



Breakaway brands of 2009
by Josey Duncan Lee
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What does a breakfast cereal have to do to break out of the (cereal) box? How does *Dog Whisperer* help differentiate a venerable media stalwart? And what does celebrity gossip have to do with Super Bowl parties? These are the stories behind some of today's most successful brands. They are the brands that broke away from the pack—and they may surprise you.

What follows are ten tales of brands, old and new, that dared to be different in ways both compelling and relevant to their audiences. As a result, they have enjoyed steady, quantitative growth in brand impact from 2005 to 2008. Almost all can attribute their increased strength to an exceptional ability to perceive, capitalize on, and even help create trends—while remaining true to their core brand promise. These brands broke away because of the unique brand-led experience they carefully crafted across every customer touchpoint. They are transformative in their focus and wide-ranging in their impact—and we call them breakaway brands.

Healthy, earthy, and wise

When we evaluated the top 10 brands for the Landor 2009 Breakaway Brands® study, it became evident that each brand identified and seized upon

significant market dynamics that heavily influence modern consumer behavior. One important trend was the accelerating focus on more healthful eating and a weight-management lifestyle, including everything from better portion control to purchasing natural and organic foods to trying today's trendiest diets. Along with an interest in healthy bodies, consumers were also curious about ways to keep our planet healthy. Tapping into this keen interest in green and lean through credible, differentiating ideas helped lift a number of our leadership brands away from the also-rans.

Gone digital

While relevant green and natural attributes added unique value to many brands, technology played an equally strong role. Brands that ventured far beyond the typical corporate website in their use of digital technologies emerged as trendsetters and customer builders. Offering support for common challenges, such as creating and sticking to a diet plan, inspiring water cooler conversation, or even finding a simpler way to personalize and send a greeting card, helped many brands create memorable customer experiences that connected as well as intrigued. Tech-savvy brands that

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The 2009 Breakaway Brands

BRANDS LISTED ALPHABETICALLY	2005 PERCENTILE RANK	2008 PERCENTILE RANK	GROWTH IN BRAND STRENGTH
Apple	83	96	45%
Google	99	100	26%
Häagen-Dazs	84	95	35%
Hallmark	99	100	25%
National Geographic TV	99	100	20%
Payless ShoeSource	39	78	58%
PayPal	75	92	40%
Special K	60	87	48%
Super Bowl	94	99	41%
Trader Joe's	93	98	29%

The brands are listed in alphabetical order. To learn about study methodology see the "About the Breakaway Brands study" sidebar.

worked hard to remain several steps ahead in the innovation race also stood out in our crowded, interconnected world.

Female appeal

Finally, while it may seem obvious to target a classic market that makes up over half the global population, it is no easy task for traditionally male-oriented brands to attract and keep new female fans. Whether trying to gain the attention of previously indifferent female customers or attracting a younger, savvier demographic, many brands on this year's list impressed new audiences through smart line extensions and creative targeting tactics.

Methods and models

In Landor's fourth Breakaway Brands study we relied on the world's oldest and most comprehensive brand database: Young & Rubicam Brands' BrandAsset® Valuator (BAV). By analyzing some 2,500 brands in the U.S. BAV database across various industries, we ranked them based on both *relevance* (how appropriate the brand is for consumers and whether they want it in their lives); and *differentiation* (how strongly a brand stands out and offers something special). When

a brand scored big in both categories (an indication of true brand strength) and these numbers were consistently sustained over a three-year period from 2005–2008, they became candidates for the Breakaway Brands list. Those selected were not the biggest brands—but brands that did what was necessary to build brand strength most significantly over time. This, we believe, is the true test of brand-led transcendence. (See the "About the Breakaway Brands study" sidebar for details.)

Special K

How does a classic cereal staple become one of our breakaway brands? Branded simply as a healthy, nutritious breakfast for decades, Special K repositioned itself to improve customer perceptions of the brand. Reborn as a leader in "shape management," Special K set out to become every woman's supportive partner in weight loss. In the first of several promotions, the Special K Challenge encouraged women to lose six pounds in two weeks by replacing two regular daily meals with its products—including a number of new non-cereal, diet-friendly foods such as waffles, protein waters, and meal replacement bars. It also introduced indulgent new flavors, like Chocolatey Delight, that encouraged cold cereal as a low-





calorie, anytime treat (“that won’t undo your whole day,” according to commercials). As diet fads came and went, Special K stayed on top of trends by releasing appropriate products.

But it didn’t just stop with Bliss bars—throughout the three-year period, Special K cultivated an online presence and introduced several promotions that reinforced its positioning as a weight loss partner. SpecialK.com not only features the usual product information and opportunities to purchase, but a personalized Special K Challenge diet plan and a link to its Yahoo community group replete with a mom-and-bride-focused diet support message board, featured members, and even a celebrity weight loss blogger. Seasonal promotions round out (no pun intended) the interactive experience, with offers such as “Drop a jeans size” where consumers enter to win a pair of designer jeans. Critical to Special K’s strength and its breakaway status is that, despite changing with the trends and times, it has never strayed from its original “healthy breakfast” brand idea.

Hallmark

How does a greeting card brand survive in the era of email? Hallmark is another example of a brand that’s never strayed far from its original values—trustworthiness, empathy, and wholesome amusement—but has managed to innovate its classics and keep up with cultural trends. With new products such as a customizable digital e-card studio, a line of earth-friendly greeting cards to meet customer’s cries for green, participation in the philanthropic Product (Red) campaign (where a percentage of the company’s profits are donated to help fight AIDS in Africa), and a card series called “Journeys” (a line of encouragement

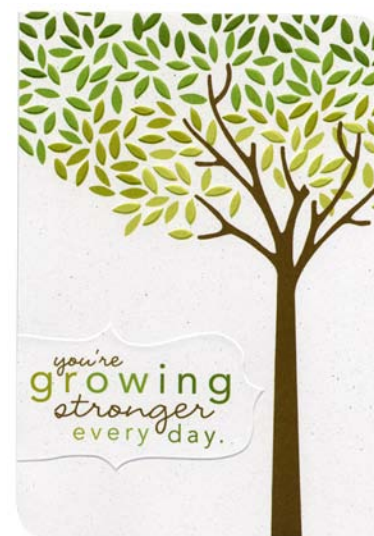
cards dealing with nontraditional topics such as fighting cancer, coming out, and battling depression), Hallmark remains relevant and proves it cares about modern-day customers’ interests. Hallmark’s innovative technology-based products, such as its recordable cards with sound, appeal to younger customers, help differentiate it from its card category competition, and unlock new ways of evoking emotions for broad audiences.

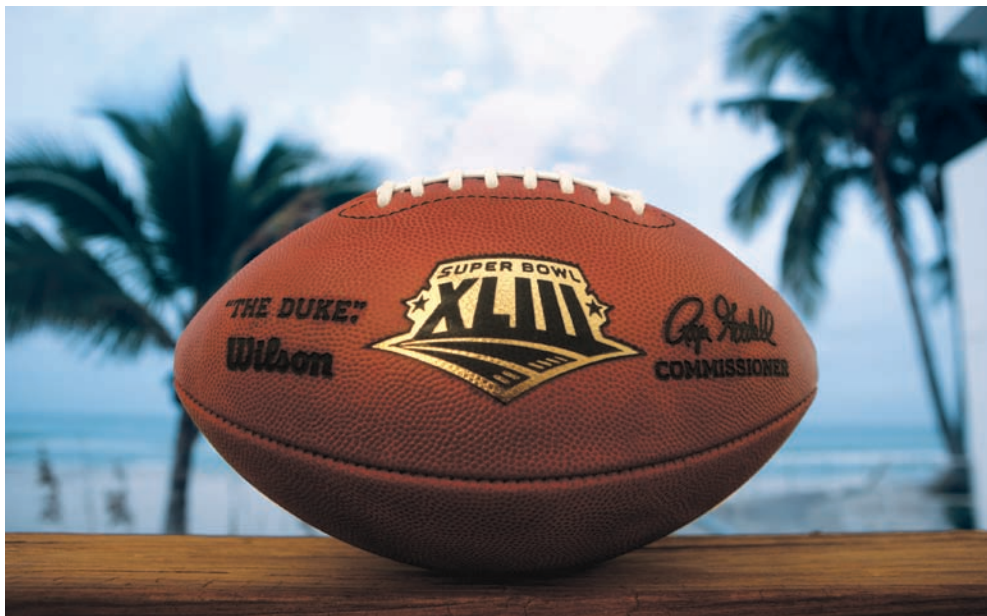
Hallmark also took its trusted reputation to the TV screen via its cable stations, the Hallmark Channel and the Hallmark Movie Channel. Building on its longstanding reputation of being present for life’s major milestones—whether to comfort, motivate, or celebrate—its channels attract viewers seeking the ever-elusive family-friendly fare and who happily place their trust in Hallmark’s iconic gold seal. By casting more youthful actors and updating its advertising, music, and website, Hallmark earned a new demographic—younger viewers. Finally, Hallmark expanded into critical mass channel retailers such as grocery stores, drugstores (like cvs), and even onto Walmart’s coveted shelf space, helping more customers easily purchase its products.

Payless ShoeSource

In 2005 Matt Rubel, then-new chief executive officer, kicked off a repositioning of Payless—thought of as a retailer of cheap, purely functional shoes—as the shoe shop that “democratizes fashion.” One of the most significant upgrades he led at Payless was redesigning its often less-than-pristine, totally utilitarian, and darkly lit stores using new “fashion lab” and “hot zone” interior layout concepts, which displayed merchandise more effectively. The retail chain also introduced mom-friendly perks such

Hallmark has stayed relevant with offers such as a digital e-card studio and a card series called “Journeys” that deals with topics such as depression and coming out.





as children's play areas, stocked appealing new accessories such as purses, and even added exclusive designer shoe collections. This new-and-improved Payless hoped to appeal to higher-income, fashion-forward women in their 20s and 30s who were willing to spend more than its average customer on a pair of pumps. Which is not to say that Payless strayed far from its bargain basement roots—pairs selling for \$20 are now simply stacked side-by-side with exclusive designer boots fetching \$40. Lauded in the blogosphere by “recessionistas”—those who care about style but don't want to spend a lot—Payless has truly been reborn into the shoe store version of trendy discount retailers like H&M and fashion-for-all Target.

Häagen-Dazs

Successfully shedding its circa-1980s, Dynasty-esque, “cheesy luxury” image, Häagen-Dazs moved elegantly into the modern era by touting its super-high-quality, globally sourced ingredients. Around 2005, Häagen-Dazs revitalized its advertising campaign and created commercials starring its quality international ingredients, which helped reposition the ice cream as being “made like no other.” Like other breakaway brands, Häagen-Dazs stayed current yet never strayed from its original vision: to create the finest ice cream. Responding to recent megatrends toward healthier eating and portion control, Häagen-Dazs introduced single-serving mini cups, snack-sized treats packaged with a plastic spoon. Still wanting to appeal to hard-core luxury ice cream lovers, the limited-edition, limited-availability, and often hard-to-locate Reserve series was released to reinforce its indulgent image with unique, decadent flavors made from specially sourced ingredients.

Super Bowl

What began as an annual “clash of titans” sporting event with mostly male football fans yelling at oversized sports bar TVs while guzzling beer has evolved into a food-focused family and friends holiday usually spent at home. The Super Bowl is now a global experience that rivals only Thanksgiving in the United States for the most food consumption in one day (seriously). So how did the Super Bowl move downfield to become such a cultural phenomenon? For one, the increased prevalence of a high-definition TV in the home has made crowding into a sticky bar booth a lot less appealing. HDTV in the family room means more opportunities for mom and the kids to join in the football-watching fun without dad sacrificing his ability to see every blade of grass or bead of sweat. Along the way, what was once a pure sports experience has become a time for eating, drinking (some things don't change), and gathering of friends and families at home.

The National Football League recognized this cultural shift and remade the Super Bowl into more of an entertainment extravaganza with bigger and better half-time shows that appeal to the entire family. But more women aren't watching just because of parties and HDTV. Tabloids, TMZ, and Perez Hilton also play their positions (really) as they help fuel pop culture's incessant fascination with athletes as celebrities. This means more women are following football players' off-field lives, which helps foster more interest in the big game. Finally, while fantasy football was previously played primarily by fanatics, now it's online, making it an easy activity for coworkers and casual fans to participate in—a clear case of effective digital engagement translating into more fans and followers.

Brands that ventured far beyond the typical corporate website in their use of digital technologies emerged as trendsetters.

Trader Joe's

Talk about being in the right place at the right time (with the right positioning)! Long lauded not as the perfect grocery store, but as a purveyor of the most unique selection of modestly priced and mostly natural foods, the public's increased interest in recent years in natural, healthy, and organic products has made TJ's (as it is affectionately called by its fiercely loyal fans) a lower-cost alternative to gourmet grocery chains such as Whole Foods, which are often criticized for high prices. TJ's has never strayed from its mission to stock foods from around the globe that can't be found easily anywhere else, and to offer healthier, unprocessed options that are predominantly private label to keep costs down. To further reinforce its un-grocery store image, staff—who all don Hawaiian shirts—are friendly, helpful, and knowledgeable about the unusual products they offer. Most TJ's feature hot food samples daily, made on the spot from in-store products, and are often served alongside coffee and even juice. With free samples, a frequently updated and rotating cast of peerless products, and curious offerings you may never have seen before (dried hibiscus flowers, anyone?), TJ's has a pleasing, "treasure hunt" vibe which, combined with its healthy options, creates a truly differentiating experience that inspires customers to return and to recommend the store to friends.

National Geographic tv

Realizing several years ago that its primarily science- and nature-focused programming appealed mainly to a male audience, National Geographic tv began adding shows to attract female viewers. And now with new programs

like *Dog Whisperer* in place, more women do tune in. Like the Super Bowl, the triumph of HDTVs also played a role in the channel's increased popularity, since sweeping, dramatic nature-scapes and microscopic close-ups of exotic insects and our own internal organs lend themselves perfectly to viewing in high definition. To further increase its relevance, National Geographic extended its brand through forged partnerships with like-minded companies and organizations, such as creating a "Climate Connections" segment on NPR and partnering with Big Fish Games, an online games developer. And as "green" has become an increasingly popular issue, National Geographic's long history of inspiring people to care about their planet has found new audiences to influence and entertain. This celebration of our natural environment through thoughtful reporting and stunning visual representation builds upon National Geographic's 100+ year brand heritage and makes it relevant, vital, and motivating for a new generation.

PayPal

For offering us a way to pay for goods and services online without using a credit card, PayPal is definitely worthy of breakaway brand status. A merchant's darling because of its lower-than-credit-card service fees, it's also a favorite with customers without cards or those who are especially concerned about security (the PayPal "P" is a symbol synonymous with safe online transactions). PayPal has bolstered its brand strength in recent years thanks to the introduction of new products such as mobile payment options—a trend that has already caught on in the non-Western world—and



merchant services such as online invoicing, express checkout, and recurring billing. PayPal is poised on the precipice of rapid global growth as it becomes increasingly popular outside the United States, particularly in Europe and Asia. It is the “trusted leader in online payments,” enabling commerce across an ever-broadening range of digital markets.

Apple

It seems almost impossible to imagine a world without iPods and iPhones in everyone’s purse or pocket. In previous Breakaway Brands studies, the iPod and iPhone were celebrated for their “reinterpretations” of personal music players and the cell phone, respectively. But this year, it is Apple itself we recognize for its remarkable metamorphosis from computer company to ubiquitous modern accessory and quintessential lifestyle and entertainment brand. Apple’s success is driven by its unwavering dedication to perfecting products through extensive research and development before they hit the market. The company is known for exercising restraint by never allowing new technologies to be released before they’re really ready. But simply having products that work well does not qualify for “breakaway” status. It is the continuous stream of new, customer-friendly ideas and the dramatic proliferation of iPods and iPhones that has not only popularized Apple’s brand, but which also drives consumer awareness of Apple computers and its other products.

In addition to sleek, stylish design and supreme convenience, Apple is special because of the infrastructural platform that supports its trendy tools. Its retail stores feel high-end without being

stuffy, shoppers are encouraged to touch and play with products, and then there’s Apple’s unique take on customer service—the confidence-inspiring Genius Bar, the tech support station inside every Apple retail store. But the specialness doesn’t stop when you take your new Apple gear home. Want customizable radio and local news, Craigslist, eBay, tip calculators, games, cocktail recipes, healthy food recommendations, singing cats, or a million more apps for your iPhone? That’s what the App Store is for. Similarly, in addition to offering one-stop shopping for music and more, iTunes is an easy way to organize your multimedia collection. Apple’s digital stores and platforms directly collaborate with the physical retail space, which makes for a seamlessly enjoyable brand experience. In fact, it is the “Apple experience” on every level—from marketing to product to service—that continues to make this brand the one to beat in consumer electronics.

Google

When we need movie showtimes, medieval history, manatee photos, or Michael Jackson’s glove size in a minute, we don’t even think twice about where to get the information—we google it. It’s a brand name so widely used and accepted as the search standard that it’s been added to the *Oxford English Dictionary* as a verb. Google is also considered a breakaway brand because of its vast and growing array of products catering to a variety of technical skill levels and demographics, its carefully made acquisitions (in particular, YouTube), and its continual launches (such as Gmail and Google Chrome). From your newly enlightened web-user aunt who enjoys the clear, printable Google map to your home for Saturday’s big family BBQ to the web

About the Breakaway Brands study

Developed in 2004 as part of Landor's commitment to helping clients manage brand-led business growth, the annual Breakaway Brands® study provides a unique look at brands that have exhibited sustained, quantifiable increases in brand strength over a three-year period.

Landor studied approximately 2,500 brands in the BrandAsset® Valuator (BAV) U.S. database, identifying those brands that exhibited the greatest increase in brand strength over three annual BAV surveys from 2005 to 2008. Excluded from the study were nonprofit brands, brands with low levels of recognition among the general population, and brands with inconsistent trends in brand strength.

BAV is the world's largest and most enduring study of brands, with a database compiled over 16 years. It identifies and analyzes brand strength and trends based on four empirically confirmed pillars of brand building: *differentiation*, *relevance*, *esteem*, and *knowledge*. To date, BAV tracks brands in 48 countries, covers some 30,000 brands, conducts interviews with more than 500,000 consumers, and includes hundreds of

brand metrics and attitudinal questions. BAV is currently run by Young & Rubicam Brands, a consortium of companies that includes Landor.

Brand strength is measured by combining the quantitative measures of brand *differentiation* and *relevance*. Brands with high scores on both typically command greater price premiums, enjoy broader sales footprints, and are more successful in expanding their businesses across categories and geographies.

For the Breakaway Brands study, Landor calculated each company's measured gain in brand strength and analyzed its underlying drivers of *differentiation* and *relevance* to better understand the effectiveness of its brand strategy and marketing activities. Students from Wake Forest University's Babcock School of Business then conducted secondary research on key actions undertaken by brand owners to enhance performance and to identify the strategies and initiatives employed (for example, repositioning, partnerships, new product introductions, line extensions) to sustain brand growth over three years.

director at your company who uses the free Google Analytics service to track and analyze site traffic, Google is able to meet nearly everyone's online needs. But perhaps Google's greatest strength is its ability to anticipate customers' desires before even they do. Most of us didn't think about the cool usefulness factor of stepping into a street view of a neighborhood halfway across the city, country, or world to remotely explore the streets—but now, what would we do without everybody's favorite map, Google Earth? Ultimately, Google's most remarkable achievement as a breakaway brand is that, despite its seeming ubiquity, it continues to excite, surprise, and serve its expanding customer base in new and relevant ways.

Staying true while inventing the new

As these stories show, great branding is as much about discipline as insight. To remain relevant and differentiated over time, successful brands stay closely engaged with their customers, anticipating and responding to their changing needs and interests while also remaining alert to new audience opportunities. But they never

lose sight of the core strengths that built their businesses and reputations in the first place—it is by remaining true to these core brand disciplines while effectively balancing constancy and change, that great brands truly break away from the pack. ■

Q&A with Hayes Roth

DailyFinance's Alex Salkever spoke with CMO Hayes Roth about trends he observed in this year's breakaway brands, what brand surprised him the most, and his predictions for next year's list.

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