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Ilka & Franz/Getty Images

Here's a truth: many in the marketing industry today don't really understand brands. They may think that "brand" and "customer experience" are different. But that kind of brand is a *layer* of

communications. That is the stuff of blowhard manifestos — too high-minded to sell anything, and too lofty to be useful. Today, when there’s more of everything — more channels, more choice, more speed, more confusion — more noise and less signal, it’s fair to ask: What is a brand?

In order to answer this question, we have to think about what has changed over the last decade. The emergence of the iPhone and smart technology completely altered the way consumers interact with media and brands. “Digital” and “social” have become inseparable from everyday life. People are consuming media and content as well as curating and creating it. Consumers quickly became accustomed to the opportunity to interact and dictate media culture.

The conversation now runs two ways. If companies can get their data-driven content and platforms right — as brands such as Lego, GoPro, Marriott, and KLM have done — you can turn people into media, willing to spontaneously spread your brand’s gospel far and wide. Provide them with a platform to participate in your products and services — as Coca-Cola managed to do with its personalized “Share a Coke” initiative — and then you have the chance to embed people directly into the narrative or fabric of your brand.

As a response to these shifting expectations and behaviors, brands had to hand over a certain amount of agency to consumers. Rather than the push of establishing symbolism and telling stories to consumers, brands have had to invite and pull consumers in to help craft their meaning. In short, brands began evolving from stories to systems.

Now, the word “system” may sound unemotional. It isn’t. It signifies the rise of the consumer to the role of interlocutor. In a system, the brand and the consumer play equal roles in influencing the brand. Its definition encompasses the interdependent, reciprocal nature of the modern relationship between brands and people. The currency of this reciprocal nature is “data” — flows of information between the brand and the user which aim not to exploit, but to strengthen their relationship and deliver mutual benefits to both parties.

Brands in today’s marketplace are required to be relevant, useful, *and* entertaining. It sounds obvious, but such an approach requires a fundamental reboot of the traditional marketing monologue, which was dominant during the “story” era defined by TV commercials and characterized by military terms like target, bombard, campaign, collateral, and guerrilla. In today’s “system” era, a brand’s meaning stems not just from how a company positions the brand, but also from how consumers experience it. In other words, the brand becomes the customer experience and the customer experience becomes the brand.

To further illustrate the structure of a brand system, let’s look at the example of Nike. Nike, once an athletic apparel brand telling stories of athletic solo willpower, has now taken on a systemic nature by introducing brand *experiences*, such as Nike Plus, Nike Plus Training Club, Nike Plus Running Club, etc. Nike, through partnerships like the Nike Apple watch, and initiatives like Breaking2 — the

company's much-publicized attempt to break the two-hour marathon mark — Nike has managed to cast a wider net of interactions with people.

These integrated narratives and experiences ensure that Nike is not just a brand that consumers use to *appear* athletic, but one that they use to *be* athletic. Nike Plus offers consumers the opportunity to interact with the brand, even when they are not purchasing a product (via workout instructions, health tracking, etc.). As such, people are not just carrying out transactions with Nike, but forming relationships with Nike, powered by data. These relationships are mutually beneficial; consumers use Nike Plus to enhance their healthy lifestyle while Nike uses consumer interactions and their subsequent generation of data to better understand the needs and lifestyles of its consumers. As a result of this reciprocity, the Nike brand is not only what Nike tells or sells you. Nike is what you do with Nike.

As companies and consumers enter into these reciprocal relationships, the line between culture and commerce begins to blur. Brands are no longer only tokens of culture and lifestyle. They are now tools that allow people to *practice* a certain culture or lifestyle. Today, consumers do not just use brands to denote something; they use brands to *become someone*.

The Physics of Brand Systems

The core tenet of a brand system is its reciprocal nature. However, the successful functioning of a brand system also depends on the careful management of *space and time*. At the risk of sounding Kantian or borderline sci-fi, a modern brand must now monitor its spatial and temporal relationship to a consumer — an idea that Aaron Keller, Renee Marino, and Dan Wallace discuss in their book, *The Physics of Brand*.

What exactly does this mean?

Space, as it relates to a brand system, denotes the proximity of a brand manifestation to a consumer. This goes beyond the traditional idea of physical availability — a term popularized by Byron Sharp, author of *How Brands Grow*, which he used to describe how brands can get their products physically in front of their consumers wherever they are, right when they want them. A successful brand must now be intimately integrated into the consumer's life. It's not enough for a brand to be physically available; it must also be relied upon.

Continuing with the example of Nike Plus, the Nike brand is granted access to personal health information so that it may help a consumer pursue their active lifestyle. As such, the Nike brand becomes spatially intimate with the consumer. Consumers trust and depend on Nike to help them carry out a certain aspect of their lifestyle. In this context, Nike acts as a lifestyle companion more so than a commercial entity. Thus, the consumer's relationship with Nike becomes deeply personal, not just transactional.

Time, in a brand system, helps both the brand and consumers to share long-term relationships, medium-term objectives and short-term actions. The long-term relationship is cultivated by sharing a purpose with consumers — an overarching intent above and beyond the moment of purchase. Nike invites consumers to embrace their inner athlete and “Just do it,” by talking and acting as coach and personal trainer first, and as an apparel vendor second. This long-term relationship establishes an emotional bond between the consumer and the brand, thereby improving the overall [salability](#) of Nike products. It lays the foundation for sales, which serve as the medium-term interactions between the brand and the consumer. The medium-term objectives are satisfied for both the consumer and the brand by communicating specific offerings aimed to fulfill more immediate consumer needs and wants.

For example, Nike fulfills seasonal needs of the market (i.e. “Back to School”) with promotional programs and specialized product lines. By communicating these offerings in a way that either solves a problem or fulfills an aspiration, the brand materializes its long-term purpose in tangible ways. Finally, in today’s social-media-enabled world, brands have to be responsive and ask for consumer participation in short-term actions that utilize opportunities in the everyday fluctuations of culture and commerce, engaging consumers in events such as “Woman’s Day”, “Cinco de Mayo”, the premier of *Avengers 4*, or “Black Friday,” for example.

As customers demand more from brands, brands must strive to be strategic and clear about what they stand for and why — their organizing principle. But at the same time, as platforms and consumer behaviors shift like sand in a windstorm, companies must be adaptive in how they achieve such aspirations. Marketers must think of themselves as the driver of a car. Head out with a destination in mind, but be ready to slow down in treacherous conditions, stop to fuel up, or swerve to avoid an accident. There’s a daily tug of war between long-term brand building and short-term sales goals. A systemic view of the brand means getting those goals to work together in harmony by keeping our eyes on the prize, but being flexible in the short term.

Now that change has become the new normal, brands have to evolve from the power of symbolism and the power of narration to the power of reciprocity. As brands morph from symbols and stories to systems, they need to find new ways to be relevant, useful, and entertaining. They need to create hospitable ecosystems and build upon ideas that welcome and nurture consumer relationships now and in the future.

** This post has been updated to add a citation for the book [The Physics of Brand](#).*

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