

Marketing Parables From
Some Unlikely Sources

Six Easy Pieces

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BEHAVIOUR & ATTITUDES
MARKETING RESEARCH

Six Easy Pieces

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I must begin with a confession. The title I have chosen for this essay is a piece of blatant plagiarism. My only excuse is that, even when it comes to plagiarism it is important to exhibit good taste.

The original Six Easy Pieces¹ was a book on the fundamentals of physics published while I was sitting my Leaving Certificate exams. I didn't discover the book, or the accompanying series of recorded lectures, until much later: otherwise my exam results might have been more respectable.

I can still remember the thrill of finding something that explained complex ideas in such a clear and unfussy way. Most of all I was struck by Richard Feynman's insistence that it was not possible to "teach physics by just giving the basic laws on page one and then showing how they work in all possible circumstances.... one needs a considerable amount of preparatory training even to learn what the *words* means ... we can only do it piece by piece".

If that is true of physics, with its solid theoretical base and long history of experimental evidence, how much more true is it of our inexact discipline of marketing. I am convinced that the most effective lessons all come in the form of Feynman's Easy Pieces, short stories with a point: Parables, if you will.

This is how, when I was asked some time ago to summarise some of the key lessons I had learned from almost thirty years working in marketing research in Ireland, I came up with the following set.

1 | Even the Bad Times are Good (and, unfortunately, Vice Versa)

New product development tends to be the sexy side of the business and it is very easy to create interesting case histories around the development of new brand launches. Ironically however, most of us, I would guess, make most of our living from old brand maintenance. And we tend not to give it the attention it deserves. It is for this reason that I have chosen as my first 'Easy Piece' the history of PJ Carrolls: the long-established Irish cigarette manufacturers.

I remember Don Carroll (then Chairman of the company) describing the history of the brand's genesis many years ago. He was looking back even further in time to a period, around the Second World War, when there were a great many shortages in Ireland. He remembered going into a small TSN somewhere in rural Ireland and being dismayed to hear the shopkeeper say to a customer ahead of him in the queue, 'I'm sorry we have no cigarettes – we have only Carrolls'.

You can imagine how this made him feel, as he was about to take over the running of this long established family firm. They had a relatively small market share then. The market was dominated by brands like Woodbine, Players Navy Cut and so on. He determined, there and then, to build the Carrolls brand portfolio into something that would command respect from Irish consumers.

He did all the classic things right. He looked at the way the Irish cigarette market was developing and determined that tipped cigarettes were the way of the future. He got into that segment with Carrolls No.1 before any of his competitors. Along with a very strong marketing team that he had recruited, he built the brand into the clear market leader by the 1960s. Not alone that, but they developed Major into the second biggest brand and one which eventually overtook Carrolls No.1 to become market leader in its turn. By the late '60s they had captured over 50% of, what was at the time, one of the biggest consumer markets in Ireland.

The company was on the crest of a wave and they were looking around for opportunities to diversify.

Again, I can remember Don Carroll describing how they decided to develop their sponsorship of the Carrolls Irish Open Golf Tournament as a means of demonstrating to the market place that they had the skills within their organisation to mount a significant and highly complex international sporting event and do it as well as any of their international competitors; no more – 'We have only Carrolls'.

Around that time, another little brand started to emerge from one of their competitors. In the late '60s Silk Cut had something under 2% of the Irish cigarette market. The brands' proposition was very clear, significantly milder and with less tar.

1 | Even the Bad Times are Good (and, unfortunately, Vice Versa)

In retrospect one can make a strong argument that this was exactly analogous to the earlier emergence of the filter tipped sector. Yet, with the same expert marketing brains looking at the facts, it was difficult for the people at Carrolls to accept that the world would change that much. I can remember people making perfectly plausible and rational arguments of why Silk Cut would never catch on. It could be argued quite plausibly, for example, that if people switched to such light cigarettes it was only a short step from there, for them to give up smoking altogether. That didn't happen; the logical analysis was wrong.

Silk Cut went from strength to strength (pardon the pun). The brand added milder variants to its mix, and pack designs with more sophistication and 'class'.

Silk Cut did to Carrolls and Major what they, in an earlier generation, had done to Woodbine and Players Navy Cut. Carrolls Group slipped back to a market share of about a third. The Irish Open had to be abandoned and passed into the hands of Murphys Brewery. Eventually the company became part of the Rothmans International stable, and subsequently part of BAT.

There are so many lessons to be learned from that simple case history: but the simplest one is 'it ain't simple'.



1 | Even the Bad Times are Good (and, unfortunately, Vice Versa)

One of the strongest marketing teams ever built in this country, on a roll, having cracked an earlier directly analogous problem still had difficulty in interpreting the signs when they came around again and had even greater difficulty responding to the signals. There is probably a sub-text also that says that its harder to take risks when you are the market leader and you have more to lose than when you are in a challenger position.

They may have taken too much comfort from the apparent stability of many successful brands. In a recent book (Brand New)² the authors suggest

“In 19 out of 22 product categories, the company that owned the leading American brand in 1925 still has it today – Nabisco in cookies, Kellogg’s in breakfast cereals, Kodak in film, Sherwin Williams in paint, Del Monte in canned fruit, Wrigley’s in chewing gum, Singer in sewing machines, Campbell’s in soup, Gillette in razors”.

I am reminded of a passage from Edward Albee’s play *Who’s afraid of Virginia Woolf?*³ The older university lecturer George is convinced that the newly arrived, younger man (Nick) is likely to beat him to the job of running the University.

‘But Blondie was in disguise, really, all got up as a teacher, ‘cause his baggage ticket had bigger things writ on it...H.I. HI! Historical inevitability.’

We don’t always recognise our nemesis when it arrives. Silk Cut didn’t have a sticker on the pack marking it out as ‘Historic Inevitability’.

What could they (Carrolls) have done to detect the signals of change better?

My second easy piece tries to follow on from this question.

2 | I'd like to introduce you to 'Phineas Gage'

Phineas Gage⁴ was a man of Irish extraction who made his living during the middle of the 19th Century, helping his employers – one of the large American railway companies, lay their tracks across the Continental United States.

He eventually became a big wheel in psychological circles and among people who studied the workings of the brain. He managed this career shift in rather unfortunate circumstances however.

He was in charge of a team dynamiting their way through a mountain to ensure that the railway track would be as straight as possible. This involved drilling a narrow gauge-hole, about four feet deep, packing the bottom with dynamite and dampening it down with earth before setting off the explosive. The implement for dampening down the gunpowder and earth mix was a three-foot long, two-inch in diameter, metal bar which he had to tap into place with a hammer.

One day somebody distracted him. He forgot to put the earth dampener in before he started to tap. The clash of metal caused a spark, followed by an explosion and the iron bolt came shooting out like a very large bullet from a gun. It caught the unfortunate Phineas just below the chin, exited through the top of his skull and landed about 150 yards away.

Not alone did he survive this horrific accident but, he came to shortly afterwards, and was able to walk part of the way back to camp, discussing what had happened with the members of his work team.

He made what appeared to be a complete recovery and survived for many years afterwards living what was, to all intents and purposes, a perfectly normal life.

There was just one problem, his personality had been changed completely by the damage that had been done to his brain.

He became one of the first closely observed case histories of how certain parts of the brain control certain functions and how they interact, one with the other.

There have been many similar research studies undertaken subsequently. Some have followed from accidents, others from operations to remove tumours and so on.

One of the outcomes of all that research is that they have been able to pinpoint, reasonably accurately, where in our brains our emotional centres lie. We have also been able to observe what happens to people when those emotional centres are lost or damaged.

One of the conclusions that has been reached on the basis of this research is a very counter-intuitive one. Most great philosophers would have held that emotions were animal instincts that needed to be kept under control. Rationality was the thing that distinguished humans from animals. Working from this back-drop it is very easy to assume that careful, rational consideration of all the pros and cons are the key building blocks of correct decision making, (in our world, about new product development, old brand maintenance or whatever).

2 | I'd like to introduce you to 'Phineas Gage'

The ironic thing is that the brain research that I've been talking about pointed very clearly toward the conclusion that when the emotional centres of the brain were damaged, the individual in question lost the ability to make rational decisions. He or she would clearly see the arguments for or against any course of action. They could work out what the consequences of any course of action might be, but they couldn't bring themselves to make a decision. One of the researchers came up with a memorable phrase to explain it. He suggested that it seemed as if the emotional part of the brain had to hijack the rational side to get decisions made.

All the rational arguments, for and against certain courses, count for nothing if the individual in question doesn't want the end result to happen badly enough. I have seen evidence of the truth of that conclusion over and over again during the last thirty years.

One of the distractions is that we too readily confuse what we, as brand producers, want with what the consumer wants.

Here is a key conundrum.

Brand owners put a lot of faith in logical analysis. The bridge from there to the rational part of the brain of the consumer is an easy one to cross.

The most difficult thing for manufacturers to do, is to put themselves into the emotional 'shoes' of the consumer. Stepping into the logical part of his or her brain is so much easier, so much more comforting. And yet, if we don't recognise this fault line between the rational and emotional mind, we miss the clinching element of all key decisions.

Carrolls wanted consumers to retain a loyalty to their solution to the search for milder brands but they didn't really want them to go any further than that. It is very easy to build a rational argument why it shouldn't happen. Ironically, the brighter people are, the better they are going to be at building up these rational scenarios (and getting further and further from the truth).

Guinness wanted, very badly, a lighter version of their brand that would overcome the resistance of young people to acquiring the Guinness habit. It was very easy to build the rational case for it. More than that, consumers could readily see the sense of such a development. The problem was that they (young consumers) didn't have any emotional thirst for the new brand – Guinness Light. Those emotional needs were already being satisfied by brands like Smithwicks and Harp which have since had to confront the challenge from new emotional need fillers like Heineken, Budweiser and so on.

3 | The Customer is Always Right... Well Sometimes

About 10 years ago I was asked to address the Cork branch of the Marketing Institute on the theme – ‘Know your Customer’. I think I caused some consternation by asserting that ‘the customer is *not* always right’. The notion that the customer is always right is such a fundamental tenet of sales and marketing that we take it for granted that it is true all of the time. It isn’t.

Of course it is true when you are delivering an established product or service. You have to adhere to the contract between the supplier and the client.

Where it falls down however is when we look to the consumer for advice on designing new products and services. The old guidelines worked when there was a shortage of supply and consumers could articulate their needs and wants. We no longer live in that world. The vast majority of consumers have more products and services available to them, than they ever needed or wanted.

The one thing they have in very short supply is time. In particular they don’t have the time to do our job for us, and to think out what it is that they might want or need at some stage in the future when circumstances are likely to be very different from those that exist at this point in time.

I can remember doing research for the banks on the notion of ATMs, before they were introduced. At the surface level people weren’t very keen on the idea – ‘I wouldn’t feel safe’. ‘I don’t think I’d ever get used to one of those computer machines’ etc. Look at the usage levels now.

When we looked at the potential market for mobile phones, consumers were quite convinced they would never have a need for such an expensive appliance – ‘I can see Michael Smurfit and a few of his mates having them, but that’s not for the likes of me’. My how things have changed!

One of my main clients over the last fifteen years or so has been the National Lottery. When we did the exploratory work on the launch of Lotto, and at many junctures since then, we came across the same obstacles again and again. Consumers thought that the big prize was too big, and the small prizes were too small.

‘It’s ridiculous, for a match 6 you get two or three million, and only £35 for a match 4. It should be at least £350’.

3 | The Customer is Always Right... Well Sometimes

Let's follow the logic. Last year the Lottery paid out on 568,000 match 4 prizes. At £35 a head that is nearly £20 million. At £350 a pop it would be £200 million. The total income on Lotto last year was £252 million. We have just designed the first Lottery in the world that is guaranteed to make huge losses.

Sometimes the consumer simply does not know enough to be the key decider. We, the custodian of the brands, have to make the key decisions. The role of research in these circumstances may simply be, to find out what sort of problems we confront in selling our ideas to consumers and how widespread those barriers are. I can well imagine that people would find fault with the initial concept behind the Eamonn Dunphy Show on radio (too much talk) or Anne Robinsons Weakest Link TV Show (far too rude). They have been proved wrong. There is a very thin line between using research as a killer of good ideas and using it as the grit that opens the oyster, that reveals the pearl.

Judgement is crucial in these areas. We can't just be led by a consumer wish list which is bound to be heavily influenced by past experience. We can't be guided simply by 'most votes carries' decisions. We have to recognise that successful ideas very often start out small and they build from there.

New ideas that have too ready an acceptance initially often achieve those favourability ratings *because* they are already familiar. They will fall down in the market place because they don't offer any *new solutions* – new sensations.



4 | Remember that Brands are Living Organisms

Anybody who has done Group Discussion work, knows how difficult it is to turn your mind off after a group discussion has been completed. When I'm driving home late at night after groups, I listen to the radio quite a lot. You can hear some interesting stuff.

I remember listening one night to a programme on Anthropology where they were describing the myths and legends of various Aboriginal tribes. One sticks in my mind particularly. One of these tribes traced their origins to a particular hero figure – their version of Fionn MacCumhail. The story goes that he won some famous victory for the tribe. The Gods were pleased with him and they told him they would grant him one wish in return.

He asked to be allowed to live forever. They granted him his wish. They turned him into a rock. It still stands in the desert. The natives still think of it as him. They refer to the rock by his name and they always remember to say hello as they pass by. It's life Jim, but not as we know it.

Rocks are simple objects. Chemical reactions are slightly more complex. The leap from chemical reactions to the spark of life is more complex still. Living organisms require a degree of complexity. So do brands.

We have all been taught that advertising communications need to be clear and singular. I would contend that one of the Marketing errors that has become commonplace over recent years is, to leap from that idea (of the requirement for singularity in advertising communications) to the mistaken belief that brands need to have a single message that is repeated over and over again.

A great deal of effort is spent in boiling down a brand essence to its bare essentials. Too often this ends up sucking the life-blood out of a brand.

Focussing on a *single* brand advantage can be successful in the short term, but it runs a real risk of becoming boring over time and can eventually turn the brand into a lump of stone.

Superbrands relish their own complexity. Some can even carry promises that are apparently in complete conflict. My favourite example of this, although it is an old brand at this stage, is Fairy Liquid. For years and years consumers believed two very contradictory things about this brand. It scoured the grease off plates and was appreciably stronger than competitors in doing this. At the same time, it was kind to hands.

The planners at Levi Strauss⁵ have written of the way they developed a short list of about 8 elements in the core persona of their brand: Sexiness, rebellion, assertiveness and so on. No single commercial could carry all eight elements of the genetic fingerprint but they planned their ads in sequence so that each highlighted a slightly different facet of the brands persona and they were careful to return, after an appropriate time lapse, to turning the spotlight on those aspects of the brand personality that had not been highlighted for say the last two years.

4 | Remember that Brands are Living Organisms

Nobody is pretending it is easy: but, I firmly believe it is a lesson that brand owners ignore at their peril.

In the run up the millennium you may recall there were all kinds of polls on the greatest achievement in one field or another during the last thousand years. I don't know if any of you noticed it but there was one poll of the scientific community around the world, where a large sample of the top scientists in all fields were asked to nominate their top scientific breakthrough of recent times – say the past 200 years. Guess what came out on top?

It wasn't $E=MC^2$ or any of that stuff that we have been coached to assume is outside our competence. Believe it or not it was Darwin's Theory of Evolution.

This struck me as stunning. I imagine if we could do a poll of lay people we would find that most people have heard of it, very few people understand it (although they think they do) and a great many people think that it is 'only a theory, it isn't scientific and it hasn't been proved'.

Irony of ironies, there it is, at number one in the charts, as nominated by the real experts. The reason it has been selected is its pure usefulness. In almost every area of science now, people use Darwin's basic model to analyse the success or failure of all kinds of things and they find it works. Over the past 20 years or so, there has been a noticeable shift in the pattern of Nobel Prizes for Science; away from Physics and Chemistry and into the area of Biology⁶ where we are dealing with living organisms and where it has been necessary to develop a whole new set of complex calculation procedures (including fuzzy Maths⁷), to explain how certain emergent trends survive and thrive and how others die out without reproducing.

I have become increasingly convinced over the years, that we who are involved in marketing and sustaining brands (which are living organisms) can learn more from this discipline than from any other.

It is my firm belief that we have to think of our brands as consisting of, in Richard Dawkin's phrase, 'Selfish Gene(s)⁸'. Some are more fit to survive than others and we need to adopt this approach to analysing our brands, to have any chance of establishing which other organisms they compete with, what sort of nourishment they need to help them to survive and thrive. What sort of developments threatens the survival of the species and which ones add to its chances of survival? We can do huge damage to our brands by trying to plant them in unsuitable soil. Force-feeding them is most certainly a short-term measure that proves damaging in the long run.

The analogy can be extended ad infinitum. All I can do, in the time available is to plant the seed of the idea. Think about it and I am sure you will find it a useful metaphor for reviewing your brand's health.

5 | Silent E – The Differential Calculus of Marketing

In the 1950s Tom Lehrer was a lecturer of Mathematics at Harvard University. In his spare time he discovered he had a real talent for playing the piano and writing very funny songs. He found he could make a great deal more money from playing piano and singing than he could from lecturing, even in a prestigious University such as Harvard. Some of you with a classical education may remember some of his songs such as 'Poisoning Pigeons in the Park' or 'Masochism Tango'. Tom's particular forte was satire but he eventually gave up when Henry Kissinger was nominated for the Nobel Peace Prize, shortly after masterminding the bombings of Hanoi and Cambodia. He didn't think any satirist could trump that particular act.

He looked around for something to do with his time and one of his friends roped him into a TV series he was planning, which had a rather lofty set of ideals which were in tune with the temper of those particular times. They thought they could use the power of television to teach young kids, particularly those from underprivileged backgrounds, some useful social skills. They called the show 'Sesame Street' – some of you may remember it. Some of you may even have been taught to read by singing along to the songs Tom Lehrer devised for that show.

I particularly remember a song he wrote which was called 'Silent E'. The idea of the song was that the letter 'e' can be added to various words and it becomes the silent contributor which changes the meaning:

“It can turn a dam into a dame,⁹
But my friend Sam he stays the same”.

One couplet in particular stays with me.

“You can turn a glob into a globe instantly
You just add silent e”.

5 | Silent E – The Differential Calculus of Marketing

Ever since my first exposure to that simple kiddie song, it has always struck me as a useful metaphor for the successful leveraging of a marketing idea. Something that takes a very simple concept and gives it that extra little 'lift' that brings it alive for the consumer.

When Budweiser was first launched in Ireland, there was a real temptation to promote it as an American success story. Irish consumers were just waiting for a chance to blow it out of the water. They (Budweiser) made a very correct decision (under local advice it must be said) to attack from an unexpected source. Irish International created those lovely ads with the Clydesdale horses (which had not been used in the American Market for some time incidentally) and they underpinned the quality ingredients of the brand by introducing the concept of 'Beechwood Ageing'. It doesn't matter that nobody really understood what Beechwood Ageing is. It set up a new agenda for judging the brand. They had anticipated the consumers objections and got the corrective mechanism in first.

I firmly believe that the success of the Frogs and Lizards campaign and the subsequent 'Wassup' campaign would never have been possible if they hadn't established the brand at level one by giving it an injection of what I am calling here 'Silent E'.



6 | Brands (Like Gods) Make Their Own Importance

My final easy piece comes from the most unlikely source of all. If I walk out of my office turn right and walk for about three minutes I come to a footbridge across the Grand Canal with monuments on either side to the poet Patrick Kavanagh: No marketing guru, he.

And yet, I remember about 20 years ago, my old mentor, John Meagher, who died recently, used some lines from Kavanagh's poem '*Epic*' in a paper titled 'Ireland in the Year 2000'. I can't exactly remember the point John was making at the time but the lines do still seem to me to contain a very important message for Marketing people and one that we too readily ignore.

The storyline in the poem concerns a fight between two families over who owns 'half a rood of rock' in Monaghan. Kavanagh despairs of such petty fights, particularly when set against the backdrop of world events in that year of 1939.

“That was the years of the Munich bother. Which
Was more important? I inclined
To lose my faith in Ballyrush and Gortin
Till Homer's ghost came whispering to my mind
He said: I made the *Iliad* from such
A local row. Gods make their own importance.”¹⁰

Gods make their own importance – so do brands. We forget this too often. It is very easy to take a brand off its pedestal; much more difficult to get it back up there where it is held in awe and respect.

If I link this back to some of my earlier pieces I suspect that we listen, too often with an indiscriminating ear, to the changing moods of consumers. We don't pay enough attention to our brands. We don't listen to their inner voice or understand their needs or potentialities.

I have seen too many cases where brand owners have done violence to their brands by attempting to get them to masquerade as something they are not or trying to stretch them into grotesque shapes to fit some rationally derived, but emotionally sterile, master plan.

People very often attempt to stretch their brand equity to take it into a new product area. They will even use terms such as: 'taking advantage of the brand equity'. How would you like to be taken advantage of?

7 | Bonus Track

So there you have it – my ‘Six Easy Pieces’. This may not seem a lot from a lifetime in the business, but I console myself with the fact that we only had half an hour to cover things. Still, it could have been worse. You may remember from Hugh Leonard’s play *‘Da’* that the old civil servant Drumm, looks back wistfully on his life, recognising how much has changed and how little is still certain.

“Everything I once thought I knew for certain I have seen inverted, revised, disproved, or discredited. Shall I tell you something? In seventy years the one surviving fragment of my knowledge, the only indisputable poor particle of certainty in my entire life, is that in a public house lavatory, incoming traffic has the right of way”.¹¹

Not a very big lesson, but it has two distinct benefits.

- (a) It is a useful piece of information
- (b) If you think about it long enough, you can see that there are good reasons, why it should be so.

I hope you might feel the same way about my ‘Six Easy Pieces’.