

# The Evolving Brand Types of 2020

[CONSUMER](#) [OPINION](#) [WINNING IN 2020](#)

NIC HODGES, HEAD OF INNOVATION & TECHNOLOGY, MEDIACOM AUSTRALIA 31 MAR 2014

## The Evolving Brand Types of 2020

For the most part, agencies agree on how the industry will operate in 2020. Channels will be programmatically bought, always-on marketing plans will be automated and, when possible, all communications will be targeted and social.

Simple, right?

The danger of this vision is that – as agencies and advertisers become increasingly enamored with optimization algorithms and multivariate creative – they lose track of one of the most vital questions of all: how and why are consumers viewing and interacting with brands? Or perhaps we should back up a bit and inquire as to the very nature of brands in the first place. Is the term's traditional definition as a non-tangible asset that provides

consumers with a familiar shortcut in decision making and marketers a concept around which to build values and heritage still universally applicable?

I would propose that – in a world of always-on, individualized everything – a number of new “brand prototypes” may be useful. I’d like to highlight three examples: The Sleeper Brand, The Shiny Upstart and The Lean & Local. By understanding how and why these new types of brands are emerging, we will be better able to prepare for consumers’ anticipated interactions with them in 2020 – just a few short years from now.

## **The Sleeper Brand**

Alana Chandler, a 46-year-old health and diet coach from Texas, is one of Amazon’s top reviewers. In 2009, Alana had her eye on a steam mop: specifically, the \$1,745 Ladybug XL-2300. Being an avid reviewer, Alana decided that rather than just buying the mop she’d always wanted, she would review the top five steam mops available on Amazon. The result was a 2,000-word review that had a remarkable effect: it sent the poorest-selling mop of the five, which Alana had rated as the best, straight to the top of the steam mop charts on Amazon.

People like Alana are not paid by the brands whose products are reviewed. The current top 10 reviewers on Amazon are responsible for more than 15,000 reviews and, in many cases, these connected consumers have shifted the balance of power away from the best-known brands and their multimillion dollar ad campaigns. While a readily identifiable brand is still an asset on sites such as Amazon, it’s little more than the cost of entry. Beyond that point, product success is increasingly in the hands of the consumer.

By 2020, this trend will have only become more entrenched. According to research by Google and Nielsen, 40 percent of all mobile searches related to shopping are being completed in stores. Meanwhile, the likes of Amazon are building and acquiring technology that is increasingly making consumer reviews even more searchable, social and powerful.

For a further glimpse of the future, we can look at the latest Android mobile operating system. A search for a local restaurant or product no longer delivers results solely from the

Web; the search result will also link directly through to apps like Yelp or eBay that display the most helpful reviews or the best price available.

But just remember: a future in which the consumer is in control is not a future in which brands have lost all control. The role of brands in this future continues to be one of creating top-of-mind awareness – the cognitive shortcuts that drive repeat purchase.

Additionally, marketers will not only need to listen for feedback, but also implement pathways that can feed such reviews and comments directly into the organization's product development processes. This will become a requirement, as consumers who take the time to share feedback may become increasingly unhappy (and vocal) if their comments are not acted upon.

And just to make things a bit more challenging, brands that do not listen will soon find others doing so instead. Companies like C&A Marketing ([camarketing.com](http://camarketing.com)) crawl Amazon reviews looking for unmet consumer needs and interests. When C&A uncovers what it believes is a sizable trend, it makes that exact wished-for product, which more often than not becomes an instant best seller on Amazon.

## The Shiny Upstart

Eric Migicovsky was accepted into Silicon Valley's vaunted Y Combinator ([ycombinator.com](http://ycombinator.com)) startup accelerator program with an innovative idea for a smart watch that could talk to mobile devices and have a battery life of a week. But unlike many of his photo-sharing app building classmates, he struggled to raise money from investors to make his idea a reality. Rather than trudging up and down Sand Hill Road, as so many before him have done, Migicovsky instead turned to Kickstarter, the crowdfunding platform that allows anybody to upload an idea and get committed sales before spending time and money developing a product.

With nothing more than a few prototypes and a polished video, his product – the Pebble smart watch – raised more than \$10 million from almost 70,000 people across the world.

While the Pebble watch is an extreme success story, Kickstarter has catapulted unknown brands into stardom overnight in categories, from medical devices, kitchenware and fashion to 3D Printers, games consoles and a new Veronica Mars movie. Watching the videos for any of the above products is exciting, and it's not often you can say that about an ad (which, after all, is what a Kickstarter pitch video really is). They are exciting because everything about them is new: the idea, the product and, perhaps most importantly, the brand. The Pebble watch could not have been made by Omega or Apple. Its success relies on being perceived as a shiny new upstart... a true challenger brand that is created by real people who understand their customers (and funded by consumers tired of being treated like lemmings with wallets). Kickstarter brands are the polar opposite of the faceless global company pumping out yet another step-change product update. The truth is that a well-made video can now be as valuable as a 100-year old brand, and the newness of these brands can work in their favor in terms of producing interest, funding, distribution and sales.

Existing brands can learn from these shiny upstarts. In a world in which content is becoming pivotal to communications, these new brands are telling stories that inspire and move people in a way that is pure and authentic. These new brands are transparent; they exist alongside the consumer, not above him or her. And they listen to and work with their customers. All of these characteristics will be essential for any 2020 brand, and all of them are possible for any brand right now.

## **The Lean & Local**

If you're a professional chef or a home kitchen wannabe, you obsess about your knives. And the category isn't exactly short on options, particularly from big brands like Global, Shun and Wusthof. Luckily, a crowded category didn't stop Joel Bukiewicz from creating some of the world's most talked-about knives from a tiny workshop in Brooklyn, New York. Cut Brooklyn's mission is "to build you a beautiful knife that performs at the very highest level for a lifetime of service and enjoyment."

It's that simple. Bukiewicz's brand is lean, free of superfluousness and low on grandstanding. The guy makes knives – 5 to 8 custom knives a week. His website at [cutbrooklyn.com](http://cutbrooklyn.com) is lovely but basic, his social media strategy is to tweet photos of his new

knives and his SEM is non-existent. Such a sparse and straightforward approach comes across in every element of the business, right down to an apparent lack of ambition to become a mega-brand.

Has Bukiewicz's "This is what I love, take it or leave it" attitude worked? Wideranging global news coverage from The New York Times, Wired, Gizmodo, CNN and others says yes. And, of course, there's the more than half a million views on Vimeo, a mad following on Facebook and the only half-joking pleas on the Web for someone to buy this or that person a Cut Brooklyn knife if they "have \$600 just lying round."

Now, don't get me wrong: this is not to say that Cut Brooklyn couldn't become a global brand. There isn't much stopping these lean and local businesses from expanding rapidly, as long as the expert craftsmanship is maintained and the community of people around the brand remains passionate. For consumers, it doesn't matter that a brand comes from somewhere near them; it simply matters that a brand comes from somewhere and, ideally, someone. Community is vital to such a lean and local brand, and it comes in two forms: the geographical and the virtual.

In both cases, the role of the brand is to become something larger than itself, creating a personal experience that cannot be replicated by the big guys. Provenance is becoming increasingly important in product marketing, and lean and local brands are leading the charge by creating stories founded on real, physical places. The strength of physical places is also becoming evident in the activities of brands that were born online.

Jeff Raider, founder of online prescription glasses retailer Warby Parker, recently opened "Harry's Corner Shop" in New York City's West Village. This brick-and-mortar store serves as a physical presence for his Harrys.com e-commerce brand, which promises to "give you a great shave at a fair price." Read from the website at <http://harrys.com/corner-shop>: "Harry's Corner Shop was designed to be a neighborhood shop – a modern store built with respect for the community atmosphere of the traditional barbershop.

It's an intimate spot where regulars and new-comers can hang out, get a haircut and shave

from experienced barbers, discover new and interesting products that may add to their grooming routine or their daily lives, and build long lasting relationships with others in the neighborhood.” As you might expect, Harry’s isn’t just a barbershop. It’s stocked with locally sourced products from pajamas and briefcases to motorcycle helmets and notebooks. And while all the products can be purchased from the Harry’s website, the existence of a real store is an almost mythological element of the brand for the thousands of customers who will probably never set foot in it.

Beyond brand stories, being “local” will also likely become an economic necessity. As the Chinese economy strengthens, transport costs rise and new technologies such as 3-D printing mature, more brands will be manufacturing in locations much closer to their customers. Delivery will be factory-to-home through self-driving cars or drones, cutting out the middlemen (sorry, FedEx) and giving brands another opportunity to create a unique and memorable experience for customers.

### **The purpose of brands in 2020**

Over the next few years, new brands will be created and existing brands may evolve to a mix of The Sleeper, The Shiny Upstart and The Lean and Local. Currently, there are opportunities for all brands to test new ways of communicating with consumers based on these three brand types. From sleeper brands, we need to learn that the bottom of the funnel is out of our hands and that we work to uncover, analyze and act upon real feedback from real people. Particularly for larger consumer-facing brands, there is a wealth of information and feedback from real consumers that is unfiltered and authentic.

From the shiny upstarts, we can learn to tell stories about new ideas and products. These stories should be communicated early and often, inspiring people in a transparent and authentic way. From the lean and local, we can understand the importance of both physical and virtual communities. Whether or not a brand has a true geographical provenance, could a physical presence help and what role could it serve? For both physical and virtual communities, it’s also important to exist for something bigger than the brand.

CONSUMER OPINION WINNING IN 2020