

Breakaway Brands of 2010

by Hayes Roth

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Landor

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Breakaway Brands of 2010

Each year the stories behind the Top 10 most successful brands in Landor's annual Breakaway Brands® study, as featured at Forbes online, are as surprising as they are varied. This year's report proves no exception as it celebrates the revitalization of classic brands like Disney and Kraft Foods in concert with twenty-first-century icons such as BlackBerry and Clif Bar. Which begs the question: What do these brands have in common, and what did they do to earn their place among this year's Top 10 Breakaway Brands?

What follows are stories about brands—even historically successful ones—that dared to redefine categories and, in some cases, redefine themselves to ensure they stayed relevant and differentiated to their priority audiences. These organizations' dedication to their brands resulted in steady, substantive growth in brand strength over the past three years, as measured by BrandAsset® Valuator, the world's oldest and largest consumer database on brands. Each of these leaders can attribute their success to an ability to create or capitalize on significant social and market trends while remaining true to their core customer promise.

Back to basics: A return to simplicity and personal connections

When the future appears uncertain, people tend to gravitate toward what's truly important in life—the basics we believe will endure and sustain us. This year's Top 10 Breakaway Brands met our fundamental needs while making our increasingly complex lives easier and more enjoyable. Through the worst of a global financial crisis when our wallets were thinner and our psyches fearful of superfluous spending, these brands found their way into our lives and earned our respect and loyalty.

Brands that help us spend quality time, make joyful memories with family and friends, and otherwise connect us to each other are prevalent on the 2010 list. Maintaining health and happiness took precedence over flashiness and fashion—these are brands that served us, versus helping us show off. We embraced brands that felt honest and authentic with recognizable, relevant personalities. We sought comfort, and these brands assisted us in that quest.

Hayes Roth is chief marketing officer of Landor Associates.

The results of this survey also appear at forbes.com (8 October 2010).



BlackBerry PlayBook.

ABOVE The new PlayBook tablet is BlackBerry's latest advancement in the world of personal and professional connectivity.

BELOW Clif Bar has not done much traditional marketing, instead relying primarily on a combination of athletic sponsorship and public events.



Clif Bar

Created in 1990 in a California kitchen (naturally), Clif Bar launched publicly two years later, and then remained largely unknown except among a loyal cadre of regional mountain bikers and outdoor enthusiasts. In the late 1990s the company introduced what has since become its most popular product line: Luna Bars. An all-natural energy bar for active women, it won broad consumer acceptance and has led Clif to build nine diverse product lines, all reflective of its passionate corporate mission to provide tasty, healthful, and socially and environmentally responsible products to specifically targeted consumers.

Clif has also developed an unusually broad range of flavors within each line, using variety and choice to attract diverse audiences and tastes. The bar promises health—for individuals, their families, and the entire planet. But, what really sets Clif apart is its breadth of products coupled with a strong aura of social responsibility, community involvement, and employee passion. Weaving a consistent brand image throughout its entire line while each bar remains niche specific, Clif has developed broad relevance to an increasingly mainstream audience.

Clif's internal culture mirrors its external image. Employees live the brand: They travel actively, take risks, have fun with innovation, give back to their communities, and practice sustainability. In effect, they are their own target audience and heartily embrace the brand ideals—another significant point of differentiation from many larger corporate competitors.

Perhaps even more noteworthy is how Clif communicates its message. It has not significantly tapped into television, print, or social media advertising, relying instead on a nontraditional combination of athletic sponsorship and public events—three to four per weekend, across the United States. Its message is subtle, noncorporate, heartfelt, and true to its audience and brand promise. This is brand experience as a way of life. By practicing what it preaches, Clif is a classic story of the little brand that could—and did!

Facebook

The most popular social site in the world helps families and friends accomplish a seemingly simple goal: sharing what's going on in their lives. This public conversation encompasses everything from quick status updates to full-length vacation albums. In addition to simplifying social actions from photo sharing to event hosting, Facebook helps its new members forge their first digital connections. The sign-up process prompts Facebook to suggest people it detects new users might know, so new members feel immediately welcomed to the site. This encourages first-time users to return: Their networks start growing the instant they join.

Social networking sites have skyrocketed in popularity in recent years. By 2009 over 67 percent of the global online population visited member communities (which includes social networks and blogs), surpassing email (Nielsen Online, 2009). In 2009, Facebook also dethroned MySpace as the most popular social media site—its success primarily attributable to its simpler interface. Where MySpace lured users with super-customizable pages, Facebook took the opposite route by not permitting

The 2010 Breakaway Brands

BRAND	GROWTH IN BRAND STRENGTH 2006–2009
Clif Bar	97%
Facebook	85%
BlackBerry	57%
LG	55%
Nintendo	51%
Google	36%
Apple	33%
iPod	30%
Kraft Foods	29%
Disney	17%

any modified HTML. A consistent interface allows Facebook members easy access to any desired information on a friend's page, and makes it simple for users to edit their own. The addition of third-party applications has helped Facebook become even more of a one-stop shop for entertainment, connection, and communication to a wide variety of ages and demographics. As Facebook's member ranks grow, they find new uses for its technology—quite literally, changing the way we interact on a global scale.

BlackBerry

For any device to become the universal shorthand icon of mobile business connectivity is a considerable achievement. To have accomplished this in the span of little more than 10 years as a start-up company is more impressive still. But to have maintained this status as a top Breakaway Brand for a second time in its short life is a testament to exceptional brand building. By transitioning its image (and performance capabilities) from a purely functional tool for business to a popular consumer status symbol, BlackBerry has successfully main-

tained its already high level of differentiation while expanding its relevance to a far broader audience.

Contributing significantly to this image change was a smart PR effort in which the devices were placed in the hands of select celebrities and business leaders who embody personal success in the eyes of the public, and who became the brand's tacit spokespeople by their frequent and highly visible use of the product. When the newly elected president of the United States essentially tells the U.S. Secret Service he cannot function without his BlackBerry, it is hard to imagine a more compelling endorsement.

BlackBerry is now viewed as a people-friendly smartphone that can help busy consumers manage all aspects of life as well as connect to those they care about. Its usefulness as a business tool is well known. But the BlackBerry is also seen as a necessity for working couples and parents trying to balance family and work demands outside the office—allowing busy executives to stay on top of job demands without being tethered to a desk.

METHODOLOGY: Landor studied approximately 2,500 brands in Young & Rubicam Brands' BrandAsset® Valuator's U.S. database, identifying those brands that exhibited the greatest increases in brand strength from 2006–2009. Growth in brand strength indicates how much the brand's raw strength score has risen over the past three years, expressed in percentage terms.



ABOVE Consumer electronics giant **LG** differentiated itself from competitors—who focused only on technology—by becoming a lifestyle brand whose products enable self-expression.

BELOW With attributes contrary to those traditionally associated with video games, Nintendo's Wii console encourages dynamic play and interactivity with family and friends.



BlackBerry facilitates connection—keeping us in touch not just with our jobs and other responsibilities, but with our families and friends, too. Like other tech products on this list, its purpose is to make life simpler and easier, not to sizzle and distract—it is technology designed purely to serve. As with Apple's expanding relevance, BlackBerry's inclusion among the Top 10 is further indication that consumers are seeking easier, better connectivity in everything they do.

LG

Another consumer electronics giant who refused to remain complacent, LG has engaged in a dramatic transition to become more than a provider of phones, TVs, and all the other expected varieties of consumer and household appliances. It sought to be a lifestyle brand—differentiated from competitors who focus purely on technology—by successfully identifying itself as a superior electronics company whose products enable self-expression.

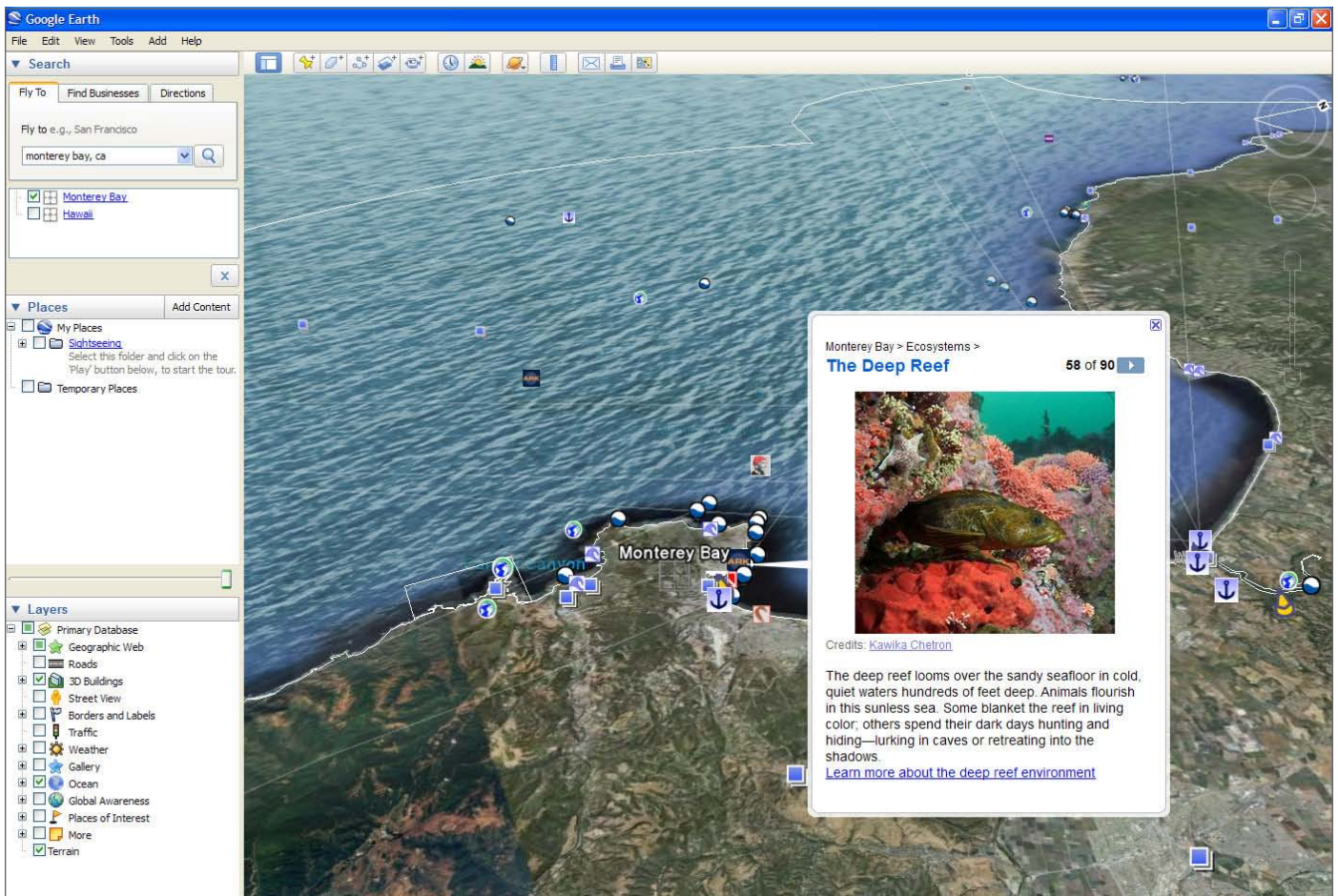
It has been a long road. Originally known as Lucky Goldstar, a typical manufacturer of solid, moderately priced stereos and refrigerators, this Korean conglomerate first rebranded itself with the now familiar LG cheery-faced logo nearly 15 years ago. More recently its brandline, "Life's Good" (introduced in 2008), gave its identity new, relevant meaning, reassuring consumers that all was not doom and gloom during recessionary times. Consumers responded favorably to the optimistic message and enjoyed the way it humanized the brand, unlike competitors' logos that tended to emphasize technological prowess or sleek coolness. In contrast, LG felt real, authentic, and engaging.

In a market crowded with technology brands trying to one-up each other with the newest and flashiest features, LG promises a partnership, a friendly and reliable part of customers' lives. LG's nontraditional marketing—such as Ponder (a viral public service campaign urging teens to "think before they text" to combat mobile bullying) and innovative event sponsorship—helped to further differentiate the company to target audiences by connecting emotionally with consumers.

Nintendo

In the latter half of this decade, Nintendo has rewritten the rules of the electronic gaming market, taking an activity long seen as solitary and sedentary and turning it into healthy, often communal play that inspires everything from learning to quality family time. Through innovative new gaming consoles—the Wii and handheld DS—Nintendo has broadened its appeal to all ages, particularly targeting those who might previously never have been interested in video games.

The DS is marketed primarily as a teaching toy, or one to help exercise the mind—a personal, handheld gaming device on which to solve puzzles and play brainteasers. It's presented, in part, as a guilt-free, feel-good toy for parents to entertain their kids while keeping them mentally engaged. A line of tutoring games that address specific subjects is even available to assist time-strapped parents seeking to help children with tough subjects. DS also tries to appeal to adults—in particular, the emerging segment of female gamers who now comprise 40 percent of the market—encouraging them to exercise their mental faculties.



But perhaps the biggest reason Nintendo made the Top 10 Breakaway Brands list is the Wii. With attributes contrary to what people traditionally associate with video games, the Wii encourages dynamic play and interactivity with friends and family. Wii is perhaps the ultimate synthesis of what consumers seek during tough times: It's perfect for at-home amusement, it inspires healthy activity, and it helps foster great memories through fun, togetherness, and physical engagement. In short, Nintendo has helped redefine a category it pioneered, and reasserted itself as a true leader in interactive gaming.

Google

As simple and friendly as anything one can find online, Google is synonymous with connecting people to what they need. With its silly, easy-to-remember name (now officially a verb), colorful-yet-clean identity, and nearly blank homepage, Google is an authentic, no-nonsense technology tool ideal for busy users in need of information. Looking for a restaurant near a client's office? Google it—for directions, reviews, and photos

of the food. Research has never been easier, nor has connecting to anyone, anywhere in the world.

While Google's search engine is widely known and used, it is the line extensions that have attracted new, devoted brand ambassadors, helping it once again make the Breakaway Brands list. Google Earth's fans include teachers and scientists, two user groups who tend to share a lot of information among themselves about useful products and programs. For teachers, Google Earth has become the "new globe" in the classroom, a free tool (to educational institutions) for learning and exploring.

Scientific researchers use Google Earth to preliminarily explore world regions prior to setting off on physical expeditions, saving time and money and ensuring better preparation for fieldwork. Google Earth's rising brand strength over the last several years demonstrates that more people are finding new uses for Google Earth—the brand is becoming essential to their daily lives.

ABOVE For teachers, Google Earth has become the "new globe" in the classroom, an ideal tool for learning about and exploring the world.

BELOW Google Earth's 3D Buildings layer allows users to see buildings, monuments, and much more through user-contributed models, such as this view of lower Manhattan.





Apple continues to extend its brand experience across its range of existing products while developing groundbreaking new ones.



Apple

With a strikingly clean design aesthetic and innovative, easy-to-understand, user-friendly technology as its calling card, Apple is more than a purveyor of portable music players and laptops—it's a lifestyle brand we can no longer imagine life without. Though its ascent into mainstream relevance means it's no longer the cultish outlaw brand its champions once cherished, Apple is still positioned squarely as the "anti-pc."

But how can Apple, with its premium pricing and near-mainstream status, maintain its Top 10 Breakaway Brands ranking for the second year in a row, and during a serious recession, no less? It goes back to the basics: Apple helps us work more efficiently, entertain ourselves, and connect to our networks.

In 2007 the iPhone redefined what a mobile phone could be. But where other companies might have been satisfied by simply creating endless permutations on a winning idea, Apple has since continued to refine and extend its brand experience across its full range of existing products while concurrently developing groundbreaking new ones (iPod Touch, iPad, the App Store, and Apple TV). Each serves different needs and markets but all are uniquely and unquestionably Apple. And we know more future-forward, user-friendly ideas are on their way as the Apple ingenuity engine keeps turning out products and services we crave, at prices just within reach.

iPod

What seems so remarkable about the Apple iPod is not that it has earned Breakaway Brand status; the iPod has been cited among the world's most valuable product brands in countless surveys—including this one—for years. What is more telling is that it managed to maintain its leadership position despite the vast array of alternative MP3 players it competes against, not to mention the rise of many other strong iconic brands of the past decade. Why does iPod have such exceptional brand staying power?

The iPod has consistently reimagined its brand experience. Its image has been built and nurtured around the simplicity of its elegant, highly functional design (a hallmark of its parent organization) that is trendy and aspirational yet utterly approachable—membership in a nonexclusive club that still feels special and private. By broadening its range of offerings (from the Nano to iPod Touch), it has made its products accessible to virtually every income strata and social group across the globe. This is loyalty at its most seductive, yet neither the iPod nor its ancillary products and services are ever left to rest on their laurels. Constant refinements in software and hardware serve to regularly and substantively enhance the iPod user experience, which has now extended to gaming.

The most enduringly successful brands have mastered the art of balancing constancy and change. In the exceedingly dynamic world of consumer electronics, iPod has demonstrated impressive staying power despite its relative youth. By remaining true to its brand promise while tirelessly improving its brand experience,



iPod invented a category, expanded its differentiation within it, and ensured its continued relevance to a diverse mass audience.

Kraft Foods

Few companies could claim more historic eminence as a classic American brand than Kraft. Founded by cheese maker J.L. Kraft in 1903, the company has long been known for iconic product brands like Kraft Macaroni & Cheese, Miracle Whip, and Philadelphia Cream Cheese. Yet through acquisition and aggressive marketing, the company has grown into a global conglomerate whose roster of regional and international consumer food brands is among the largest and most valued in the world. But Kraft Foods as a Breakaway Brand? That distinction may come as a surprise.

It shouldn't. As consumers turned toward classic, trusted brands for comfort and value, Kraft Foods' many household staples fit that bill perfectly. But high relevance alone does not ensure distinctiveness. That objective requires real vision and leadership, and Kraft Foods' chairman and CEO, Irene Rosenfeld, set her sights on differentiating this classic American-cupboard stable of brands in the minds of modern consumers—and her efforts have paid off.

Repositioning itself, in the words of Ms. Rosenfeld, as a "global snacks powerhouse and unrivaled portfolio of brands people love," Kraft Foods has successfully integrated its product offerings into our daily lives in new and innovative ways. Simple, healthful, easy-to-make recipes in *Food & Family* magazine, its iFood Assistant mobile phone app, and kraftrecipes.com invite fans to try, rate, share,

and even post photos of their meal creations. In 2008 Kraft initiated a campaign to spur word-of-mouth promotion of its digital communities and encourage consumers to collect coupons, exchange photos, and discuss food and cooking. Kraft's active online communities make it easy for consumers to connect to one another, and also put Kraft at the center of the dialogue, helping it become much more than another faceless manufacturer. It has also freshened the look and feel of its brand portfolio, using smart design to improve appetite appeal and ensure continued relevance.

With a focus squarely on helping people save money and cook meals more easily at home, Kraft Foods has positioned itself as a partner and ally for time- and cash-challenged parents. Today, when Americans think of easy comfort food, more often than not they're reaching for one of Kraft's expanding portfolio of leadership brands.

Disney

While a trip to an amusement park might have seemed a financial stretch for many these past several years, Disney still stepped up advertising efforts and offered deals to encourage families to take a memory-making vacation together. Even if Disney parks were out of the question, Disney movies, television programs, and games offered multiple, Disney-paved avenues to help families bond and spend quality time together.

Through acquisition of award-winning animation studio Pixar and the classic Marvel comics brand, Disney ensured its continuing relevance to kids of all ages. While Disney is inarguably the original entertainment merchandising powerhouse (selling

ABOVE As consumers turned toward classic favorites for comfort and value during tough times, Kraft's staples—including its Macaroni & Cheese dinners—fit the bill perfectly.

BELOW Kraft Foods' roster of regional and international food brands is one of the largest in the world.





Facebook's consistent interface allows members easy access to desired information on a friend's page.

everything from lunch boxes to cruises, Broadway shows, and family trips to Europe), the brand itself is about providing family-friendly experiences in virtually every form of entertainment. The Disney brand represents imagination, wholesomeness, and fun — optimistic ideals for challenging times.

Disney is also an innovation leader, constantly applying new technologies to enhance its parks, animatronics, movies, and gaming on a global stage. Its storytelling prowess is unparalleled, as is its mastery of the fully designed environment. Disney even turned its own formula of creating amusement rides from its films on its head: the *Pirates of the Caribbean* movies (one of the most successful film franchises in history) began as a Walt Disney World attraction nearly 40 years ago.

Disney's continued dominance in entertainment marketing seems assured by its community of avid fans, whom it rewards and further inspires through a range of structured loyalty programs. Among these is the Disney Podcast Network where fans engage in numerous official and unofficial Disney-centric podcasts, connecting enthusiasts and building communities. Disney's high degree

of relevance and differentiation are the envy of corporate leaders everywhere and all the more remarkable for a company nearly 90 years old whose visionary founder died in the 1960s. Through good times and bad, a variety of leaders, and years of dizzying social and technological transformation, Disney has embraced and even advanced change without ever losing sight of its core brand strengths.

The takeaway?

So what do these great brands have in common? Each has looked at its business with fresh eyes, anticipated customers' needs during difficult times, and committed to long-term, relevant brand building. They make brand promises that resonate with customers and employees alike and then work hard to deliver on them, using the broadest range of creative, and often cost-effective, tools to build consistently strong relationships and positive experiences.

It is hard work maintaining long-term brand loyalty—it demands both vision and discipline—but that's how Breakaway Brands create lasting value. ■



About Landor's Breakaway Brands study

First published in 2004, Landor's annual Breakaway Brands® study provides a unique look at brands that have exhibited sustained, quantifiable increases in brand strength over a three-year period.

Brand strength is determined using three years of consumer survey data from the BrandAsset® Valuator (BAV) U.S. database (we compared results from 2006 to 2009 for this study). Landor analyzed data for approximately 2,500 brands across industries, based on interviews with more than 15,000 consumers annually, evaluating against 48 different measures of brand health. By comparing brand performance on key measures that drive consumer preference and choice, specifically the brand's differentiation (including its distinctiveness, innovation, and dynamism); and the brand's relevance (how appropriate it is to a consumer's life), we identified those brands that increased their scores most dramatically. When a brand grew significantly on both measures (an indication of true brand strength) and these numbers were sustained over the three-year period, they became candidates for the Breakaway Brands list.

Later, Landor consultants partnered with Wake Forest University's Graduate School of Business to conduct secondary research on key actions undertaken by brand owners to enhance performance and identify the strategies and

initiatives employed to sustain brand growth over three years. The selected finalists are therefore not necessarily the biggest brands, but brands that proactively built their brand strength most consistently over time. (The Top 10 Breakaway Brands averaged 49 percent growth in brand strength versus 2 percent average growth for the other 2,500 brands evaluated during this period.)

With more than 17 years of consumer data, BAV is the world's largest and most enduring study of brands. Polling consumers in the United States on a quarterly basis for their perceptions of brands, it identifies and analyzes brand strength and trends based on four pillars of brand building: differentiation, relevance, esteem, and knowledge.

To date, BAV tracks brands in more than 40 countries, covers some 50,000 brands, has conducted interviews with more than 750,000 consumers, and includes dozens of brand metrics and attitudinal questions. BAV is currently owned and managed by Young & Rubicam Brands, a consortium of companies that includes Landor.

Disney offers a multitude of avenues to help families bond and spend quality time together, and its acquisitions—such as award-winning animation studio Pixar—ensure its relevance to kids of all ages.

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