

JONATHAN GABAY



B[®]AND PSYCHOLOGY

CONSUMER PERCEPTIONS

CORPORATE REPUTATIONS

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B[®]AND PSYCHOLOGY

PRAISE FOR BRAND PSYCHOLOGY

'Recommended book to anyone involved in brand marketing, social media and business communications.'

Financial Times

'*Brand Psychology*, supported by research from some of the world's leading psychology, business and management authorities, explains how the most complex data-processing system ever created – the human mind – tries to make sense of modern "sophisticated" marketing and the data that drives it. Gabay explains the importance for brands to understand the nuances of why people buy – or otherwise – using techniques that cannot be outsourced to data scientists.'

The Global Marketing Alliance

'A very readable book that provides insights into how we perceive and relate to the brands with which we come into contact... a very useful guide for managers to understand what they need to do, and what their organization's brands need to address, to convince buyers of the values of their brands. *Brand Psychology* is unquestionably extensively researched, well explained, and supported with great case studies to illustrate the points being made.'

Gabay delivers an impressive, insight-filled and stimulating book that will change how you see the world around you and your own actions, and uncovers what is really driving consumer attitudes and behaviours.'

Chartered Institute of Marketing

'Well researched, highly educational and above all, it powered along in a way that I found to be exciting and, as a marketer, a real inspiration. This is a must read for any brand expert wishing to arm themselves with a deep understanding of what motivates consumers, let alone every marketing professional in the global economy. From the very foundations of branding to the current super brands; Jonathan seems to have covered it all. I would thoroughly recommend everyone to not only read it, but keep it close by as an essential business reference source.'

Graham Dodridge, CEO, Silver Worldwide

'*Brand Psychology* takes a very human, highly practical and insightful approach to the implications of Big Data.'

Smart Insights

'*Brand Psychology* is an excellent detailed study of branding from both the brand and consumer perspective, backed up by case studies and advice from neuropsychologists, economists and industry participants.'

Roger Dooley, author of *Brainfluence*

'Excellent!'

Cool Brands

'A very thorough and engaging book which will become a must-read for all those working in and with branding, as well as a fascinating book worth reading for anyone with an interest in business and branding.'

The Book Bag

For Raphael

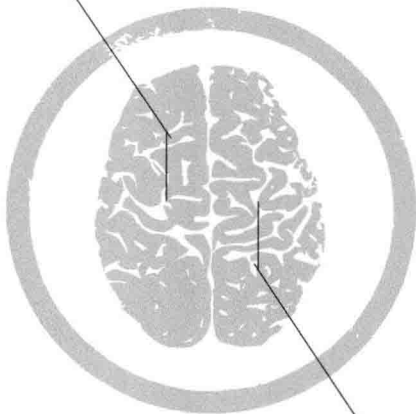
*With thanks to Helen K.
for giving me this opportunity
and her team for their professionalism*

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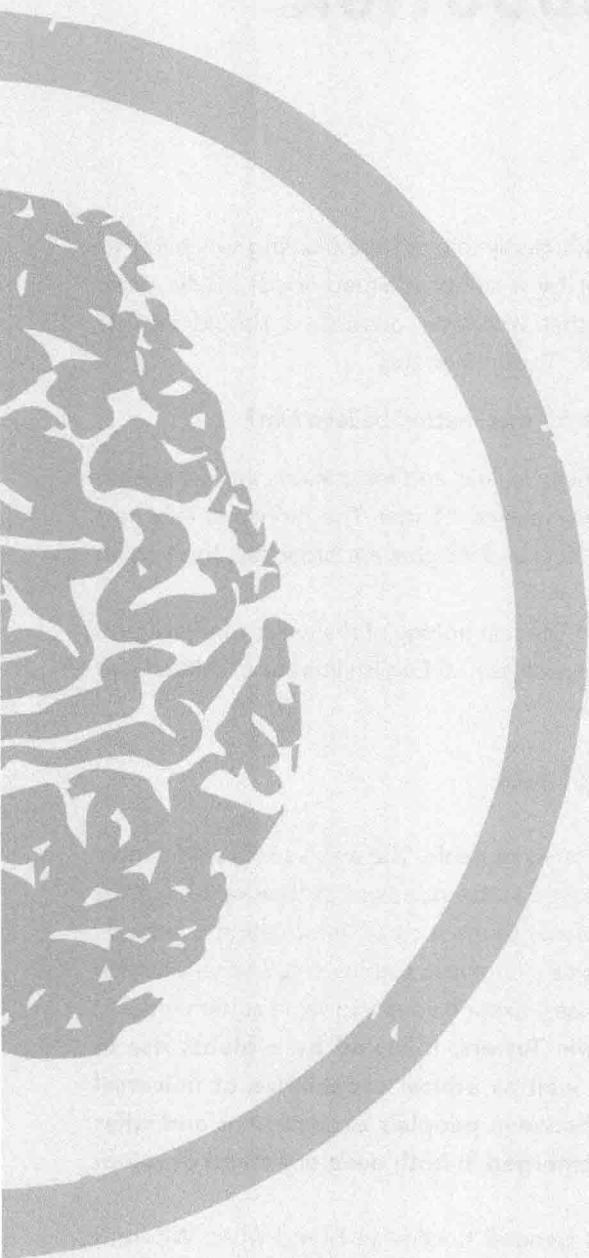
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LEFT LOBE



*There is nothing new
under the sun*

(KING SOLOMON, ECCLESIASTES 1:9)



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INTRODUCTION

Late summer.

I held out my iPad at arm's length, partly to block the dazzling sun, partly to help me squint-focus on a tweet by a self-proclaimed social media guru. Discussing trust, he suggested that whenever possible, I should include advertising copy along the lines of: 'Trust me on this'.

...Why should I, or anyone else for that matter, believe him?

You live in a world where authenticity is fluid and reputations are dismissed, dismantled and demolished in the wave of a finger. The fundamentally new ways in which thoughts, feelings, facts and insights are broadcast has had an irreversible impact on cognition.

In his book *Orality and Literacy: The technology of the word*, the Reverend Father Walter Jackson Ong PhD, a professor of English literature, cultural and religious history, observed:

Writing restructures consciousness.

So it is that immutable reputations become mutable. The web's social spiderlings, including Google+, Twitter, Pinterest, Facebook, as well as their various camel case cousins, have conspired to make terms such as 'information overload', 'attention deficit', 'paralysis of choice', 'cognitive surplus'... collective alibis for brands to deliver superficial promises, explanations and value statements.

Since the collapse of the Twin Towers, followed by a global rise in cynicism over the practical as well as ethical capabilities of universal leadership, a gargantuan gap between people's expectations and what brands can actually supply has emerged in both developed and developing economies.

It's all down to a continuous general decline in brand trust. Whereas organizations were once traditionally valued by GDP and income, today a brand's meaning and relevance to consumers is equally as important when assessing value. Is it both emotionally as well as logically practical? Does

the consumer feel smarter, more confident, respected? Is a product or service simply another 'me too' commodity, or when considering the brand's reputation, does the consumer think, 'us two'? (Source: HAVAS, June 2013. Also see Right Lobe, 'Life can be pulled by goals', page 283).

Too often on reading, hearing or viewing a commercial, social or political message, people are confronted by a verisimilar brand whose wholesale communication makes it difficult to distinguish between gospel fact and gossip fiction. In turn, modern PR and marketing brand specialists are forced to pluck out authentic threads of lucidity from an intricate tapestry of grey acrimony and white indifference.

The piece on my iPad took me back 30-odd years. I was a rookie copywriter. My boss similarly advised that, whenever applicable, I should lace copy with words and phrases such as:

- ★ professional
- ★ trust
- ★ guaranteed
- ★ proven
- ★ promise

...Professionals promised that any combination would win trust.

Before I first tackled awkward brand reputation predicaments including, for example, clients allegedly being caught breaking into the New York offices of competitors, among other places, I worked for American Broadcasting Company News.

ABC's European anchor was a wonderful man called Peter Jennings. Teams covered everything from embassy sieges to corporate battles with unions. Depending on a day's news I was the runner cum trainee editor, cum assistant researcher, cum junior sound technician, cum post boy, cum tea-maker. Even occasionally (once almost disastrously) I manually ran Peter's live-on-air teleprompter (but that is a tale for another book).

From dependable nightly news reports to emergency press conferences, product launches, advertising, TV and radio commercials, lectures, publishing, corporate videos and social media, throughout my career I have witnessed the importance of assurance and authenticity when devising political, commercial and social visions or missions.

Direct marketing agencies taught the craft of copywriting that spoke directly to consumers, especially when supported by testimonials addressing

classical Regulatory Fit Theories (see 'Something tells me I'm into something good', page 249). Technical details of branded products or services were balanced with consumer (business-to-business, or otherwise) significance. Leaflets, letters and brochures put forward cases for investing time, money or confidence in brands.

Event agencies demonstrated the power of designing immersive and enthralling consumer experiences whose narratives evoked drama and curiosity.

'Buy One, Get One Free' sales promotions drew on the psychology of goal pursuit and reward.

Advertising agencies like Saatchi and Saatchi revealed the witchcraft of empathetic creativity: the importance of storytelling.

PR agencies instilled the rule of 'who you know is sometimes more important than what you know – unless what you know is about who you know'.

Social media agencies introduced building relationships through website content that pressed 'want' and 'need' buttons.

Global lecturing revealed the universal language of capturing heads and hearts through engaging face to face.

Working with international news media as a brand commentator introduced the craft of delivering a succinct bulletin for online and offline distribution.

Decades ago, press releases habitually incorporated upwards of 250 words of copy. Each was driven by facts, which pulled along meaning. Today, e-mails lengthier than 50 words or clips longer than four minutes constitute the equivalent of *War and Peace* (minus its drama and compassion).

The 21st century's first global recession led the press to address the dreads and idiosyncrasies of a new demographic audience that included a shrivelled-down middle class, sopping wet from the storms of a global economic tsunami.

Studies by UC Berkeley psychologist Dacher Keltner suggested that a vast swathe of 18- to 33-year-olds had lost faith in traditional belief systems. They were less likely to marry, vote, follow a religion or, assuming they could find one, stick to a job. Official 2014 government figures showed that Britain's richest 1 per cent had accumulated as much wealth as the poorest 55 per cent of the population put together.

Eighteen months earlier, Professor Danny Dorling of the University of Oxford, an expert in inequality, said:

The last time the best-off took as big a share of all income as they do today was in 1940, two years before the publication of the Beveridge

Report, which became the basis of the UK's welfare state after the Second World War.

To drive need, brands created artificial market segments within the post-storm middle classes. Bifurcation separated the middle class into high-end consumers and low-end bargain hunters. The newly created markets were tempted into paying premiums for 'platinum' or 'gold' packaged versions of commodities and basic provisions.

Windows allowing light into the global library of knowledge shrank. At first it was laptop screens, finally wristwatch lenses. Meanwhile the information contained within became stubbier. With less time for the majority to see the bigger picture, brand stories demanded only clipped bursts of the briefest consideration from consumers, leaving practical implications of messages wide open to interpretation.

Taking things into their own hands, 'Generation C' communities became cottage experts, commentators and social journalists curating hubs of specific interests for time-poor information rummagers. A fleetingly scanned picture on a site like StumbleUpon, Pinterest, Tumblr, or a six-second Vine, was meant to imply more than a thousand words.

Following decades of political wars, economic catastrophes, government frauds, cultural feuds, corporate fiascos, the loss of social and cultural identities, product recalls and vertiginous leaderships, people became solipsistic. Preferring to put their trust in visceral convictions than publicized promises, man had become *homo hominus lupas est* – 'man is wolf to man'. Compared with their parents, millennials (born between the early 1980s and approximately early 2000s) are far less likely to identify with traditional brands, political parties or formally affiliate with a religion – key indicators of an independent streak – according to the Pew Research Center.

During the Prom years of the teenage 21st century, brand messages trickled their way into insipid streams of consciousness, with information rummagers enduring endless political, theological and commercial flotillas of Balaam-branded false prophets claiming to walk on water.

Processing a ceaseless stream of advertising messages affects the part of the brain particularly concerned with decision-making processes – the medial prefrontal cortex region in the middle of the frontal lobe (just above the fusiform cortex). Significantly, this area plays a significant role in people suffering from ADHD (attention deficit hyperactivity disorder). Any impairment to this region could affect responses in deciding between several choices, and in learning from errors (see 'The mind's moral network', page 48).

You are the product of your thoughts.

... Which brings me back to eclipsing the sun with my iPad. The book – or tablet – in your hand concerns psychology and its effects on brand reputation. It explores the premise that we are products of our own thoughts. Marketing, design, management, business, human resources and psychology (including psychotherapy) graduates will find it useful in understanding strategies, markets, people and popular business culture.

Brand marketing, social media, public relations and business communications professionals will find it helpful as a vade-mecum in planning campaigns, understanding media crisis management, exploring neuropsychology and securing stakeholder loyalty. C-level professionals will find it provides practical help in developing a credible stakeholder reputation, along with handling the genuine personal implications of being a brand figurehead (dealt with in the second section of the book).

Together we are going to find out if long-held classical rules of thumb are still relevant. We'll explore consumer motivation and reputational psychologies that will help peer into the soul of a meaningful, authentic brand.

Expect to roll up your sleeves. Through studying the bicameral lobes of brand perception you'll probe modern day communication crises and brand methodologies. Along the way, we'll confront a mindful of ideas and issues including:

- ★ ethics;
- ★ consumer perceptions;
- ★ big data;
- ★ online disinhibition;
- ★ media relations;
- ★ technological channels;
- ★ the psychology of the modern CEO;
- ★ the language of brand storytelling.

I have chosen case studies that are enduring lessons. Each serves as a milestone pointing out paths to follow or avoid. You'll learn about brand manipulation, the semiotics of branding, marketing to children, neuropsychology, defining belief, applying classical psychodynamics to modern communications,

media interview techniques, coping with reputational stress and more – much more.

You'll be given the information to decide for yourself if there really is nothing new under the sun, or whether modern brand reputation strategies are about to eclipse everything once hallowed as the indubitable truth.

To streamline matters, like your brain, this book is divided into two parts (lobes). As a prelude to brand authenticity, the Left Lobe starts with a historical overview on brands, society, and trust. Having placed the general perception of trust into context, I delve deeper into analytical aspects of brand psychology, faith, authenticity and reputations. Being the longest section of the book, this is where you'll find many answers to typically asked questions.

The second part, the Right Lobe, focuses on the C-suite, particularly the personal burdens of remaining authentic while in high office under the glare of the media spotlight. Among topics covered, it considers personal approaches to crisis management, coping with possible failure, the pressures of being the face of a brand while handling difficult media interviews, and even being labelled a 'narcissist', or worse.

By confronting often 'unspoken' aspects of leadership, this section aims to provide practical ameliorative support and advice for C-level executives along with insights for journalists looking to better understand the genuine people behind corporate titles. The Right Lobe also looks at the employer brand, along with the fascinating world of brand storytelling.

While the corpus callosum enables interhemispheric communication through connecting the left and right cerebral hemispheres, neurologists have proven that thinking is neither solely left nor right lobe-based. Information is processed throughout both hemispheres. Accordingly, ideas come from sections throughout the entire book. Mind maps will help navigate your journey. At the end of each chapter, bullet points summarize germane thoughts. To support your own studies and research, this book also has its own dedicated support website. Brandunderstanding.com features additional material for case studies throughout the book.

It's time to look beyond the what, where, when, how and who of corporate, political and social character-building. Draw the surgical light nearer to the issue of brand reputation, trust or belief in all its various expressions that's closest to your heart and let's begin to examine the epithetic 'why'...

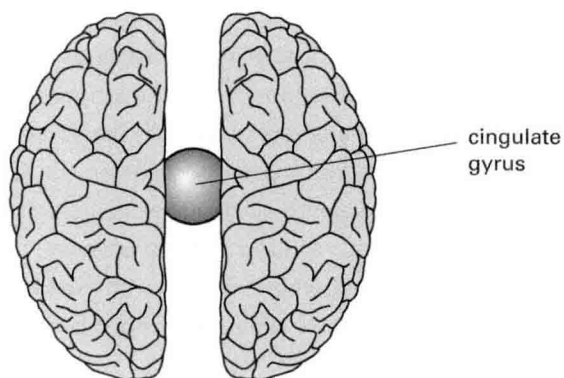


FIGURE 0.1 *The cingulate gyrus enables the brain's left and right lobes to perform a wide variety of tasks*