Today, as most industries confront overcapacity and weakening demand in the face of an uncertain economic environment, the need for cost-effective brand building has never been greater. There are two ways to improve the ROI of brand marketing: Create more brand-building programs that are so differentiated and efficient that they boost awareness, purchase intent, and ultimately sales and market share; or increase the synergies and impact among the firm’s individual brand-building programs so that the whole is greater than the sum of the parts.
Each path is strewn with obstacles, however. Achieving home runs in brand building has always been difficult; the increasingly cluttered and complex media environment makes it even more so. The era of mass media, when the challenge was merely to have memorable advertising, is itself a memory. The modern explosion of television channels and magazine titles, combined with many new brand-building options, means that it is much harder for on-brand executions to break out of the clutter and gain notice. Equally problematic, with so many channels and vehicles involved, brand-building efforts are increasingly diffuse, inconsistent, and ad hoc—not the coherent, consistent, and integrated programs they should be.

Similar forces conspire to inhibit the effectiveness of individual and integrated brand-building programs, taxing even the best marketing organizations. Brand implementation in a fragmented media environment needs to involve sets of disparate communications companies or autonomous parts of companies; victory for a particular brand-building effort is just as hard to attain as are powerful, integrative, synergistic programs. Creating alliances or virtual firms to deliver integrated brand building has had, at best, limited and ephemeral success.

Brand building is an area in which the Internet could change everything. Indeed, the real transforming power of the Internet derives from its ability to serve as the central organizing platform for integrated marketing communications programs—the glue that holds disparate channels and executions together, making them a cohesive force. Turning the Internet into the medium that rationalizes a firm’s multiplicity of brand-building programs has the potential to change both perception and (the resulting) reality for the brand marketer. But the Internet can address today’s communications challenges only if its role in the brand-building process and its place in the organization are reimagined and reshaped. Too often, companies perceive the Internet simply as another channel. That view positions the Net as a minor player in the media mix—a direct-marketing vehicle for some, an ancillary brand-communications venue for others, analogous to the painted VW Beetles some companies deploy as traveling billboards.

If a business wants the Internet to add leverage to a brand and its communications program, the business must start with a holistic view of brand building. An organizational structure and culture that encourages and supports synergies between brand-building programs in general, and between the Internet and other programs in particular, must exist. The all-too-typical treatment of the interactive channel as a specialized silo, separated from other communications support, makes it very hard to generate the synergies that are usually possible.

Companies must mesh Internet capabilities into the entire brand-building effort, with the whole driven by a common brand vision. They need to think creatively and more broadly about brand-building programs, recognizing the Internet as one of the components. Can employing the Internet leverage existing or conventional brand-building programs? Are there new programs that simply would not work without the Internet? Can the product offering itself be enhanced by adding an Internet component? Just considering these questions will create opportunities.

The Power of Involvement
Three concepts, already in use by a few advanced marketers, illustrate how the Internet can be turned into a
mechanism to integrate multichannel marketing programs effectively.

• **Amplification.** The Internet can add continuity and depth to single-channel marketing programs; the goal is to increase the engagement of existing and potential customers. The Internet can also provide a critical market-sensing test, providing marketers with metrics that help them decide whether to scale up or cut back programs in other media.

• **Differentiation.** The Internet can support a feature or service that will differentiate the brand, by augmenting a firm’s services or products with information, entertainment, or other added values.

• **Integration.** The Internet can help integrate multiple brand-building approaches by being a common component and a forum where they can appear together, thus demonstrating synergy and consistency.

Behind all three concepts lies a single force: **involvement.** Absent its consideration, it is easy to dismiss the Internet as an insignificant brand-building tool. With click-through rates averaging around 0.2 percent, it’s clear that most banner advertising doesn’t work. The meltdown of so many e-commerce and e-content concepts (recall Pets.com and Eve.com) has shown that early assumptions about the Internet, such as that first-time visitors not only return again and again, but also respond to banner ads, were simply wrong.

Looking at the smoldering ruin that was digital mania, it is tempting to conclude that the Internet was overrated and oversold, and that its appropriate place is at the margins of a company’s brand building, tucked somewhere between the catalog division and point-of-purchase display design.

But the medium’s growth alone indicates that something powerful — and powerfully different — is at work in the online world. There are more than 75 million active users each month in the United States and 260 million worldwide, according to Nielsen//NetRatings Inc., which projects growth for at least five more years. Yahoo and AOL each get more than 100 million visitors a month worldwide.

Moreover, the time consumers spend on the medium continues to grow. The average at-home user in the U.S. now spends more than 10 hours per week on the Web, a figure that has increased markedly for at least the last three years. For AOL members, the number is much higher, as it is for workplace users. This involvement in the medium — for consumption of the Internet is, by definition, active, requiring a continuing series of decisions and actions, which distinguishes it from the more passive consumption of conventional media — adds a dimension to communications between the brand and consumer that is potentially even greater than the engagement difference of radio over newspapers, or television over radio.

The involvement power of a medium is of central importance to marketers. The strength of a brand depends on customer–brand relationships. Such relationships are defined by the quality, intensity, and quantity of the experiences that link the brand with its customers or potential customers. Relationships can translate into loyalty, which, even if weak, can help drive crucial incremental sales and share gains. The Internet provides the opportunity to create additional experiences, experiences that are potentially positive and meaningful, even when they are not intense.

**Leverage and Amplify**

Brand-building programs can be rendered more effective when the online presence is used to amplify such offline programs as customer promotions, sponsorships, guerrilla marketing, retail experience, and even advertising. Offline programs can do the same for online branding.

Sometimes online support can mean the difference between failure and success for a **customer promotion.** For example, from August to December 2000, PepsiCo Inc. ran a joint promotion with Yahoo Inc. in which 1.5 billion bottles of Pepsi and Mountain Dew branded soft drinks had caps containing codes that could be converted to “Pepsistuff points” on the www.pepsiStuff.com or www.dewstuff.com sites. Consumers could accumulate points they could then use to obtain prizes or as currency for shopping and auctions on Yahoo. The promotion
attracted 3.5 million participants and boosted sales of both beverages by a total of 5 percent, especially impressive in the context of an industry experiencing almost no growth. Pepsi had held a similar version of that promotion offline three years earlier, with results so disappointing it abandoned the project. The Web support, however, turned it into a significant success.

Measurement tools, some unique to the Internet, help to make promotions more effective. By quantifying results and tracking user behavior, marketers can learn not only how many users visited a site, but also how many forwarded news of a given promotion to friends, how many product purchases were involved, and often from which sites visitors came. Such information can contribute to a marketing ROI analysis. In the Pepsi–Yahoo alliance, Pepsi could send e-mails to support the promotion, drawing its target audience from Yahoo’s database of more than 200 million users. Responses by segment can lead to program refinement.

Sponsorships, too, can be leveraged via the Internet for greater effectiveness. For a sponsorship to realize its potential as a brand builder, the brand needs to be strongly associated and intimately involved with the event. Most sponsorship linkages to events suffer because they lack continuity and depth. The Internet can be a vehicle to create or support the association and involvement of the core audience.

Take the Valvoline auto racing program. The Valvoline Web site extends and enriches the sponsorship experience. Valvoline.com has become a destination site for those involved with racing — the core customer base for Valvoline, a maker of motor oil and other automobile products. Visitors can access the schedule for NASCAR and other racing circuits and obtain results of recent races, complete with driver photos and interviews. The “Behind Closed Garage Doors” section provides commentary and analyses from a well-connected member of the motorsports community. Site visitors can “adopt” the Valvoline NASCAR team and learn about its finishes and the activities of the team members. In addition, it is possible to send Valvoline racing greeting cards, buy official Valvoline racing gear, download a Valvoline racing screensaver, and sign up for a weekly newsletter, Track Talk, which provides updates on the racing circuits. For customers, Valvoline thus becomes closely associated with the racing experience — it is far more involving than a mere logo on a car, and it has greater reach than any hospitality tent could ever hope to have.

For all the talk of virtuality, the Internet clearly can support the physical, in-store retail experience. At the Internet site of electronics retailer CompUSA Inc., for instance, visitors can check whether an item is in stock at a nearby store and get a map to find the store’s location. Using in-store computers, customers can order out-of-stock or even never-stocked items from the company’s Web site. The retail shopping experience becomes richer (and less frustrating) when the Web site is viewed as a complement to, rather than a competitor of, the retail presence.

Guerrilla marketing programs can also be leveraged using the Web. Guerrilla marketing covers offbeat — but on-brand — programs that use unconventional communications vehicles to create conversation and awareness, breaking through the clutter that diminishes the effectiveness of measured media. By now, most brand marketers are aware of the guerrilla campaign that helped create buzz around the independently produced
As Budweiser learned by putting “Whassup” on the Web, extending the life of a message in a new medium can change the economics of advertising.

film *The Blair Witch Project* a few years ago.

Mainstream consumer products companies have also begun to employ the Internet to undergird offline guerrilla efforts. The venerable Oscar Mayer Wienermobile qualifies. Eight frankfurter-shaped vehicles tour the U.S. — each tagged with an appropriate license plate, such as “Hot Dog” — turning up at special sports events, parades, fairs, and the like. As engaging as these ambassadors for Oscar Mayer are, the Wienermobiles have limited reach; for most consumers, encountering one is a one-time experience. But, through its Web site, www.oscarmayer.com, Oscar Mayer allows children (or adults, for that matter) to experience the Wienermobile in multiple ways, over an extended time period. Consumers can take a virtual tour of the interior of a Wienermobile, and they can visit Oscartown, checking out such places as the Oscar Museum, the Oscar Mart, and Town Hall. At the online Family Fun Park, they can choose to play a game of “ Weiner Pong,” which uses hot dogs as paddles, or drive the animated Wiener Patrol, gaining points by picking up schoolchildren and Oscar Mayer products while avoiding mustard slicks. Wienermobilia such as T-shirts, Hot Wheels toy Weinermobiles, and Wienerwhistles can be purchased. There is a postcard pit stop from which an e-card featuring the Wienermobile can be sent. This “World Wide Wiener Web” leverages the Wienermobile program against the core target, giving the program much more power than it otherwise would have had.

Finally, even that most respectable of marketing communications tools, measured media advertising, can be amplified through the loudspeaker of the Internet. Too often, buying an ad represents the purchase of reach and frequency for a message that does not stick. An integrative Web program can multiply not only the exposure of the advertising, but, more important, its impact. Anheuser-Busch’s Budweiser site shows how. When the delightful Lizard and “Whassup” TV ads were attracting attention, customers could go to the Web site and play the spots. Fans could also purchase T-shirts and pool toys depicting Frank and Louis, the star lizards from the campaign. Further, e-cards were available to send to friends and family — an inexpensive but powerful way to leverage advertising symbols because they add personal endorsement to brand imagery. The potential of extending the life of the media message in a meaningful way, especially among the core target audience, can change the economics of the advertising.

**Augmenting the Product**

Differentiation, being perceived as uniquely and positively unlike competing offerings, is the key to strong brands. Without differentiation, there is no basis for selection or loyalty except price, which turns a brand into a commodity. Analyses by the global advertising agency Young & Rubicam Inc. (through its Brand Asset Evaluator database, which tracked thousands of brands over a nearly 10-year period) found that new brands enjoyed success when differentiation was high even if relevance, esteem, and recognition had not yet developed. Conversely, brands that saw their differentiation fade lost position even though their relevance, esteem, and recognition remained high.

As product classes mature — whether computers or retailing or packaged goods or pharmaceuticals or financial services — there is a tendency to see sameness in the product and service offerings. It is more difficult to create differentiation. Product refinements often get lost in
A classic way to achieve differentiation in mature categories is to augment the product, thereby redefining what is being purchased. For example, an industrial firm making expendable supplies may differentiate on the basis of logistical services, or even by supplying advice on managing operations rather than on the core product. The augmented product is differentiated, and it becomes the basis for a deeper customer relationship.

When the augmented product defines a new product class, and the firm brands and actively manages it to create a lasting point of differentiation, it’s a home run. Charles Schwab & Company hit just such a home run with its mutual fund OneSource branded service, which is now integrated into its Web site and represents a new and distinct category of Schwab brokerage services.

In contrast to offline avenues, which have been nearly exhausted through the years, the Internet still provides wide-open territory for product and service augmentation, and will be more likely to result in first-mover or fast-follower advantages. Again, though, the key is to think of the Internet not as a stand-alone media vehicle, but, rather, as a way to leverage the products and services of the business.

Consider the FedEx Corporation’s Internet-based tracking system, which allows customers to find out exactly where their package is at any given point in the delivery process. FedEx has extended tracking to the handheld world of PDAs. The company has even moved beyond tracking to offer other online services, such as the FedEx Ship Manager, which allows registered users to track shipments, prepare labels online, maintain an online address book, get rate quotes, arrange pickups and dropoffs, and request delivery announcements and confirmations via e-mail. Such services augment FedEx’s offerings, actually changing the customer’s perception of what is being purchased, and transforming the nature of that customer’s relationship with FedEx.

Financial and delivery services are both information-rich categories. But even the most conventional and mature product categories are open to Web-based differentiation.

Procter & Gamble Company’s Pampers is a con-

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<th>Internet Brand Building’s Five Success Factors</th>
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<td>Five success factors must be addressed if the Internet is to play an effective role in amplifying, differentiating, and integrating a brand and its communications.</td>
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<td>1. The firm needs a clear brand identity and vision that drives all the brand-building programs. The key is to know your brand and what associations you want it to have — what user profiles, brand personality, organizational associations, emotional and self-expressive benefits, and functional benefits.</td>
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<td>2. Companies must create an organization that allows the Internet to be integrated into the total brand-building effort of the firm. Indeed, the Internet must be integrated into the actual product and service offerings of the firm. For some companies, viewing completely furnished rooms accompanied by lists of the products that decorate them. Consider also Harley-Davidson Inc., whose site opens with a picture of an open road hugging a rugged shoreline and provides links to the Harley experience — all with the Harley feel and colors.</td>
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<td>3. Design matters. The Web site and other Internet components need to support the brand with a look, feel, and personality that is on-brand and consistent with the brand presence elsewhere. A good example is Pottery Barn’s site, where visitors can shop by viewing completely furnished rooms.</td>
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<td>4. Customers need to be motivated to come to the site and return regularly. Motivation usually involves information, entertainment, or interactive communication. The “if we build it, they will come” philosophy, heavy on “brochureware,” has long been obsolete.</td>
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<td>5. When the brand is represented by on-brand visuals and content, it becomes easier to detect programs that have not achieved on-brand focus. Achieving that focus is surprisingly difficult; even a casual surfer knows that few Web sites consistently represent what the brand stands for. This rather sad state of affairs is due in part to the functional need to be comprehensive, easy to navigate, and uncluttered, and in part to the lack of a clear vision.</td>
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Five success factors must be addressed if the Internet is to play an effective role in amplifying, differentiating, and integrating a brand and its communications. No longer can the Internet be perceived as another communications medium to be managed by silo organizations of specialists. When the brand is represented by on-brand visuals and content, it becomes easier to detect programs that have not achieved on-brand focus. Achieving that focus is surprisingly difficult; even a casual surfer knows that few Web sites consistently represent what the brand stands for. This rather sad state of affairs is due in part to the functional need to be comprehensive, easy to navigate, and uncluttered, and in part to the lack of a clear vision.
There are a variety of ways to motivate return visits. ESPN.com, with more than 5 million visitors per day, attracts people regularly with its news from current sporting events. Sony's game site (www.station.sony.com), which includes several versions of the popular Jeopardy game, was one of the most visited gaming sites in late 2001, with more than 6 million unique visitors per month. Nabiscoworld.com's games and sweepstakes have helped it become one of the top 10 packaged-goods sites in terms of the number of visitors, ahead of Coke and Pepsi.

People come to the Pampers site to compare notes on the progress their babies have made and the challenges at each stage. The restaurateur located on a busy corner will thrive. Similarly, the easiest way to get Internet traffic is to become part of a site that already has it. For example, Bolt, a leading site for teens and young adults, features sponsored contests from the likes of Hawaiian Punch, Ford, Kodak, Nike, Verizon, and Maybelline. Such an approach will have legs and long-term equity if a branded subsection of a well-traveled site such as Bolt, or ESPN or Disney or Yahoo, can be established. If not, much of the brand benefit will be transient. But the affiliated site must be on-brand as well as heavily trafficked because its associations will affect the brand in question.

5. The brand Web site needs to be linked to other brand-building programs or to the product or service itself. When the offline and online efforts are truly linked, traffic will be driven to the Web site. People are motivated to go to the Harley-Davidson site to relive "H.O.G. Rallys" and to plan new ones, for example. By comparison, using banner advertising or offline media spending to attract people to particular sites is usually expensive and ineffective.

The big payoff occurs when visiting the Web site is not a discrete action, but rather part of a large brand experience. Having the Nickelodeon television experience amplified with the interactive online component deepens the audience experience and thereby the audience's relationship with the brand.

— D.A.A.

In part because of the Pampers Parenting Institute, Pampers is the second most popular baby-care site on the Web, with about 1 million unique visitors per month, many times more than are attracted to the site of the Kimberly-Clark Corporation's Huggies, Pampers' arch-competitor. And the financial impact is real; consumers visiting the Pampers site are 30 percent more likely to purchase Pampers, according to Advertising Age.

Another Procter & Gamble brand, Tide, has an online Tide Stain Detective (www.clothesline.com) to stimulate traffic (and bookmarking) from those who realize that at some point in life, they will need advice on stain removal. The Stain Detective provides credibility and differentiation for a brand in a functional category.

Kraft boasts the Kraft Interactive Kitchen (www.kraftfoods.com), one of the leading food sites, which features Kraft Kids Corner, Just for You, and Wisdom of Moms. Such branded features provide points of differentiation, which enhance brands that have a difficult time breaking out from the clutter of low-involvement activities and brands. It is no coincidence that, in early 2002, Kraftfoods.com and Tide.com
were the No. 2 and No. 3 packaged-goods sites (after www.pg.com), according to ComScore Networks.

Television, too, has historically been a commodity product, with networks — in the pre-cable age, certainly — all trafficking promiscuously in news, talk shows, situation comedies, dramas, and other conventional programming forms. Although the explosion of cable and satellite television channels has allowed producers more opportunity to create targeted programming, it has also made differentiation a necessity if a network is to attract and hold an audience and embed itself as the brand of choice.

In the competitive children’s television category, Nickelodeon has maintained its leadership among the 8-to 12-year-old set in part via the Nick.com Web site, which gets 1.5 million visitors a week. This site gives the brand much more depth and a qualitatively stronger relationship with its target audience than would be possible with the television network alone.

Nickelodeon’s favored position on the Web expands and deepens the parent brand’s “have fun” brand experience, in large part by allowing kids to engage actively with the content (something that a passive medium like television cannot provide on its own). Kids can vote all day for their favorite music video, then see the winner played the same evening. Real-time multiplayer trivia tournaments can be played on the site, and winners can see their name on national television. Jimmy Neutron, a science-loving nerd, was introduced with several 30-second TV vignettes whose endings were available only on the Web site. The character has become one of Nickelodeon’s strongest. Nick.com also started an e-Collectibles program that allows viewers to “buy” (with points earned by Web activities) or trade cards to accumulate complete sets. When a Jimmy Neutron set of cards became available, 50,000 kids got involved during the first week.

To make Web-enabled product or service augmentation a sustainable point of differentiation, it is critical to brand it. Amazon.com was a pioneer in developing one of its most powerful features: the ability to recommend books and other products based on a customer’s interests, as reflected by the individual’s purchase and search history and the purchase history of others who bought similar offerings. But, regretfully, it never branded this service, and the feature quickly became a commodity — an expected offering of many e-commerce sites. If Amazon had branded the service and then actively managed it as part of the brand, improving the feature over time, it would have had a lasting point of differentiation that would have created an invaluable — perhaps insurmountable — barrier to entry. The Seattle retailer did not make the same mistake with 1-Click, a branded checkout service that plays a key role in defining Amazon in the messy e-tail marketplace.

The point is, you need to brand it! Pampers Perks, Tide Stain Detective, and Jimmy Neutron are all brands that are actively controlled and managed by their firms. As a result, each has the potential to gain the authenticity and energy that accompany a strong brand.

**Brand Building’s Strongest Link**

Perhaps the most powerful role the Internet can play in brand-building programs is that of integrator. It has the potential to provide a unifying link among the totality of communications efforts that surround a brand. Moreover, the medium can do this both internally and externally, helping the company improve its brand mar-
Marketing and sales efforts while galvanizing support in the consumer marketplace.

Internally, the Web provides a single place in which all the firm’s brand-building programs can appear. When one or more of these programs is off strategy in presentation or in content, the departure can be observed and understood by senior executives. The medium becomes a version of the big wall on which companies and their ad agencies used to attach and view the entirety of a brand’s visual representations (i.e., ads, packaging, product designs, and brochures) in order to observe inconsistencies.

Externally, the Internet site has the potential to play an integrating role similar to that of an “event store,” the way Niketown does for Nike. Niketown provides a total brand experience, with the full scope of the brand portrayed in a controlled context. Such a use of retail stores (the outdoor equipment retailers REI and L.L. Bean also employ them) portrays a brand in all its richness to an important segment of consumers, who get to see the brand as a whole, in an on-brand context, rather than in bits and pieces.

A well-designed Web site performs a comparable function, integrating disparate business units and communications programs into a coherent and cohesive narrative. The Martha Stewart site, for example, brings together a wide spectrum of business units on a single site that effectively communicates the core identity of the brand — improve the quality of living in the home, elevate homemaking, and encourage do-it-yourself ingenuity. The Martha Stewart Signature section of the site details collections of coordinated decorator fabrics (sold through fabric retailers) and paints (sold exclusively through Sherwin-Williams stores). Visitors clicking on Martha Stewart Everyday are linked to Kmart’s site (www.bluelight.com), where the housewares line is presented with a design characteristic of Martha Stewart, despite being on a different site. Martha Stewart Shop, the online version of the Martha by Mail catalog, sells a variety of cookware and gardening tools Ms. Stewart uses on her TV shows, as well as such on-brand products as craft kits and holiday-themed decorations. Visitors can preview the content of Martha Stewart Living magazine, check out the TV program lineup, and order transcripts of radio spots. Registered members of the site can share tips and ideas in the Bulletin Boards section.

The total impact of Marthastewart.com thus does more than support individual businesses and programs; it reflects the Martha Stewart brand in its entirety. Like many integrative sites, Marthastewart.com is primarily aimed at the loyal user: Its greatest value is in maximizing retention and increased purchases from “brand friends,” and it has only a marginal effect on fringe buyers. Successful Internet brand builders have a core target group on which to focus. They don’t try to service a broad audience.

The Internet has the power to revolutionize brand building, to create new forms of differentiation, to make brand-building programs more effective, and to help companies move toward the elusive goal of providing integrated, consistent, and synergistic brand building. Businesses need to get out of the silo mentality both conceptually and organizationally. The Internet can make that happen because it can link to all the other brand-building efforts.

Resources


