how brands are built. The time where brands are built on sets of attributes that are communicated to consumers using a consistent or integrated marketing campaign is over. Few brands can afford the enormous marketing spent required in the age of digital information overflow. I find brand-building efforts that create differentiation through new and innovative business models useful.

One example is Progressive, this \$15 billion insurance company uses technology to offer usage-based underwriting. They give drivers a device called Snapshot that feeds back to drivers a real-time driving report including the number and times of miles driven, incidents of hard braking or quick acceleration, and speed. Progressive uses the data to reward drivers with huge discounts for good driving, but my daughter also can tweet her results. For Progressive, its wireless technology is a huge brand builder that is “always on” and encourages conversations rather than merely creating fleeting off-on brand impressions through TV or print. Imagine the opportunities to Progressive in helping consumers in planning or optimize trips or commutes, or in creating valuable information for automotive manufacturers or travel agencies.

Third is, marketers must adopt a company-wide view of networks and social networks. I think most marketers short-change the enormous opportunities in sight. The problem is the word “media” in social media. Leading brands go far beyond just leveraging technology to amplify PR or advertising campaign. Marketers must leverage social technologies and networks across every part of the value chain from customer insights, R&D, marketing, PR, sales and customer service. GE for example launched Marknet, a large social media hub that brings together more than 5,000 marketers from GE that cuts through traditional silos and creates collaboration and conversations among executives. Marknet also focuses executives' attention on the relevant information and challenges in connecting with its customers. (is)