

Visionary brand strategies require visionary product strategies: Centering product experience is imperative

Received (in revised form): 3rd July, 2020



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Abstract

Consumers today are more likely to develop their own perceptions about brands instead of passively accepting brand-crafted messages. More than ever, these perceptions are developed through product experiences, placing them firmly at the centre of the brand experience (Sterling, G. [May 2018] 'Survey surprise: 90% of consumers report being brand-loyal', available at: <https://marketingland.com/survey-surprise-90-of-consumers-report-being-brand-loyal-248401> [accessed July, 2020]). For a product company, a visionary brand strategy needs to anticipate shifting consumer behaviour to build a differentiated and durable product experience. But instead of taking the consumer into account as they plan for future innovation, too many brands find themselves reacting to different futures. Instead, companies can harness the methods and techniques of design and innovation strategy, a discipline that combines business strategy with consumer insights to anticipate and create robust strategies based on meaningful, future-driven product experiences. Megatrends, high-level trends that reflect evolving customer expectations, articulate what consumers are looking for in a brand experience — and what they will continue to look for over the next five to ten years. Analysis of these trends, combined with an understanding of emerging technologies and how they are simultaneously changing the way consumers experience products, are important drivers of a consumer-centric, future-driven approach that leverages tools such as forecasting, scenarios of the future, backcasting and visions of the future.

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This paper provides practical steps which brands can take to rethink their product strategy in support of a more powerful, more durable brand experience. But underlying all of these steps is a shift in mindset.

Keywords

product experience, user experience, design and innovation strategy, forecasting and backcasting, megatrends, emerging technology, digital-physical integration

IT IS THE EXPERIENCE

Take a moment to think about one of the brands you appreciate most, not as a marketer or strategist, but as a consumer. What is the first thing that comes to mind?

If you are like most consumers, it is not an ad, a logo or some other piece of brand communication. It is the experience of using a product or service the brand offers.

If the brand is Tesla, you might think about the smooth driving experience or the empowering, direct-to-consumer experience of *buying* one of their cars; if it is Bose, it might be a moment when you particularly enjoyed the great sound quality or peaceful quietude provided by their headphones. If it is Nest, you might think about how your thermostat automatically adjusts the temperature in your home to your liking, or how you are able to use your phone to stop the beeping of the smoke alarm.¹ These kinds of experiences stick, because they are more concrete than communications, and because they are specific to you, the customer.

Strictly speaking, each of these moments was a 'product' experience rather than a brand experience. It probably occurred after you had already decided to buy or use the service, and its primary focus was not celebrating the brand, but helping you do something you wanted to do. Of course, in today's review culture, the product experience influenced you *before* you decided to buy or use the service. Great product experiences create brand evangelists who are motivated to post positive

reviews. Bad product experiences lead to negative reviews that live forever.

The idea that product experience is crucial to brand experience is familiar to anyone who works in the branding space, where we have long said that a brand is the sum of all the impressions it makes on a consumer. But something has changed in recent years. Twenty years ago we could count on communications to define the brand, and let someone else worry about the customer experience, which was seen as playing a supporting role in brand perception.² Today it is undeniable that the most critical brand impressions leading to long-term loyalty occur during the end-to-end experience of a person using your product.

This might sound obvious, but it is still very much at odds with the way many brands focus their efforts and dollars. After all, advertising and brand communication is still one of the most lucrative businesses on earth, being the primary source of income for Google, Facebook and thousands of other companies. (Ironically, Google and Facebook spend very little on brand communication themselves.) But the enormous volume of traditional and digital brand communication is also what is making it less effective. Overwhelmed by marketing messages, and faced with endless choices for just about every buy, consumers are looking at brand communication with growing scepticism.

In the old model, someone looking to buy a new coffee maker might recall half a

dozen ads they have seen, and these would come to mind when they started shopping. Today, every page of their browser is full of ads for coffee makers as soon as they start searching online. But are they even looking? There are plenty of other channels they can use to inform their buy, and each of those channels is well designed, credible and astoundingly easy to use: professional and consumer reviews, online communities of enthusiasts, blogs and Instagram feeds, shopping podcasts and much more.

This makes it possible for individual consumers to seek out brands that align with their own values, and growing numbers of them are doing exactly that. The typical reaction from brands is to try and match those value expectations through brand communications, suddenly rolling out ad campaigns touting their commitment to sustainability, for example, or innovation or social issues. But this is not where consumers are looking. When they seek out an aligned brand, they often go right to the source, looking to the products it makes, the experiences it enables and the impressions of other people whose opinions they trust.³ If brands want to stay relevant in the next five to ten years, they need to learn how to meet these consumers where they already are — at the product experience level.

CONSUMER VALUES ARE SHIFTING

If you want to turn your product strategy into something that builds brand loyalty, you need to start with an understanding of your customers' shifting values. As part of our ongoing research into high-level trends that shape customer expectations, Bresslergroup has identified ten well-established global megatrends that define what consumers are looking for in

a brand experience — and what they will continue to look for over the next five to ten years.⁴

To identify the megatrends, we analysed different drivers that influence consumer behaviour, such as population change, changing values, technology advancements, economic growth and shifts and environmental shifts. In the meantime, we looked for signs of change that serve as indications of different, plausible futures. The megatrends surfaced once we combined these factors and filtered out the noise.

Of the ten global megatrends (Figure 1), we have pulled the five that are the most relevant for brands that are struggling to connect:

Consumer Remapped means that people are getting comfortable with maintaining multiple, flexible identities. For brands, this means stepping back from telling customers who they are and giving them more opportunity to define their own identity and where the brand fits into it.

Empowered Individual states the obvious: that consumers have more information and choice than ever and are increasingly willing to use it. Never before have so many of us had such strong opinions about so many brands and so many options for finding exactly the right fit.

Search for Authenticity is a reaction to the disconnect between brand messaging and brand experience. Today's consumers are looking for brands that match their own values — not just in what they are saying today, but in what they have said and done throughout their history. The more a brand's behaviour

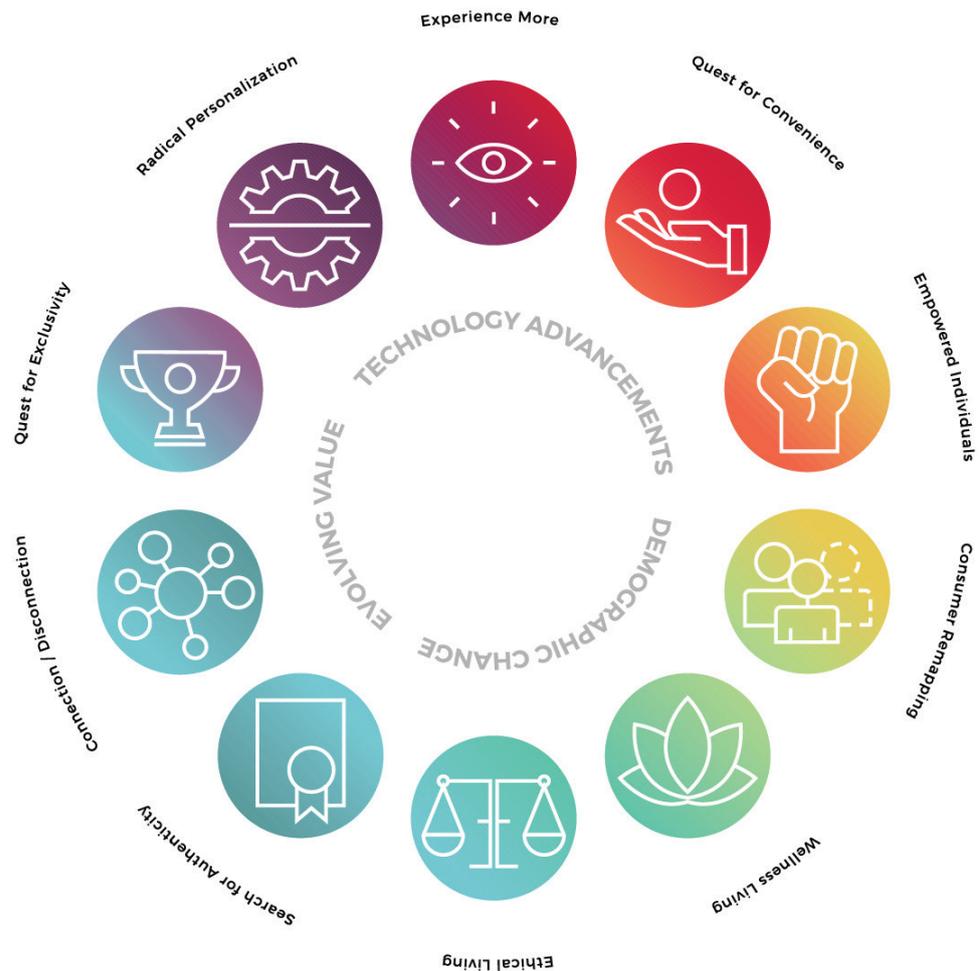


Figure 1 The ten consumer megatrends reshaping product design.

Source: Chen, R. (December 2019) 'The mega megatrends post: your guide to the ten consumer megatrends reshaping product design', available at: <https://www.bresslergroup.com/blog/the-mega-megatrends-post-guide-to-megatrends/> (accessed July, 2020).

matches its story, the more authentic it is, and the more people will connect to it.

Quest for Exclusivity is not a new desire, but it is far more attainable than in the past. Consumers no longer need to spend huge amounts of money to get something unique and interesting.

Ethical Living is one of the important ways consumers are responding to what they see as a crisis of responsibility. Brands that demonstrate respect for their workers and for the

environment get a boost in perception that no ad campaign can match.

There is no way a brand can respond to these shifts through marketing and communication alone. And even if it could, the effect would be temporary at best — with their current levels of information, interaction and choice, consumers are now changing faster than brands possibly could.⁵ Trying to refresh a brand identity fast enough to keep up with consumer expectations would be like aiming at a moving target that just keeps accelerating.

CONSUMERS EXPERIENCE PRODUCTS DIFFERENTLY TODAY

Developing a new product strategy that helps build brand loyalty is no easy task. Many of the baseline assumptions about what makes a good product experience are shifting, so it is crucial to get a clear picture of what is happening between the customer and the product before making any big decisions.

To start with, the way customers experience the value of their purchases is being spread out. In a traditional marketing world view, product value is realised at the moment of buying. A consumer absorbs marketing messages, weighs options, then makes a decision. Their satisfaction in making the right decision depends on how well the product fulfils the brand promise that has been established.

But many of today's most visible and desirable products continue to change and evolve *after* they have been bought. Services, apps, software and subscriptions are all relatively easy to try out, but they are also constantly evaluated and expected to improve.

A lot of physical products too are heading in this direction. Tesla made headlines for pushing software updates that actually expanded the capabilities of its vehicles, but this is now common practice among companies making connected devices, whether it is cars, sound systems or thermostats. So it should not be surprising that a lot of customers are going to continue forming their impression of a brand for months or years after that first engagement. And that impression is based almost entirely on how they experience the product. The value of Alexa increases over time for a consumer as they invest more in the ecosystem — as they share more data, buy more supported products and put in more time to personalise their

system. All of this makes them less likely to move on to another system.

There is also the well-known issue of channel fragmentation. We know that consumers have more channels available, both for learning about a product and for purchasing it. Someone looking for a flat screen TV today is more likely to do an online search based on features and positive reviews than to seek out a brand name they heard about in an ad. This takes some of the important parts of the brand experience out of the hands of the brand. You can control the way your shoe is displayed, demonstrated, sold and supported when it is bought through your own website, store or branded section within a retailer. But you cannot control what happens on Amazon, or how it is demonstrated in a YouTube video. Once again, this puts more importance on the one area where you have total control: the product itself.

NIMBLE SHIFTS REQUIRE BETTER STRATEGY

Complicating matters is the fact that every part of this equation is changing with blinding speed. All that access to information is doing more than just making consumers sceptical of marketing messages; it is also encouraging them to update their identities and preferences constantly. Global competition is pushing up the rate of change too, as start-ups and concepts from Silicon Valley to Estonia to Penang compete directly to introduce new products to globally connected consumers. It is not only technological innovation that is accelerating, but also the rate at which new ideas are generated. We have never had so much inspiration to draw from or such a wide range of potential customers to reward us if we get it right.

Because of all this, the whole notion of 'long term' is starting to shift. Five years ago, gluten-free products were a speciality niche; today they are on menus and store shelves worldwide. Climate change is a concern of mainstream consumers now, leaving thousands of brands scrambling to figure out how to reduce their carbon footprint or how to publicise their existing initiatives. And every time a new preference goes mainstream, a smaller upstart brand is already there, ready to address it with established products and an authentic, credible brand story.

Numerous brands have tried to deal with this accelerating landscape by speeding up the rate at which they update Take Facebook Home brand elements, but this can just as easily backfire.

Take Facebook Home, which aimed to be the home screen for Android smartphones — and was backed by a large Facebook user base — when it debuted in 2013. Almost immediately, it was criticised for lack of user controls and privacy concerns. While the experience of Home was polished, Facebook underestimated how diverse their consumers are (see *Consumer Remapped*) and how much control the consumer wants (see *Empowered Individual*) and delivered an experience that only Facebook fanatics enjoyed. Within a month of being released, the price of the AT&T HTC First, the only phone to ship with the new Facebook Home Android app right out of the box dropped from US\$99 to US\$0.99. Facebook introduced updates to give consumers more control over their home screen, but it was too late. Within a year, Facebook stopped updating Home, and the app is no longer available on the Google Play Store.

A strong brand identity depends just as much on consistency as it does on relevance.⁶ If your online experience is glaringly different from your app or in-store

experience, and your product does not fulfil the promises your brand makes, it can be worse than having no brand at all. Customer perception is heavily shaped by expectation, so having a great experience at one touchpoint can actually become a liability if it causes another touchpoint to look bad by comparison.

Maintaining a consistent brand experience across touchpoints is crucial, but it requires a coherent brand strategy that informs all of them. This brand strategy needs to plug into the digital-physical integration tools that are either in use now, such as Tesla's over-the-air software updates, or are emerging in the marketplace. This is its own task, separate from the design of any individual part, and it is necessarily a long-term, holistic one. Brands no longer have the luxury of waiting until their customers update their preferences to start adapting. When consumers evolve faster than brands do, the only safe strategy is to start planning today for where the market will be tomorrow — even if consumers themselves cannot see it coming.

PRODUCT PLANNING IS A COMPANY-WIDE CONCERN

So what does it look like when a brand responds to all this effectively? Clearly, it needs to look more closely at today's consumers in order to better forecast their expectations tomorrow. And it has to make product planning a top-down, company-wide concern — something the entire organisation focuses on as a matter of brand survival and not just as a periodic update.⁷

In practical terms, this means making strategic foresight an essential practice within the organisation. Market, user and trend research should be ongoing efforts, informing regular cross-disciplinary, multilayered discussions about where the

brand will be in a year, three years, five years and further out. These should manifest as scenarios: specific stories about how the brand is perceived, what products it offers and how customers interact with it. Scenarios have a specific time frame, and they are written in a way that makes their assumptions about technology advancement and demographic shift clear.

Effective forecasting typically involves creating a variety of possible scenarios, then actively choosing which one is most desirable for the brand, while still being attainable. This resulting brand vision must be clearly articulated and widely shared within the organisation. And most crucially, it needs to translate into a cohesive product strategy.

In essence, to have a visionary brand strategy, you first need a visionary product strategy that reflects your consumers' values and lifestyle of the future.

Step one: Forecasting to predict scenarios of the future

Forecasting predicts probable future scenarios based on trend analysis (Figure 2). From the different scenarios, companies can determine their vision of the future. Strategists use a combination of sociocultural, consumer and technology trends to predict future scenarios. Consumer megatrends are one of the tools that systematically look at how consumers will evolve in the future. Depending on the industry, this future can be five years, ten years, fifteen years from now — or more.

For example, a company that manufactures a product related to urban life might want to envision what cities around the world will look like in 2030. A manufacturer of products for children might want to understand what play will consist of in 2025.

COVID-19 and its impact has reminded all of us that the one thing we can count on in the future is uncertainty. A robust strategy that leverages tools such as forecasting and scenarios of the future helps brands withstand the ups and downs that are caused by such unexpected events.

Think of the brands that would have benefitted from having such a robust strategy in place when COVID-19 hit. What if Zoom had envisioned its product's potential in consumer markets for non-business purposes?⁸ And imagine if just one institute of higher education had used strategic foresight to envision various futures around a global pandemic — and created a preferred future for all to follow that is affordable, equitable and valuable.

Step two: Vision of the future, backcasting to map out a product strategy

Once you forecast different scenarios of the future, you can create your vision for the future — the scenario that is most desirable for your company. This is where backcasting, or forecasting in reverse, comes in to plan the steps that it will take to get there.

Backcasting is the process of taking your vision of the future and figuring out the strategy and tactics needed to achieve it. It allows you to identify the opportunities and obstacles that will come up as you move towards your ideal outcome.

What important events, changes or technologies will be required to reach your future destination? Backcasting creates a road map towards your imagined future. It provides actionable steps and a path forward.

Amazon is one example of a company that created a clear vision and used backcasting to generate a path to disruptive innovation.

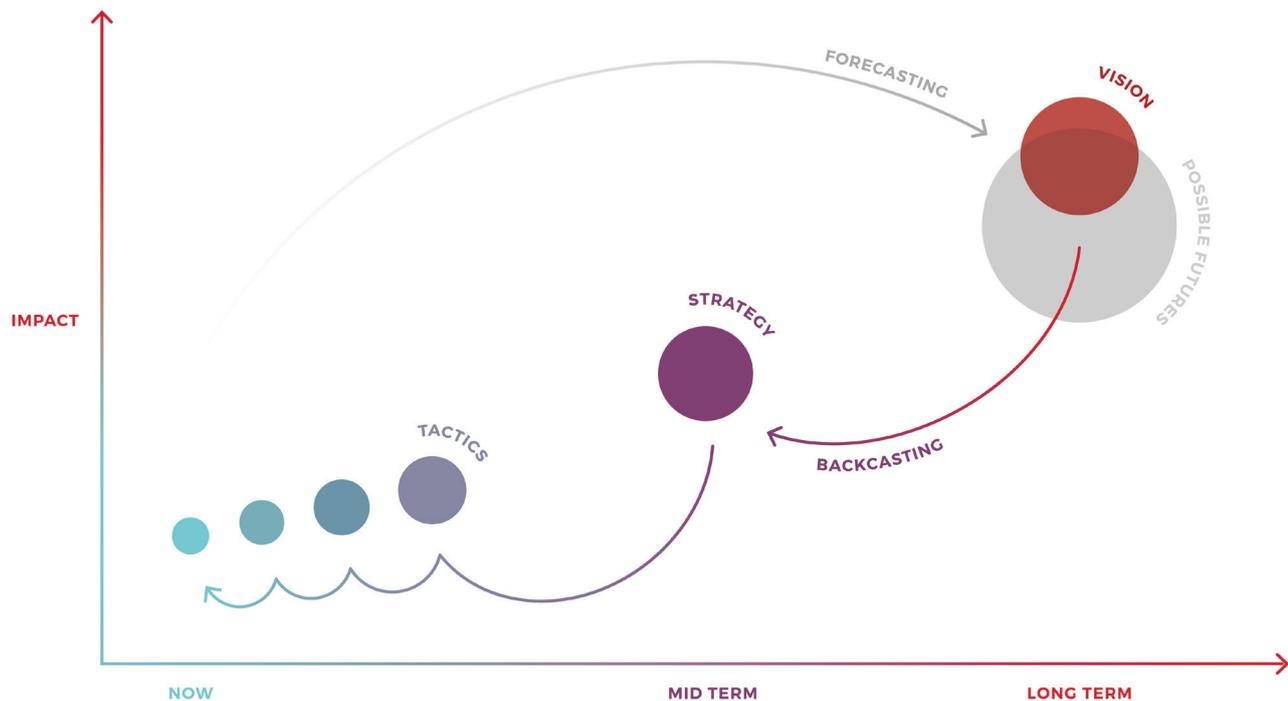


Figure 2 Forecasting and backcasting.

Source: Bresslergroup. Chen, R. (January 2020) 'Design Defined: How 'forecasting and backcasting' enable disruptive innovation,' available at: <https://www.bresslergroup.com/blog/design-defined-forecasting-and-backcasting/> (accessed August, 2020)

When Amazon started as an Internet bookseller back in 1995, its mission statement was 'to be Earth's most customer-centric company, where customers can find and discover anything they might want to buy online, and endeavors to offer its customers the lowest possible prices'.

This goal persists today, but it has redefined who its customers are and envisions a future in which Amazon serves all aspects of its customers' lives. This is an example of a vision based on the company's desire, rather than on analysis.

While Amazon never stops taking incremental steps, it is also making jumps — such as developing the Alexa platform, going into home automation and acquiring Whole Foods. These jumps enable Amazon to engage consumers in ways

that far surpass what an e-commerce site could do.

All these strategic moves were planned years ago when the company asked itself, 'How do we serve all aspects of consumer life in the future?'

HOW THE MOST SUCCESSFUL PRODUCT BRAND STRATEGIES GET IT RIGHT

After helping numerous brands do this kind of strategic product planning, we have noticed that the most successful efforts tend to do a few fundamental things.

First, they focus on customers more than on sub-brands or categories. It is easy for a company to get bound up in its internal divisions and project them onto consumers. But for consumers, the brand and

product landscape is fluid, and just because they limited themselves to one category last year it does not mean they will this year too. The most flexible brands consider who they are trying to appeal to first and foremost and divide up their product development efforts that way, rather than by some long-established but ultimately irrelevant departmental division.

Second, strategic product planning is an intensely collaborative effort, regularly bringing brand experts and product experts together in the same room. The chief marketing officer (CMO) should be involved in product development, and product owners should be helping to shape the brand vision. If every product interaction is an opportunity to build brand loyalty, then every decision about those interactions requires input from both sides.

Finally, the most effective brand strategies use experiences to communicate their brand vision to customers. This is the reason why retail brands like Shinola, West Elm and Equinox Fitness have branched out into branded hotels and why Disney runs a cruise ship line. Immersive experiences are among the few remaining things that cannot be digitised and downloaded, so they still have a special grab on our emotions.

Taking advantage of this fact can mean opening a new, experience-oriented side business, as in the foregoing examples, or it can mean hosting events (this is one reason branded pop-ups keep popping up everywhere). But at its most fundamental, it means making sure that the time your customers spend interacting with your brand in the real world, whether in a store or at a service counter, needs to be a positive experience, that is true to your brand. Apple was a genuine innovator here, investing enormous design attention in its

physical stores and Genius Bar customer service desks, even though it is primarily a digital brand. In doing so, it managed to take two potentially unpleasant experiences — shopping for technology and dealing with customer support — and make them genuinely delightful, in a way that feels entirely Apple-like.

CONCLUSION

In this paper we have provided a few practical steps (forecasting to predict scenarios of the future, followed by vision of the future and backcasting to create a product strategy) that brands can take to rethink their product strategy in support of a more powerful, more durable brand experience. But underlying all of these steps is a shift in mindset. For decades, maybe centuries, there has been a broad separation between product management and marketing. Products were what you designed to address people's needs, provide function and solve problems, while marketing was there to make people want the product. As we have already described, however, there are a wide range of reasons why that split does not make sense any more. The marketing campaign of tomorrow is not a marketing campaign at all — at least not one that we would recognise today.

It is what consumers experience, not what they see or hear. It is the way they solve a problem or achieve a goal, with your brand helping them as only your brand can. Creating products and services that do this well is a difficult task, because they have to work beautifully and uniquely at the same time. But for consumers who have gotten tired of being told what to like and who to be, it is both the most generous and the most successful approach we have got.

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