Let's get real: 3 rules to creating an authentic brand.

Does your brand care about being authentic? Consumers do. In fact, people care deeply about "authenticity."

A recent CEB survey found that 70 percent of consumers over the age of 15 said the statement "being genuine and authentic is extremely important for me and for the things and people in my life" described them.

But what does that mean exactly? What does an authentic brand look like? How does it act?

Turns out, authenticity is most associated with trust, and trust-related values like honesty, responsibility and conscience (CEB). According to professors at Curtain University, consumers measure authenticity in terms of heritage, sincerity and commitment to quality. Transparency is another attribute associated with authenticity, ranking alongside quality and price in the minds of consumers (Cohn & Wolfe).

In short, authenticity is not a theme line or slogan; it's the story behind the brand and the values it represents. And like all great stories, it provokes, bonds and lingers.

By Lori Bahnmueller, Senior Strategist at Brogan & Partners Convergence Marketing

Rebel Nell is a great example of an authentic brand. The young, Detroit-based company makes jewelry from unique local materials, like chipped graffiti. And while the hand-crafted, wearable art is beautiful, it's simply a means to an end. Rebel Nell's business case is founded on one single purpose—employing, educating and empowering disadvantaged women.

Rebel Nell's authenticity contributes to the brand's success and provides inspiration for other companies that wish to build profitability by keeping it real.



According to CEB Iconoculture, there are three rules to building an authentic brand:

- 1. Know your audience
- 2. Acknowledge imperfections
- 3. Own who you are

We'll explore these tenets in this whitepaper, and consider how gender, age and ethnicity impact consumer conceptions of authenticity. We'll also look at which brands are successfully leveraging authenticity to build awareness, engagement and buzz. There are also a few teachable moments included from brands that have blundered their way towards authenticity.

1. Know your audience.

Authenticity is an important, though fuzzy concept. Important because most consumers opt for authentic brands over and above their competitors. And fuzzy because authenticity can be difficult to define. Authentic brands are correlated with heritage, high quality and transparency. Hit these notes and your brand will most likely ring true with consumers. But these big ideas and attributes are complicated by gender, generational and cultural bias.

In other words, men are from Mars and women are from Venus. Ask a woman to quantify authenticity and her definition will be slightly different than her husband's. Toss in age and cultural differences, and the concept becomes all the more elusive. Brands need to pay attention to these consumer nuances in order to connect with their target audiences.

CEB recently went to the field for insights, sorting through consumer values that hold clues for brands to master authenticity among primary consumer groups.

WOMEN WANT BRANDS THAT CARE, MEN CARE ABOUT BRANDS THAT ARE HIGH QUALITY.

For women, the idea of authenticity is rooted in giving back and making the world a better place. Women associate authenticity with values such as conscience, responsibility and happiness. They want brands to make good products and make a difference.

A recent Nielsen survey found that women care more deeply about corporate social responsibility than men. And they're willing to pay a premium price for products and services from socially and environmentally responsible companies—particularly those that support causes related to health, maternity, childhood, hunger and poverty. (Think TOMS Shoes, This Bar Saves Lives and YMCA.)



Men have a different take on authenticity, equating authenticity to leadership. For men, brands are authentic when they're honest, dependable and high quality. The values they correlate with authenticity are responsibility, reliability and integrity.

Brands that connect with men on an authentic level might lean into attributes such as German engineering, precision-tuning, barrel aged. (Think Harley Davidson, Jim Beam and Ferrari.)



BE CHARITABLE, BE RESPONSIBLE, BE YOURSELF: MANAGING GENERATIONAL EXPECTATIONS.

Millennials have high expectations for themselves and for the brands with which they do business. They seek out brands that are focused on the greater good and are passionate about what they do. Millennials are focused on having a rich, fulfilled life and they expect the same from brands. They correlate authenticity with values such as passion, happiness and sharing, according to CEB.

Subaru connects with Millennials on an authentic level in the brand's recent spot, "We should do that." The 60-second video features a couple daring to try all manner of food, sport and recreation while road tripping in their Subaru. The car isn't just a prop; it's the vehicle that makes their adventures possible.

Gen X is in middle-life, wedged between aging parents and school-age children. They're shuttling kids to soccer practice, sorting out homework, meeting deadlines, making meals and fretting over mom and dad. Their life demands responsibility and they expect the same from brands. When CEB asked this group about the values they most associate with authenticity, their top 10 responses included responsibility, integrity and reliability. Gen Xers don't have spare time for second chances. Brands need to get it right the first time around.



Subaru takes great care to communicate with this audience differently than Millennials, accentuating quality, responsibility and heritage in this video. It features an Xer dad in the passenger seat of an older model Subaru, teaching his twin sons to drive while mom looks on from the driveway at the bumper of a shiny, new model.

Baby Boomers have always marched to a different tune, so it's not surprising that they expect brands to act similarly. For a brand to register authentic to a Boomer, it needs to be original, true and have strong sense of identity. Boomers have spent decades flexing their originality and confidence. Brands that support their individuality will earn their endorsement.

Depend isn't afraid to be true to its brand in the campaign "Underwareness." The spot features men and women confidently taking a stroll downtown wearing nothing but Depend undergarments and socks below the waist. Depend confronts an often taboo topic with refreshing honesty and humor.

AUTHENTICITY AND ETHNICITY.

According to CEB, African American consumers equate authenticity with honesty and reputation. That story is reflected in their aspirations. Honesty is the number one correlated value for African American consumers. This gibes with Cohn & Wolfe's study that found consumers crave honesty more than any other quality from big brands.

Brands that want to do business with this target audience need to cut to the chase and be candid. Turns out Billy Joel wasn't only singing about love-love. He was also talking brand love.

Honesty is such a lonely word Everyone is so untrue Honesty is hardly ever heard And mostly what I need from you

What do Asian American consumers have in common with Baby Boomers? According to CEB, a strong sense of pride about what makes them unique. When we say authenticity, Asian Americans think purpose, leadership and discovery. Want their business? Dare to be different. It's worth the effort. If Asian Americans were a country, their spending would represent the eighteenth largest economy in the world.

For Latino consumers, heritage and honesty are clear markers of authentic brands. And the values most correlated to authenticity are loyalty, balance, identity and conscience. CEB strategists say this reflects the duality Latino consumers are living today. Heritage is important, but it's only part of the equation.

Brands that want Latinos to favor their products and services have to have more than just legacy on their side. They also need to have a strong identity and purpose, and illustrate growth through experience. Take Budweiser's 2015 Super Bowl commercial as an example.



The 60-second spot blended heritage with bold, uncompromising leadership and attitude. The King of Beers acknowledges the popularity of craft beers, only to proclaim that real beer drinkers prefer their suds macro-style. Cheers.

2. Acknowledge imperfections.

We made a mistake. We were wrong. It was our fault.

To err is human. When brands own up to their mistakes, it can be humanizing. It can even make them more trustworthy, more authentic.

That's why the second rule of authenticity is confronting your brand's imperfections. There are few things more powerful than a genuine apology. And there's no better way for a brand to regain control of a dicey situation and build consumer confidence than to acknowledge their mistakes and make plans to make it right.



DOMINO'S PIZZA-POLOGY INVITES SCRUTINY, INCREASED SALES.

When it comes to authenticity, owning your past is just as important as your present, says CEB. Being honest about past mistakes makes for a strong authenticity signal. In 2009, Domino's did just that and admitted that its pizza wasn't perfect (boring, mass-produced, cardboard crust), apologized for its complacency and pledged to make better pizza. Consumers responded to Domino's candor with orders. Sales have soared and the company has opened 1,800 new stores in the past four years.

AMY'S KITCHEN PROVES THREE RS MAKE A RIGHT.

In the book The Power of Apology, Beverly Engel writes about the three Rs of a sincere apology—regret, responsibility and remedy. The apology should lead with a statement of regret, followed by an acceptance of responsibility for your actions and finally, offer a remedy to repair the damage. Miss one of the Rs and your apology will come off hollow, and your brand may be subject to additional scrutiny and criticism. Timing is also critical.

Earlier this year, Amy's Kitchen wrapped the three Rs into a tidy bow pronto when the company responded to a Listeria scare, an organism that can cause serious infections in children and elderly. In a move that illustrated the family-owned company's integrity and customer care, Amy's kitchen voluntarily recalled thousands of cases of frozen meals for fear they might possibly contain Listeria. What was most impressive was how they did all of this before any complaints had been made or regulatory action demanded.

The company issued a media release, created a website and call center, and posted information across social media inviting questions and providing updates. The organic frozen food company took pains to apologize for what was a supplier error, while taking full responsibility for its product and providing complete transparency. The approach earned them an authenticity bump, with the company receiving an outpouring of support from customers.



THE NON-APOLOGY: WHEN APOLOGIES LACK SINCERITY, BRAND AUTHENTICITY SUFFERS.



In honor of Women's Day, Bic South Africa created a Facebook post encouraging women to "look like a girl, act like a lady, think like a man—work like a boss." Instead of apologizing for the blatantly sexist copy, the company posted a classic non-apology, ostensibly blaming an independent blog site for the blunder. Consumers were unimpressed, and their complaints went viral.

The company followed up with a second apology.



Better. But it's unlikely the company will win any favor from this approach. No points for authenticity here.

3. Be yourself.

The third rule of authenticity is brought to you by mom: Just be yourself. Whether you're trying to make new friends, venturing into the unknown or jockeying for a promotion, mom's advice typically fits the bill. The same applies for brands. And in a marketplace brimming with fakers, cheap knock-offs and me-too brands, being true can be truly profitable.

Being real is a critical component of brand authenticity, a value that consumers hold near and dear when considering products and services. In fact, authenticity is the fourth most important consumer value today, according to CEB Iconoculture.

John Grant, author of "The New Marketing Manifesto," puts it this way: "Authenticity is the benchmark against which all brands are now judged." The final rule is predicated on staying true to the company's origins and mission.

It can be a difficult rule to follow—maybe even the most difficult of the three. That's because being true to oneself isn't always popular with friends, coworkers and the community. That's why so many people avoid divisive topics at dinner parties and water coolers. Brands don't have it that easy. They can't readily shift the consumer conversation away from product safety, sustainability and human rights, to easy breezy chatter about the weather. Brands that have a strong sense of self weather trends and controversy by being anchored in heritage and purpose.

LULULEMON CAUGHT WITH ITS PANTS DOWN.

Founded in 1998, the athletic clothing brand, born in a yoga studio, grew up with the intent of "elevating the world from mediocrity to greatness." Its mission statement explained how it would execute this vision: "creating components for people to live longer, healthier, fun lives."

In 2013, the brand was ubiquitous beyond yoga studios. Fashionable moms sported Lulus to work-out and hang out, as did their teen daughters. But when a pair of popular pants proved too transparent, company leadership responded by blaming its consumers, suggesting that "some women's bodies just don't actually work" for Lululemon products.

So the aforementioned people for whom the components are created are limited to "some women?" That's not very fun. The off-brand quip did more than offend consumers, it ultimately hurt sales and overall market confidence.

Some business may have headed down the road to REI, a 75-year-old cooperative that sells yoga pants and a whole lot more to support healthy fun. The company lives its mission of "inspiring, educating and outfitting its members and the community for a lifetime of outdoor adventure and stewardship." For real.

REI employees aren't only sales folks, they're hikers, kayakers, skiers, cyclists and yogis. They're not selling clothing and equipment, they're selling a lifestyle that they truly love and want to share. Ask an REI employee about climbing equipment, and you'll leave outfitted with gear and her top 10 favorite places to sport climb. Come back after your journey to return a used harness that performed below your expectations and they'll refund your purchase. They won't grill you for proof, rather apologize that it didn't pass muster. An unconditional return policy is the closest thing you'll get to unconditional love at a retail store.

Talk about being yourself.

FAYGO: THE ONE TRUE POP!

In "The 22 Immutable Laws of Marketing," authors Al Ries and Jack Trout cite The Law of the Category as the second law of brand mojo. If you can't be the first to market, add a new category, Ries and Trout say. (Think Apple, Southwest Airlines, Charles Schwab, Aldi and craft beer). Faygo did this and more, asserting itself in the competitive soft drink market for more than a century.



Faygo gets high authenticity marks for many reasons—heritage, transparency and commitment to quality. Its staying power is rooted in a strong sense of self.

In 1907 Russian immigrant bakers, Ben and Perry Feigenson concocted the summer sweet beverage in Detroit to the tune of frosting flavors. The plucky entrepreneurs delivered door to door in the 20s, emerged from WWII with new flavors and iconic shield emblem, and bought TV time in the 50s ("Which way did he go? He went for Faaaaaaygoooooo!"), taking the brand outside of Michigan. In 1985, the Feigenson family sold the Faygo Beverage Company to National Beverage Company, based in Florida.

Instead of indiscriminately folding Faygo into its house of branded beverages, National Beverage made a conscientious effort to honor the "one true pop." Its more than 30 flavors are still bottled in Detroit under the careful watch of the Faygo faithful, seasoned employees with more than 30 years' brand experience. Visit the website to get a closer look at this brand. Better yet. Grab a Redpop first and then check it out.

BROGAN **(2)** PARTNERS

REPEAT AFTER ME:

Consumers care deeply about brand authenticity. The good news is that every brand has a unique story to tell. So authenticity is within every brand's reach. The greater challenge is living the brand—that is, staying on brand when challenged. If your brand is built on transparency, don't hide behind a "no comment" when asked about sourcing. If your brand guarantees customer satisfaction, don't challenge consumers about returns. If your brand is the friendly choice, don't hire cranky clerks. And so on.

Such missteps can be avoided by focusing on the attributes that make your brand special and relevant to your audience. Then protect and defend those attributes operationally—not just in advertising and marketing.

To leverage your brand's authenticity, start with these three rules:

- **1. Know your audience.** The key values underpinning authenticity differ between consumer cohorts.
- **2. Acknowledge your imperfections.** True authenticity means quickly owning up to mistakes and transparently making things right.
- 3. Own who you are. Honesty and openness are critical for brand authenticity.

When CEB Iconoculture asked consumers to name a few of their favorite authentic brands, here are a few that rose to the top: Apple, Tom's, Levi's, Everlane, Southwest, Ikea, Free People and Amazon. What say you? Which brands do you feel are most authentic? Learn from them as you discover the authenticity in your brand.

If your business wants to learn more about brand authenticity, talk to us. Contact Ellyn Davidson, managing partner, at EDavidson@brogan.com.